FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the Month of April, 2008

Commission File Number 1-32001

Lorus Therapeutics Inc.

(Translation of registrant's name into English)

2 Meridian Road, Toronto, Ontario M9W 4Z7

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):82-_____.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Lorus Therapeutics Inc.

Date: April 18, 2008

By: /s/ "Elizabeth Williams"
Elizabeth Williams
Director of Finance and Controller

EXHIBIT INDEX

99.1	GENESENSE TECHNOLOGIES INC. AND ZOR PHARMACEUTICALS, LLC EXCLUSIVE LICENSE AGREEMENT
99.2	INDEPENDENT CONTRACTOR SERVICES AGREEMENT
99.3	ZOR PHARMACEUTICALS, LLC LIMITED LIABILITY COMPANY AGREEMENT

GENESENSE TECHNOLOGIES INC.

and

ZOR PHARMACEUTICALS, LLC

EXCLUSIVE LICENSE AGREEMENT

April 8, 2008

EXCLUSIVE LICENSE AGREEMENT

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EXCLUSIVE LICENSE AGREEMENT

This Exclusive License Agreement, effective as of April 8, 2008, (the "**Effective Date**") is entered into by and between **GENESENSE TECHNOLOGIES INC.**, a corporation incorporated under the laws of Canada, having a place of business at 2 Meridian Road, Toronto, Ontario, Canada M9W 4Z7 ("**Licensor**") and **ZOR PHARMACEUTICALS, LLC** a Delaware limited liability company, having a place of business at **(REDACTED: Zor Address)** ("**Licensee**").

WHEREAS, Licensor has proprietary rights and know-how relating to a product extracted from bovine bile and known by the tradename "Virulizin"®;

WHEREAS, Licensee wishes to obtain an exclusive license for the manufacture, use, distribution, marketing and sale of Virulizin within the territory described in this agreement; and

WHEREAS, Licensor is prepared to grant such a license, on the terms and conditions contained in this agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Parties hereto, intending to be legally bound, agree as follows:

Article 1 Definitions and Interpretation

For the purposes of this Agreement, the following words and phrases shall have the following meanings:

1.1 "Affiliate"

means, with respect to any entity, any entity that directly or indirectly controls, is controlled by, or is under common Control with such entity. As used in this Section 1.1:

1.1.1 "control" means direct or indirect control of at least fifty percent (50%) of the voting securities of an entity or, if such entity does not have outstanding voting securities, at least fifty percent (50%) of the directorships or similar positions with respect to such entity; and

1.1.2 "entity" means any corporation, company, association, joint venture, partnership, trust or any other organization that has independent legal authority;

PROVIDED that in the case of jurisdictions in which the maximum percentage ownership permitted by law for a foreign investor is less than fifty percent (50%), such lower percentage shall be substituted in the preceding sentence if such foreign investor has the power to direct the management and policies of such entity.

1.2 "Agreement"

means this agreement, including the schedules hereto and any written agreement, document or instrument entered into, made or delivered pursuant to the terms hereof, and as any of them may from time to time be supplemented or amended.

1.3 "Applicable Law(s)"

means the United States *Federal Food, Drug and Cosmetic Act* of 1938, as amended, and all other applicable laws, rules, regulations and guidelines within the Territory that apply to the import, export, research and development, manufacture, marketing, distribution or sale of the Licensed Product in the Field of Use in the Territory or the performance of either Party's obligations under this Agreement (including disclosure obligations as required by the United States Securities and Exchange Commission or other comparable exchange or securities commission having authority over a Party) to the extent applicable and relevant to such Party.

1.4 "Books and Records"

means, in whatever media, any and all books and records, documents, reports and accounts in connection with or relating to the Licensed Product and its Development and Commercialization including, without limitation, the books of account described in Section 8.1.

1.5 "Business Day"

means any day other than a Saturday, Sunday or commercial holiday in either Toronto, Ontario or New York, New York.

1.6 "Clinical Trial"

means a Phase I Clinical Trial, a Phase I/II Clinical Trial, a Phase II Clinical Trial or a Phase III Clinical Trial.

1.7 "Collateral"

has the meaning set out in Section 2.9.

1.8 "Commercialization"

means any and all activities directed to marketing, advertising, promoting, detailing, distributing, importing, exporting or selling the Licensed Product.

1.9 "Competent Authority(ies)"

means, collectively, the entities in each country in the Territory with authority to grant a Marketing Authorization or otherwise having jurisdiction over the testing, manufacture, use, storage, import, transport, promotion, marketing or sale of medicinal products intended for human use, including but not limited to the FDA (in the case of the United States) and the EMEA (in the case of the countries within the European Union).

1.10 "Control" or "Controlled"

means, with respect to any Intellectual Property or Books and Records, the possession (whether by license, other than pursuant to this Agreement, or ownership) by a Party of the ability to grant to the other Party access or a license as provided herein without violating the terms of any agreement or other arrangement, existing before or after the Effective Date with any Third Party.

1.11 "Covering", "Cover" and "Covered"

means, with respect to a Patent Right, that, but for a license granted to a party under a Valid Claim included in such Patent Right, the practice by such party of an invention claimed in such Patent Right would infringe such Valid Claim or in the case of a Patent Right that is a patent application, would infringe a Valid Claim in such patent application if it were to issue as a patent.

1.12 "Development" and "Developed"

means the conduct of research and development activities relating to the Licensed Product for use in the Field of Use, including all formulating, processing, Manufacturing, preclinical and other testing, clinical and other studies, and other activities (including test method development, toxicology studies, statistical analysis and report writing, packaging, labeling and regulatory affairs, product approval and registration activities) necessary or desirable to obtain and maintain Marketing Authorization of the Licensed Product in the Field of Use.

1.13 **"Development Milestone"**

means the events set out in Part I and Part II of Exhibit F, as applicable.

1.14 "Development Program"

means the Development Program to be prepared by Licensee pursuant to the provisions of Section 5.2, as amended by any Development Program Amendments.

1.15 "Development Program Amendment"

means either a Development Program Amendment defined in Section 11.4.1, or an amendment to a Development Program agreed between Licensor and Licensee pursuant to Section 11.4.2, as the case may be.

1.16 "Diligent Efforts"

means, with respect to Licensee's obligations under the terms of this Agreement, the good faith and sustained application by Licensee of timely diligent effort (including the application of sufficient financial, human and material resources) and the exercise of prudent business and scientific judgment, all at least consistent with high industry standards that a similar biotechnology company devotes to Development and Commercialization, as the case may be, of products with similar scientific and commercial potential including: (i) promptly assigning responsibility for such obligation to specific employee(s) who are held accountable for progress and monitor such progress on an on-going basis; (ii) setting and consistently seeking to achieve specific, meaningful and measurable objectives for carrying out such obligations; and (iii) making and implementing decisions and allocating resources designed to advance progress with respect to such objectives.

1.17 "EMEA"

means the European Agency for Evaluation of Medicinal Products and any successor entity thereto.

1.18 "FDA"

means the United States Food and Drug Administration and any successor entity thereto.

1.19 "Field of Use"

means, subject to the provisions of Section 2.2, all indications and therapeutic uses in humans.

1.20 "First Commercial Sale"

means, with respect to a country within the Territory, the first bona fide sale for use, consumption or resale of the Licensed Product by or on behalf of Licensee or any of its Affiliate(s) or Sublicensee(s) after all Marketing Approvals have been granted in such country. Sales for test marketing, sampling and promotional uses, clinical trial purposes or compassionate or similar use shall not be considered to constitute a First Commercial Sale. A sale to a Sublicensee or an Affiliate of a Party shall not constitute a First Commercial Sale unless the Sublicense or Affiliate is the end user of the Licensed Product.

1.21 "Governmental Approval(s)"

means, with respect to any country, any and all approvals (including any applicable governmental price and reimbursement approvals), licenses, registrations, or authorizations of any Competent Authority necessary for the manufacture, use, storage, import, transport, promotion, marketing and commercial sale (including without limitation, packaging and labelling) of the Licensed Product for use in the Field of use in that country, including, but not limited to, approvals of biologics license applications, new drug applications, orphan drug applications, and product license applications (and their respective foreign counterparts), but excluding import permits.

1.22 "IND(s)"

means an investigational new drug application as defined in *21 C.F.R. Section 312* et seq. for the FDA in the United States or equivalent application to the Competent Authorities of other countries in the Territory, to commence clinical testing of a drug in humans, as defined by the FDA in the United States, or other applicable Competent Authority, as the same may be amended, supplemented or replaced from time to time.

1.23 "Improvements"

means any modification of the Licensor's method of Manufacturing the Licensed Product.

1.24 "Intellectual Property"

means Patent Rights, trade names, trademarks, copyright, trade dress, industrial and other designs, and Know How, and all other forms of intellectual property, all whether or not registered, or capable of registration.

1.25 "Know How"

means, in respect of each Party, all tangible or intangible information, know-how, inventions, discoveries, trade secrets, data and materials, whether patentable or not, including but not limited to: formulations, in vitro, preclinical or clinical design, information or results, other proprietary materials, processes, including but not limited to manufacturing processes, data, drawings, sketches, designs, testing and test results, and regulatory information.

1.26 "Licensed Product"

means the finished pharmaceutical product, for use in the Field of Use, extracted from bovine bile by means of Licensor's Manufacturing process as of the Effective Date and any Improvements thereto, and known by the trade mark "Virulizin"®.

1.27 "Licensee's Know-How"

means the Know-How Controlled by Licensee that **(REDACTED: Definition)**

1.28 "Licensee's Patent Rights"

means any Patent Rights Controlled by Licensee Covering **(REDACTED: Definition)**

1.29 "Licensor's Know-How"

means the Know-How Controlled by Licensor that is specific to the **(REDACTED: Definition)**

1.30 "Licensor's Patent Rights"

means:

1.30.1 the Patent Rights set forth in Exhibit A; and

1.30.2 **(REDACTED: Definition)**

Exhibit A shall be amended in writing from time to time to reflect the foregoing.

1.31 "Manufacturing"

means all activities associated with the production, manufacturing, manufacturing scale-up, process development, processing, purifying, filling, finishing, quality stability testing, impurity characterization, quality control and packaging.

1.32 "Marketing Authorization"

means the Governmental Approvals necessary in a particular country in the Territory for the marketing and sale of the Licensed Product in the Field of Use in that country.

1.33 "Milestone Payment"

means each of the payments set out in Section 7.10.

1.34 "NDA"

means a New Drug Application, and all amendments and supplements thereto, for a Marketing Authorization by the FDA as defined in *21 CFR § 314.50* et seq., as such act or regulations may be amended, supplemented or replaced from time to time, to commence commercial sale of the Licensed Product in the United States and any other comparable term and act as applicable with regard to a new drug application and all amendments, supplements or replacements to such act or regulations in any other country in the Territory.

1.35 "Net Sales"

"Net Sales" means the total gross amounts received for sales of Licensed Product by or on behalf of Licensee, any of its Affiliates, and any of their respective Sublicensees, less only the sum of the following, to the extent included in the invoice price:

(REDACTED: Formula)

1.35.2 The components of the deduction from Net Sales, as listed in Section 1.35(a) through (g) above, shall be determined in the ordinary course of business using the accrual method of accounting in accordance with Generally Accepted Accounting Principles applicable in the United States.

1.35.3 Notwithstanding anything herein to the contrary, the transfer of the Licensed Product to a Third Party without consideration to Licensee in connection with the research, development, testing or demonstration of the Licensed Product shall not be considered a sale of the Licensed Product under this Agreement. Nor shall the transfer of Licensed Product solely for indigent or similar public support or compassionate use programs be considered a sale of Licensed Product under this Agreement.

1.35.4 Notwithstanding anything herein to the contrary, the transfer of Licensed Product among Licensee, its Affiliates and/or its Sublicensees shall not be considered a sale of Licensed Product under this Agreement unless such Affiliate or Sublicensee is the end user of such Licensed Product.

1.36 "Party"

means Licensor or Licensee; "**Parties**" means Licensor and Licensee.

1.37 "Patent Rights"

means any patents, patent applications (and any patents to issue therefrom), and any corresponding provisional, incomplete or other applications for patent filed in any jurisdiction based upon or claiming priority from any such patents or patent applications, and all divisionals, continuations, continuations-in-part, reissues, extensions, substitutions, re-examinations, renewals, supplemental protection certificates, patents of importation or patents of addition to any of the foregoing.

1.38 "Person"

means any individual, partnership, corporation, business trust, trust, joint stock company, unincorporated association, joint venture, governmental authority or any other entity that has legal capacity to own property in their own name or to sue or be sued.

1.39 "Phase I Clinical Trial"

means the first study of the Licensed Product in humans conducted in any country in the Territory, using single and multiple ascending doses or that would otherwise satisfy the requirements of 21 CFR 312.21(a) or its counterpart under any Applicable Law.

1.40 "Phase I/II Clinical Trial"

means any study conducted in humans in any country in the Territory to determine, among other things, the maximum tolerated dosage, dose response, safety, and preliminary efficacy of the Licensed Product in a human target patient population for the purpose of identifying the appropriate dose for a Phase III Clinical Trial or that would otherwise satisfy the requirements of 21 CFR 312.21(b) or its counterpart under any Applicable Law, and as the same may be amended, supplemented or replaced from time to time.

1.41 "Phase II Clinical Trial"

means any study conducted in humans in any country in the Territory to determine, among other things, dose response, duration of effect, preliminary efficacy and safety of the Licensed Product in a human target patient population for the purpose of identifying the appropriate dose for a Phase III Clinical Trial or that would otherwise satisfy the requirements of 21 CFR 312.21(b) or its counterpart under any Applicable Law, and as the same may be amended, supplemented or replaced from time to time.

1.42 "Phase III Clinical Trial"

means any study conducted in humans in any country in the Territory to confirm, with statistical significance, the efficacy and safety of the Licensed Product in a large, targeted population.

1.43 "Release Event"

has the meaning set out in Section 2.9.

1.44 "Royalty Term"

means, on a country-by-country basis in each country within the Territory, **(REDACTED: Royalty term)**

1.45 "Sublicensee"

means a Third Party that has entered into a license agreement with Licensee sublicensing any of the rights granted under Section 2.1.1.

1.46 "Term"

has the meaning set out in Section 11.1.

1.47 "Territory"

means North America (including Mexico), South America, Israel, and those countries within the geographic area circled on the map attached as Exhibit G.

1.48 "Third Party"

means any Person other than Licensor or Licensee and their respective Affiliates.

1.49 "Trademark" means the trademark VIRULIZIN®, which trademark is registered as set out in Schedule B.

1.50 "Valid Claim"

means any pending or issued claim included within Patent Rights that has not been permanently revoked, nor rendered unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction that is unappealable or unappealed in the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise, *provided however*, that such Valid Claim has not been pending more than five (5) years.

1.51 Interpretation

The following provisions shall govern the interpretation of this Agreement:

1.51.1 Headings in this Agreement are solely for the convenience of reference and shall not be used for purposes of interpreting or construing the provisions hereof.

1.51.2 All references in this Agreement to a designated "Article", "Section", or other subdivision or to a Schedule are to the designated Article, Section, or other subdivision of, or Schedule to, this Agreement.

1.51.3 The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision of, or Schedule to, this Agreement.

1.51.4 The word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather is to be construed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter.

1.51.5 All references to currency, dollar or $ are deemed to mean lawful money of the United States.

1.51.6 Any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which has the effect of supplementing or superseding such statute or such regulations.

1.51.7 Wherever reference is made "to the knowledge of" with reference to the knowledge of Licensor with respect to a matter, it means the actual knowledge on the Effective Date with respect to such matter, without further or independent investigation, of the following senior management personnel of Licensor: Dr. Aiping H. Young, President and CEO, Dr. Saeid Babaei, Director of Corporate Development and Dr. Yoon Lee, Director of Research, each of whom has been involved in the regulatory, manufacturing, clinical and scientific aspects of the Licensed Product.

1.51.8 Words imparting the masculine gender include the feminine or neuter gender and words in the singular include the plural and vice versa.

1.51.9 This Agreement has been prepared jointly by the Parties, each having access to legal counsel of its choice, and shall not be strictly construed or interpreted in favour of or against either Party.

Article 2 Grant, Security Interest

2.1 Grant of License by Licensor

Licensor hereby grants to Licensee and Licensee accepts, subject to the terms and conditions of this Agreement, an exclusive, royalty-bearing license under the Licensor's Patent Rights and Licensor's Know-How, including any future Improvements of Licensor, to:

2.1.1 develop, make, have made, use, have used, import, have imported, export, have exported, offer for sale, have sold, sell, produce, manufacture, distribute and market the Licensed Product solely within the Field of Use and the Territory; and

2.1.2 sublicense to Third Parties the rights granted under Section 2.1.1 of this Section 2.1 in accordance with Section 2.3;

and an exclusive license to use the Trademark in accordance with the provisions of Section 2.7.

2.2 Animal Use of Licensed Product

Licensor agrees that in the event that it enters into a written agreement with a Third Party pursuant to which a license (the "**Animal Field License**") is granted to that Third Party to make, use and/or sell the Licensed Product for therapeutic use in animals in any jurisdiction it shall pay to Licensee **(REDACTED: Royalty rate and duration)** In the event that, on or before the **(REDACTED: Royalty rate and duration)**, Licensor has not either: (i) entered into an Animal Field License; or (ii) commenced Development of the Licensed Product for use in an animal, as evidenced by the written records of Licensor, representatives of Licensee and Licensor shall meet in person to discuss whether such events have not been achieved because of a failure of Licensor to use its commercially reasonable efforts to achieve such events. If the Parties agree that Licensor has used its commercially reasonable efforts, the Parties shall agree upon a revised timetable to achieve the events. Each of the Parties shall act reasonably and in good faith in connection with the provisions of this Section 2.2. In the event that the Parties cannot agree, **(REDACTED: Royalty rate and duration)** that Licensor has used its commercially reasonable efforts, either Party may refer the matter as a Dispute to the dispute resolution provisions of Article 10. If, as a result of the such dispute resolution provisions, it is determined that Licensor has failed to use its commercially reasonable efforts to achieve the events described above in this Section 2.2, the Field of Use as defined in this Agreement shall, without further act by either Party, be amended to mean "all indications and therapeutic uses in humans and animals" and Licensor shall have no further rights in respect to Licensed Product for use in animals within the Territory.

(REDACTED: Payment Rate and Milestone Date)

2.3 Sublicenses by Licensee

(REDACTED Terms/responsibility) Subject to the provisions of this Section 2.3, Licensee shall have the right to sublicense rights granted in Section 2.1.1 in **(REDACTED Terms/responsibility)**

2.3.2 No sublicense may contain the right to further sublicense unless Licensee shall have first obtained Licensor's prior written consent, such consent not to be unreasonably withheld.

2.3.3 Each sublicense shall contain covenants by the Sublicensee for such Sublicensee to observe and perform materially the same terms and conditions as those set out for Licensee, as though the Sublicensee were a party to this Agreement, including, without limitation, the provisions of Articles 4, 5 and 6.

2.3.4 All sublicenses granted under this Section 2.3 shall terminate upon termination of this Agreement, or on a country-by-country basis, as the case may be.

2.3.5 Each sublicense shall include an obligation for the Sublicensee to account for and report its Net Sales to Licensee and Licensor on the same basis as if such sales were Net Sales by Licensee, and an obligation of the Sublicensee to comply with the terms of Article 8 as though the Sublicensee were a party to this Agreement.

2.3.6 Each sublicense shall provide that rights in respect of Intellectual Property Controlled by the Sublicensee which are Improvements shall be granted to Licensee on the basis that Licensee shall have the right to sublicense such rights to Licensor and without further act by Licensor or Licensee such rights shall be included in the license granted to Licensor pursuant to Section 2.5, subject to the termination provisions in such sublicense.

2.3.7 Licensee shall promptly deliver to Licensor a copy of each sublicense granted to a Sublicensee, and in any event **(REDACTED Terms/responsibility)**of the date of execution of such sublicense by the Parties thereto.

2.3.8 (REDACTED Terms/responsibility)

2.4 Improvements

(REDACTED: Improvement ownership rights)

2.5 Grant of License by Licensee

Licensee hereby grants to Licensor, and Licensor accepts, subject to the terms and conditions of this Agreement, a worldwide (except for those countries within the Territory in respect of which the license in Section 2.1 is in effect), fully paid, royalty free, exclusive license, under Licensee's Patent Rights and Licensee's Know-How, including any future Improvements of Licensee, until the date of the last to expire of any Patent Rights of Licensor or Licensee in the Territory Covering the Licensed Product, to:

2.5.1 develop, make, have made, use, have used, import, have imported, export, have exported, offer for sale, have sold, sell, produce, manufacture, distribute and market the Licensed Product (x) within the Field of Use; (y) outside the Territory; and (z) in a country within the Territory in respect of which the license in Section 2.1.1 has terminated for any reason; and

2.5.2 sublicense to Third Parties the rights granted under Section 2.5.1 of this Section 2.5, in accordance with Section 2.6;

2.6 Sublicenses by Licensor

(REDACTED: Subject to the provisions of this Section 2.6, Licensor shall have the right to sublicense rights granted in Section 2.5.1 in **(REDACTED: Terms/responsibility)Terms/responsibility)**

2.6.2 No sublicense may contain the right to further sublicense unless Licensor shall have first obtained Licensee's prior written consent, such consent not to be unreasonably withheld.

2.6.3 All sublicenses granted under this Section 2.6 shall terminate upon termination of the license set out in Section 2.5.1.

2.6.4 Each sublicense shall provide that rights in respect of Intellectual Property Controlled by the sublicensee which are Improvements shall be granted to Licensor on the basis that Licensor shall have the right to sublicense such rights to Licensee and without further act by Licensee or Licensor such rights shall be included in the license granted to Licensee pursuant to Section 2.1, subject to the termination provisions in such sublicense.

2.6.5 Licensor shall promptly deliver to Licensee a copy of each sublicense granted to a sublicense of the rights of Licensor, and in any event, **(REDACTED: Terms/responsibility)**of the date of execution of such sublicense by the Parties thereto.

2.6.6 **(REDACTED: Terms/responsibility)**

2.7 Trademark Rights

Licensee agrees that:

2.7.1 in consideration of the grant of the exclusive license to use the Trademark set out in S. 2.1, the Licensee shall pay to the Licensor an annual fee of **(REDACTED: Fee Amount and terms)** (it being agreed between the Parties that all amounts payable by the Licensee to the Licensor pursuant to Article 7 are paid in consideration of the license granted to the Licensee under the Licensor's Patent Rights and Licensor's Know-How);

2.7.2 it shall use the Trademark only during the Term, and only in association with its exercise of its licensed rights set out in Section 2.1, and for no other purpose;

2.7.3 it shall not make any changes or alterations to the Trademark unless specified or approved in advance in writing by Licensor;

2.7.4 in each use of the Trademark it shall utilize the "TM" symbol or ® symbol on the right shoulder of the Trademark (for example "VIRULIZIN®"), as directed by Licensor;

2.7.5 it will, upon the request of Licensor, deliver samples of all advertising, promotion, general information and other materials that bears or refers to any of the Trademark; and

2.7.6 Licensee will indicate on all printed material, its website or other commercially available material that the Trademark is used under license from Licensor, in the following manner:

"VIRULIZIN® is a trademark of Genesense Technologies Inc.

and is used by [Licensee] under license. All rights reserved."

2.8 No Implied License

No licenses or other rights are granted by either Party to the other except as expressly provided in this Agreement and each Party covenants to and agrees with the other that it shall not use or practice any of the Intellectual Property rights licensed to it under this Agreement except for the purposes expressly permitted in the applicable license granted under this Agreement.

2.9 Security Interest

In order to secure the rights granted to Licensee under this Agreement, including, without limitation,**(REDACTED: Security provisions)**

Article 3 Technology Transfer

3.1 Initial Technology Transfer

Unless otherwise prohibited by law, as soon as reasonably practicable following the Effective Date (except to the extent that Licensor has provided such materials to Licensee prior to the Effective Date), Licensor shall provide Licensee with and give Licensee access free-of-charge to copies of the following materials in existence as of the Effective Date, to the extent Licensor Controls such information, to assist Licensee to undertake the Manufacture, Development and Commercialization of the Licensed Product pursuant to this Agreement:

(REDACTED: Know Technology transfer)

Licensor represents and warrants that it has provided all of the documents and items listed in Exhibit E to Licensee or its agents and representative prior to the execution hereof.

3.2 Technical Assistance

Licensor shall provide Licensee with technical assistance to enable Licensee to undertake the Manufacture, Development and Commercialization of the Licensed Product in the Field of Use, on the terms set forth in Exhibit B (the "**Independent Contractor Services Agreement**").

Article 4 Regulatory Compliance

4.1 Ownership and Maintenance of Governmental Approvals

Subject to the provisions of Section 4.3, Licensee will hold and own all Governmental Approvals and Marketing Authorizations for the Licensed Product for each country in the Territory. Without limiting the generality of the foregoing, Licensee shall prepare and submit in its own name and at its expense NDAs with the FDA in the U.S. and any other equivalent application with the applicable Competent Authorities in other countries in the Territory.

4.2 Licensee Obligations

Licensee will use, and will cause its Affiliates and Sublicensees to use, Diligent Efforts to:

(i) prepare and submit in its own, its Affiliate's or its Sublicensee's name and at their expense all applications, documentation and materials required by each Competent Authority in the Territory and all requirements thereafter necessary or desirable to obtain all Governmental Approvals necessary for the Development and Commercialization of the Licensed Product; and

(ii) secure and maintain, at its sole cost and expense, any and all Governmental Approvals required for the Licensed Product by applicable Competent Authorities necessary or desirable in connection with the performance by Licensee of its obligations hereunder.

4.3 Licensor Participation; Sharing of Information

(a) Licensee will give, and will cause its Affiliates and Sublicensees to give, Licensor reasonable notice from time to time of meetings (whether in person or by telephone or video conference) scheduled with Competent Authorities regarding the Licensed Product and provide Licensor with information sufficient to ensure that Licensor is adequately informed about the issues to be presented at any such meeting. Licensor shall have the right to up to two of its personnel or, alternatively subject to approval of Competent Authorities, one of its personnel and an external representative, attend such meetings, PROVIDED that such external representative shall not attend if, in the reasonably formed opinion of Licensee, attendance by the external representative would impede or otherwise prejudice the Governmental Approval. Licensee representatives shall have all decision-making authority with respect to matters considered at such meetings.

(b) Licensee shall provide the following documents to Licensor, in the English language:

(REDACTED: Information sharing details)

(c) Licensor shall provide the following documents to Licensee, in the English language:

(REDACTED: Information sharing details)

4.4 Adverse Events Reporting

4.4.1 Licensee, on behalf of itself, its Affiliates and any permitted sublicensees, shall advise Licensor, and, in the event that Licensor or its other licensees undertakes Development or Commercialization of the Licensed Product outside the Territory, Licensor shall advise Licensee, in each case by telephone or facsimile, promptly but in no event later than **(REDACTED: Term)** after Licensee, its Affiliates or sublicensees or Licensor, as the case may be, becomes aware of any serious or unexpected side effects, injury, toxicity or sensitivity reaction, or any unexpected incidence, and the severity thereof, associated with the formal GLP toxicology studies, clinical uses, investigations and marketing of the Licensed Product.

4.4.2 Such advising Party shall provide the other Party with a written report delivered by confirmed facsimile of any SADE, stating the full facts known to such Party, including investigator name, site details, if any, customer name, if any, address, telephone number, batch, lot and serial numbers, and other information as required by Applicable Laws.

4.4.3 Licensee shall have full responsibility in the Territory, and, in the event that Licensor or any of its other licensees undertakes Development or Commercialization of the Licensed Product outside the Territory, Licensor or any of its other licensees shall have full responsibility outside the Territory for: (i) monitoring all adverse experiences, including SADEs (collectively, "**AEs**"); (ii) data collection activities that occur between Licensee and the patient or medical professional, as appropriate, including any follow-up inquiries which Licensee deems necessary or appropriate; and (iii) meeting the requirements of the applicable Competent Authorities, including the submission of AE individual reports and periodic reports.

4.4.4 In the event either Party requires information regarding AEs with respect to reports required to be filed by it in order to comply with Applicable Laws, including obligations to report AEs to the Competent Authorities, each Party agrees to provide such information to the other in sufficient time to enable each Party to report such AEs to the Competent Authorities in accordance with Applicable Laws.

4.4.5 Licensee shall designate to Licensor, and in the event that Licensor undertakes Development or Commercialization of the Licensed Product outside the Territory, Licensor shall designate to Licensee, a qualified person under Applicable Laws to be responsible for AE reporting in each country in the Territory.

4.5 Rights of Reference

Licensor shall grant and hereby grants to Licensee a free-of-charge right to reference and use and have full access to all existing Governmental Approvals, Marketing Authorizations and all other regulatory documents relating to the Licensed Product, including any IND, any NDA and any DMF (whether as an independent document or as part of any NDA, and all chemistry, Manufacturing and controls information), and any supplements, amendments or updates to the foregoing, where such regulatory documents are Controlled by Licensor for the Licensed Product in the Field of Use (for the purposes of this Section, the "**Licensee's Right of Reference**"). Licensee may license Licensee's Right of Reference to Affiliates and to Sublicensees.

Licensee shall grant and hereby grants to Licensor a free-of-charge right to reference and use all regulatory documents relating to the Licensed Product, where such regulatory documents are Controlled by Licensee, its Affiliates or its Sublicensees (the "**Licensor's Right of Reference**"). The Licensor may license the Licensor's Right of Reference to those of its sublicensees operating solely outside the Territory who do not export into the Territory.

4.6 Access to Manufacturers

Licensor and Licensee will each use its reasonable commercial efforts, and will cause their respective sublicensees to use reasonable commercial efforts, to cause each Third Party manufacturer that such Party has engaged to Manufacture the API comprised in the Licensed Product to provide reasonable access to the manufacturing facility of such Third Party for inspection by the other Party and to disclose to the other Party such technology relating to the establishment and maintenance of a manufacturing facility for API or the Licensed Product as such Party shall reasonably request.

Article 5 Development

5.1 Development Rights

Licensor and Licensee acknowledge and agree that, as between them, Licensee and its Affiliates, licensees and Sublicensees will have the sole discretion and obligation with respect to the Development of the Licensed Product within the Territory (subject to the provisions of this Agreement), and Licensor and its Affiliates and licensees and sublicensees shall have the sole right but not the obligation to Develop the Licensed Product outside the Territory, and that it may benefit both Parties to exchange certain information as provided in this Article 5. Without limiting the generality of the foregoing provisions of this Section 5.1, Licensee shall have the right to determine, in its discretion, the method of administration of the Licensed Product under a Development Program.

5.2 Development

On or before that date that is **(REDACTED: Delivery date)**, Licensee shall deliver to Licensor a written Development Program that describes in detail the Development of the Licensed Product in the Territory to be carried out by Licensee or its Affiliates or Sublicensees, as the case may be, including the budgeted amounts and sources of funding for each material stage of the Development Program. In the event that Licensee decides to pursue such Development using intravenous administration of the Licensed Product such Development Program will include the Development steps set out in Part I of Exhibit F, and in the event that Licensee decides to pursue such Development using another form of administration of the Licensed Product such Development Program shall include the Development steps set out in Part II of Exhibit F.

5.3 Diligent Efforts

Licensee shall use its Diligent Efforts, and shall cause its Affiliates and Sublicensees, as the case may be, to use Diligent Efforts, to Develop the Licensed Product throughout the Territory and without limitation to perform the Development Program (including without limitation the steps set out in Part I or Part II of Exhibit F, as applicable), and in connection therewith to raise adequate capital or otherwise finance such Development Program.

5.4 Licensee's Disclosures and Reports

Licensee shall provide to Licensor, and shall cause its Affiliates and sublicensees to provide to Licensor, within **(REDACTED: Delivery date)**, an annual plan for the then current calendar year that will:

(a) include a general overview and timetable for the Development activities regarding the Licensed Product during such year pursuant to the Development Program; and

(b) set specific Development objectives and assign responsibility for achieving those objectives to employees of Licensee or its Sublicensees or contractors;

in each case including the Development steps set out in Part I or Part II of Exhibit F, as applicable, and as Exhibit F may be amended from time to time as described in Section 11.4.

5.5 Mutual Disclosures and Reports

(a) Each Party shall, and shall cause its respective Affiliates and sublicensees to, (to the extent that each Controls the following information):

5.5.1 notify the other in writing promptly following the discovery or invention of any Improvements;

5.5.2 notify the other in writing of all Patents and Know-How that would constitute Licensor's Patent Rights, Licensee's Patent Rights, Licensor's Know-How or Licensee's Know-How, as applicable, with meaningful inventions or data being communicated as promptly as practicable after such information is obtained or its significance is appreciated including:

(a) an analysis and a summary of raw data relating to the Licensed Product (and, if requested by the other Party, copies of the raw data);

(b) all toxicology and safety data relating to the Licensed Product; and

(c) such other results of Development activities conducted by the Party that the other Party considers to be useful to Licensor for the purpose of obtaining Governmental Approvals, Development or Commercialization of the Licensed Product (within or outside the Territory, as applicable).

5.5.3 maintain Books and Records in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes, including to obtain Governmental Approvals of the Licensed Product, and which shall be complete and accurate and shall fully and properly reflect all material work done and results achieved in connection with the Development of the Licensed Product and the performance of the activities hereunder, as well as any other books and records as may be required from time to time by Applicable Law or this Agreement; and

5.5.4 provide to the other Party such technical and scientific documents Controlled by such Party that the other Party reasonably requests that relate to the Development of the Licensed Product.

(b) Each Party, its Affiliates and permitted sublicensees shall have the right to cross file and reference the materials, data and information described in Section 5.5(a) in connection with obtaining Governmental Approvals of the Licensed Product within or outside the Territory, as applicable, and each Party shall execute such consents or authorizations as shall be reasonably required by the other Party for such purpose.

(c) Each Party shall retain all data and documents described in Section 5.5(a) for **(REDACTED: Retention term)**; as well as any other data and documents as may be required from time to time by Applicable Laws or this Agreement.

(d) Prior to commencement of enrollment in any Clinical Trial of the Licensed Product, each Party shall advise the other of dosage levels that it or its Affiliates or Sublicensees intend to use in such Clinical Trial and shall in good faith consider any comments from the other Party regarding the safety of such dosage levels.

5.6 Establishment of Medical and Scientific Advisory Board

The Parties agree that there is a legitimate business need to cooperate on the clinical development efforts.

Accordingly, Licensee shall establish a Medical and Scientific Advisory Board (the "**MSAB**") that will consist of independent scientific and technical thought leaders that are highly regarded by the scientific community. The MSAB will assist Licensee by (i) making recommendations to Licensee's management relating to the clinical development strategy; (ii) analyzing and assessing ongoing clinical development of each Licensed Product; and (iii) assisting Licensee to prepare clinical development budgets. Licensee shall appoint to the MSAB one (1) representative of Licensor selected by Licensor. The actions and opinions of the MSAB will be confidential, however, the Licensor's MSAB member may report clinical updates to a designated senior official of Licensor who will agree to keep such information confidential pursuant to Article 16 hereof. The MSAB will meet at least **(REDACTED: meeting duration)**.

5.7 Co-negotiation for Commercial Supply of the Licensed Product

In the event that both Parties, and in the case of Licensee its Affiliates and Sublicensees, if any, require commercial supplies of the Licensed Product and it is in the best interests of each Party to obtain a single source of supply for both Parties, the Parties acknowledge that they intend to jointly approach and co-negotiate with Third Party suppliers for the manufacture of commercial supplies of the Licensed Product. The Parties acknowledge and agree that any benefits from any economies of scale recognized from such co-negotiation for commercial supplies of the Licensed Product shall be shared proportionally based on volume purchased by the Parties. Nothing in this Section will oblige either Party to enter into any agreement with any Third Party, or restrict either Party's ability to enter into any agreement with a Third Party without the other Party.

Article 6 Commercialization

6.1 Commercialization Efforts

Licensee shall use its Diligent Efforts, and shall cause its Affiliates and Sublicensees, if any, to use Diligent Efforts, to Commercialize the Licensed Product in the Territory.

6.2 Commercialization Program

Licensee shall provide to Licensor, and shall cause its Affiliates and sublicensees to provide to Licensor, **(REDACTED: Delivery dates)** an annual plan for the then current calendar year that will:

6.2.1 Describe in reasonable detail the Commercialization plan for the Licensed Product in the Territory for such year;

6.2.2 Set specific Commercialization objectives and assign responsibility for achieving those objectives to employees of Licensee or its Sublicensees or contractors;

6.2.3 Provide Licensor with one (1) copy of material marketing, advertising and promotional materials from time to time upon request of Licensor and directly related to the Commercialization of the Licensed Product;

6.2.4 Provide to Licensor within **(REDACTED: Delivery dates)** a written progress report, which shall describe in reasonable detail the Commercialization activities that it has performed during such half year;

6.2.5 Provide Licensor with notice in writing of the date of First Commercial Sale of the Licensed Product in each country within the Territory;

6.2.6 Provide Licensor with notice in writing of the date of each of the Development Milestones in the Territory, **(REDACTED: Delivery dates)** of the occurrence of such events;

6.2.7 Provide to Licensor, **(REDACTED: Delivery dates)** written updates and reports, in reasonable detail, of plans to Commercialize the Licensed Product; and

6.2.8 Provide for responsible representatives of Licensee to meet with representatives of Licensor to discuss the Commercialization of the Licensed Product, so often as Licensor may reasonably request. Such meetings may take place by telephone, video conference or in-person meetings as shall be agreed by the Parties from time to time. Each Party shall bear its own costs of attending such meetings

Article 7 Royalties and other Consideration

7.1 Obligation to Pay

Licensee agrees to pay to Licensor the royalties set forth below, and in accordance with the provisions hereof until the earlier of the end of the last to end Royalty Term and the termination of this Agreement as hereinafter provided.

7.2 Royalties on Net Sales

During the Royalty Term and subject to the provisions of Sections 7.4, 7.4 and 11.7, Licensee shall pay Licensor royalties equal to:

(REDACTED: Royalty rates and Net Sales strata)

7.3 Royalty Adjustment

In the event that: (i) Licensee grants one or more Sublicenses

(REDACTED: Payment Amounts/rates/terms)

7.4 Payment in Lieu of Royalties

Licensee shall have the right, exercisable within **(REDACTED: Payment Amounts/rates/terms)** following the First Commercial Sale in any country within the Territory, to elect to terminate the obligation to pay royalties pursuant to Sections 7.2 and 7.3 by delivering notice in writing (the "**Royalty Termination Notice**") of such election to Licensor within such period, and paying the following amounts to Licensor:

(REDACTED: Payment Amounts/rates/terms)

7.5 Acknowledgement

Licensee acknowledges its obligation to pay the Royalty Payments during the Royalty Term beyond the expiration of the last to expire of the Valid Claims of Licensor's Patent Rights in a country in the Territory and that such amounts are payable in consideration of the substantial benefit that Licensee obtains from the use of Licensor's Know-How during the period such amounts are payable.

7.6 Generic Competition

(REDACTED: Payment rate reduction percent and terms) If, during any year in which a royalty payment is payable in respect of Net Sales within a country in the Territory following expiration of the Licensor's Patent Rights in that country, a generic version of the Licensed Product is sold by a Third Party in that country **(REDACTED: Payment rate reduction percent and terms)**

7.6.2 **(REDACTED: Payment rate reduction percent and terms)**

7.7 Royalties respecting Sublicenses for South America

During the Royalty Term and subject to the provisions of Section 11.7, Licensee shall pay **(REDACTED: Payment rate reduction percent)** of all royalties received by Licensee or its Affiliates from such Sublicensee relating to a sublicense agreement respecting the **(REDACTED: Payment rate reduction percent)**

7.8 No Multiple Royalties

No multiple royalties shall be payable because the use, lease or sale of any Licensed Product is, or shall be, covered by more than one valid and unexpired claim contained in the Patent Rights. Additionally, royalties shall be paid to Licensor for the sale of the Licensed Product based upon only one of Sections 7.2, 7.6 or 7.7 above.

7.9 Combination Products

In the event that the Licensed Product is **(REDACTED: Payment Formula)**

7.10 Development Based Milestone Payments

As further consideration for the license granted hereunder, Licensee will make the following one time Milestone Payments to Licensor, as applicable:

(REDACTED: Milestone payment amounts and criteria)

7.11 Place of Payment, Taxes and Conversions

Royalty payments shall be paid in United States dollars at such place as Licensor may reasonably designate consistent with applicable laws and regulations. Any taxes which Licensee, its Affiliates or Sublicensees shall be required by law to withhold on remittance of the royalty payments shall be deducted from such royalty payments to Licensor. Licensee shall furnish Licensor with copies of all official receipts for such taxes. If any currency conversion shall be required in connection with the payment of royalties hereunder, such conversion shall be made by using the average exchange rate prevailing at Citibank, N.A. in New York, New York ("**Citibank**") during the calendar quarterly reporting period to which such royalty payments relate.

7.12 Time for Payment

7.12.1 Within **(REDACTED: Delivery dates)** during the Term, Licensee shall pay to Licensor the royalties due and payable under this Agreement in respect of such calendar quarter, and shall provide the Royalty Statement referred to in Section 8.2 along with such payment.

7.12.2 If no royalties or other payments under this Agreement shall be due to Licensor in respect of a quarterly period, Licensee shall not be required to provide a Royalty Statement in respect of such period.

7.13 Interest

Amounts which are not paid when due shall accrue interest from the due date until paid, at a rate equal to the then prevailing prime rate of Citibank plus **(REDACTED Interest premium)**

7.14 No Set-Off

All payments required to be made by Licensee to Licensor pursuant to this Article 7 shall be made without any unrelated set-offs or deductions.

7.15 Royalty Reduction for Infringement

To the extent that:

(a) Licensee or any Affiliate or Sublicensee of Licensee is required by order or judgment of any court in any jurisdiction to obtain a licence from a Third Party in any jurisdiction in the Territory; or

(b) Licensee or any Affiliate or Sublicensee of Licensee, in its sole discretion after appropriate legal analysis, believes it necessary to obtain a license from a Third Party in any jurisdiction in the Territory;

in order to sell the Licensed Product in such jurisdiction, then **(REDACTED: Royalty reduction rates)** of the royalties payable under such license in such jurisdiction may be deducted from royalties otherwise payable to Licensor hereunder in respect of the Net Sales in such jurisdiction, provided that in no event shall the aggregate royalties payable to Licensor in any period in respect of the Net Sales of the Licensed Product in such jurisdiction be reduced by more than **(REDACTED: Royalty reduction rates)** as a result of any such deduction.

Article 8 Reports and Records

8.1 Records and Audits

Licensee shall keep full, true and accurate books of account containing all particulars that may be necessary for the purpose of showing the amounts payable to Licensor under this Agreement. Said books of account shall be kept at Licensee's principal place of business and the supporting data shall be opened up to Licensor once per year upon reasonable notice to Licensee for inspection by Licensor's internal audit division or by another designated auditor selected by Licensor, except one to whom Licensee has reasonable objection, for the purpose of verifying Licensee's Royalty Statement or compliance in other respects with this Agreement. The auditor shall enter into a confidentiality agreement with Licensee. Said books of account and the supporting data shall be made available to Licensor until the earlier to occur of **(REDACTED: Delivery dates)** from the relevant accounting **(REDACTED: Delivery dates)** following expiry of the applicable Royalty Term. All payments required under this Section 8.1 shall be due within **(REDACTED: Delivery dates)** of the date Licensor provides Licensee with the auditor's report if the Licensee agrees with the report, or upon a resolution pursuant to Article 10 hereof if Licensee objects to the report. If it is determined that there was underpayment in excess of **(REDACTED: Delivery dates)** then Licensee shall reimburse Licensor for the cost of the inspection at the time Licensee pays the underreported royalties, including any late charges as required by Section 7.13 of this Agreement.

8.2 Royalty Statements

Within **(REDACTED: Delivery date)** following the end of each calendar quarter during the Term, Licensee shall deliver to Licensor a complete and accurate report, giving such particulars of the business conducted by Licensee, its Affiliates and Sublicensees during the preceding quarter under this Agreement or pursuant to each Sublicense as shall be pertinent to an accounting of royalties and other payments that may be due to Licensor under this Agreement (each, a "**Royalty Statement**"). The Royalty Statement shall include at least the following:

8.2.1 an accounting of all Licensed Product used or sold;

8.2.2 total amounts received for Licensed Product;

8.2.3 Net Sales for each Licensed Product by each of Licensee, each Affiliate and each Sublicensee;

8.2.4 cumulative Net Sales for the current calendar year;

8.2.5 a breakdown of deductions applicable in computed Net Sales and taxes withheld, if any;

8.2.6 a breakdown of royalties due based on Net Sales by or for Licensee, its Affiliates and Sublicensees;

8.2.7 a breakdown of royalties due from any Sublicensee;

8.2.8 names and addresses of all Sublicensees and Affiliates of Licensee; and

8.2.9 a copy of each report from each Sublicensee as may be pertinent to an accounting of royalties and other payments that may be due to Licensor.

8.3 Confidential Treatment of Reports

Licensor agrees to hold in confidence each Royalty Statement delivered by Licensee or other financial information relating to Licensee's Net Sales pursuant to this Article 8 until the termination of this Agreement. Notwithstanding the foregoing, Licensor may disclose any such information required to be disclosed in its financial statements or as required by any stock exchange or similar regulatory authority, or pursuant to any Applicable Laws, provided that Licensor take reasonable steps to provide Licensee with the opportunity, where appropriate, to contest such subpoena, requirement or order reasonably in advance of said disclosure and only make such disclosure to the minimum extent required by law.

8.4 Non-Monetary Consideration

In the event that Licensee or any Affiliate, or any of their respective Sublicensees, receives any non-monetary consideration in connection with the sale or other disposition for value of Licensed Products, including barter or counter-trade, the Net Sales shall be calculated based on **(REDACTED: Formula)** Licensee shall disclose to Licensor the terms of any such non-monetary consideration arrangement promptly on entering into such arrangement.

Article 9 Patent Prosecution and Maintenance

9.1 Prosecution and Maintenance

Licensor shall be responsible for prosecuting and maintaining in force Licensor's Patent Rights (as the same may be amended or supplemented in writing from time to time after the date hereof), including, but not limited to, the filing of patent applications, extensions, continuations, continuations in part, divisionals, re-examinations, or re-issue applications that Licensor determines, in its reasonable discretion, may be required to advance the purposes of this Agreement or otherwise to protect the rights and licenses granted hereunder provided that:

9.1.1 Licensor shall keep Licensee reasonably informed with respect to all actions proposed to be taken with respect to Licensor's Patent Rights and consult with Licensee from time to time, so often as Licensee may reasonably request, with respect to matters affecting or affected by Licensor's Patent Rights; and Licensor shall not take any such actions in the event Licensee disapproves of any such action proposed to be taken with respect to Licensor's Patent Rights on the basis and to the extent that it would have an adverse effect upon the license granted to Licensee herein as determined by Licensee, acting reasonably; and

9.1.2 Licensor agrees to take all such actions with respect to the filing, prosecution, and maintenance of Licensor's Patent Rights that Licensee may from time to time reasonably request in connection with the license granted to Licensee herein.

9.2 Costs

Licensee shall be responsible for and shall pay when due, all fees payable to governmental authorities and all reasonable cost (including professional fees) incurred by Licensor to prosecute and maintain Licensor's Patent Rights. Licensor shall provide Licensee with invoices detailing such Costs. Within **(REDACTED: Delivery date)**, the Parties shall reasonably agree upon a budget for the Prosecution and Maintenance of the Patent Rights ("**Patent Budget**"). Licensor shall update the Patent Budget **(REDACTED: Delivery date)**

9.3 No Dispute

Licensee agrees that it will not, and shall cause its Sublicensees and Affiliates to not, during the Term or after the termination of this Agreement challenge or assist any other Person in challenging, any the Licensor's Patent Rights.

Article 10 Dispute Resolution

10.1 Disputes

10.1.1 The Parties recognize that disputes as to certain matters may from time to time arise during the Term which relate to either Party's rights and/or obligations hereunder or to the interpretation, performance, breach, or termination of this Agreement, (a "**Dispute**"). It is the objective of the Parties to establish procedures to facilitate the resolution of a Dispute in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article 10 if and when a Dispute arises under this Agreement.

10.1.2 A Dispute among the Parties will be resolved as recited in this Article 10. Any Disputes relating to this Agreement shall be promptly presented to the Chief Executive Officers of Licensor and Licensee, or their respective designees (who must be members of a Party's senior management) for resolution. From the date of referral of a Dispute to the Chief Executive Officers or their designees of the Parties and until such time as any matter has been resolved by the Parties or has been finally settled by arbitration hereunder, the running of the cure periods (if any) as to which a Party must cure a breach that is part of the subject matter of any Dispute shall be suspended. In the event that the Chief Executive Officers of Licensor and Licensee, or their respective designees, cannot after good faith negotiations resolve the Dispute within thirty (30) days (or such other period of time as mutually agreed to by the Parties in writing) of being requested by a Party to resolve a Dispute, the Parties agree that such Dispute shall be resolved by binding arbitration in accordance with this Section 10.1.

10.1.3 If a Party intends to begin arbitration to resolve such Dispute, such Party shall provide written notice (the "**Arbitration Notice**") to the other Party informing such other Party of such intention and the issues to be resolved. Any arbitration hereunder shall be conducted pursuant to the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**"), including the Supplementary Procedures for Large Complex Disputes (the "**AAA Rule**") except as modified herein. The arbitration shall be conducted by a panel of three (3) arbitrators (the "**Panel**"), one to be selected by Licensee, one to be selected by the Licensor and the third to be selected by the other 2 arbitrators. If the third arbitrator cannot be agreed upon by such two arbitrators within thirty (30) days, the AAA shall promptly appoint the arbitrator to complete the Panel in accordance with the criteria set forth in this Section 10.1. The arbitrators shall be industry experts experienced in the issues comprising the Dispute and shall have no past, present or anticipated future affiliation with either Party. The arbitration shall take place in New York, New York. The Panel shall apply the laws of the State of New York, without regard to its conflicts of laws provisions. The Panel shall issue appropriate protective orders and/or confidentiality obligations to protect each Party's confidential information. If a Party can demonstrate to the Panel that the complexity of the issue or other reasons warrant the extension of one or more timetables in the AAA Rules, the Panel may extend such timetables but in no event shall the proceeding extend more than twelve (12) months from the date of filing of the Arbitration Notice with the AAA. The Panel's decision shall be in writing. The Panel shall have the authority to award any remedy allowed by law or in equity, including compensatory damages, pre-judgment interest and to grant final, complete, interim, or interlocutory relief, including specific performance, injunctions and other equitable relief, but not punitive or other damages and each Party shall be deemed to have waived any right to such excluded damages. Each Party shall bear its own costs, fees and expenses in the arbitration and shall share equally the Panel's fees, unless the Panel determines that its fees are to be paid by the non-prevailing Party.

10.2 Performance to Continue

Each Party shall continue to perform its obligations under this Agreement pending final resolution of any Dispute arising out of or related to this Agreement; provided, however, that a Party may suspend performance of its obligations during any period in which the other Party fails or refuses to perform its obligations.

10.3 Determination of Patents and Other Intellectual Property

Notwithstanding the foregoing, any dispute relating to the determination of validity of claims, infringement or claim interpretation relating to the Patent Rightsshall be submitted exclusively to the courts.

Article 11 Term and Termination

11.1 Term

This Agreement shall become effective on the Effective Date and shall expire on the date of the expiration of the last to expire Royalty Term in any country in the Territory (the "**Term**"), unless earlier terminated as provided in this Article 11.

11.2 Termination for Failure to make Payments

Should Licensee fail to make payment to Licensor of royalties or other payments (excluding payments arising under Section2.7) due in accordance with the terms of this Agreement which are not the subject of a bona fide dispute between Licensor and Licensee, Licensor shall have the right to terminate this License Agreement within ninety (90) days after giving written notice of termination unless Licensee shall pay to Licensor, within the ninety (90) day period, all such royalties and other payments due and payable. In the event of a bona fide dispute over royalties or other payments, the Parties shall resolve such dispute in accordance with Article 10. Subject to Article 10 and the immediately preceding sentence of this Section 11.2, upon the expiration of the ninety (90) day period, if Licensee shall not have paid all such royalties and other payments due and payable, the rights, privileges and license granted hereunder shall, at the option of Licensor, terminate upon written notice of Licensor. If a dispute regarding termination is addressed according to Article 10, this license shall remain in full force and effect until such dispute is settled or determined in accordance with Article 10.

11.3 Termination for Breach

Upon any material breach or default of this Agreement by Licensee, other than as set forth in Section 11.2, and other than a breach of the provisions of Section 5.3, Licensor shall have the right to terminate this Agreement and the rights, privileges and license granted hereunder by giving ninety (90) days prior written notice to Licensee. Subject to Article 10 and the immediately preceding sentence, upon the expiration of the ninety (90) day period, if Licensee shall not have cured such breach or default, this Agreement shall, at the option of Licensor, terminate upon ten (10) days written notice of Licensor. Notwithstanding anything herein to the contrary, if the nature of the breach is such that additional time is reasonably needed to cure such breach, and Company has commenced with good faith efforts to cure such breach, then Licensor shall provide Company with additional time in which to cure such breach. If a dispute regarding termination is addressed according to Article 10, this license shall remain in full force and effect until such dispute is settled or determined in accordance with Article 10.

11.4 Failure to Use Diligent Efforts

11.4.1 In the event that Licensee fails to meet a Development Milestone at the time set out in Exhibit F for any reason whatsoever, Licensee shall have period of ninety (90) days within which to either achieve the Development Milestone or deliver to Licensor a written amendment to the Development Program (the "**Development Program Amendment**") explaining in detail the reasons for failure to achieve the Development Milestone and the steps that Licensee shall take to achieve such milestone in the shortest time reasonably possible and setting out the time at which such Development Milestone shall be achieved.

11.4.2 Licensor may accept the Development Program Amendment by notice in writing to Licensee or may, by notice in writing to Licensee within thirty (30) days following receipt of the Development Program Amendment, require representatives of Licensee and Licensor to meet in person to review whether such Development Milestone was not achieved because of Licensee's failure to apply its Diligent Efforts and each shall, acting in good faith, discuss and negotiate the amendment of the Development Program to reset the time of achievement of the Milestone Event or otherwise amend the Development Program with the goal of achieving Marketing Authorizations for the Licensed Product in the Territory at the earliest date reasonably possible.

11.4.3 In determining whether Licensee has used Diligent Efforts to achieve a Development Milestone, Licensor and Licensee shall consider the application of Licensee's Diligent Efforts relating to obtaining Governmental Approvals, the progress of Clinical Trials of the Licensed Product, the results of such Clinical Trials, the state of the financial markets in which Licensee may seek the capital or other financing necessary to achieve such Development Milestones and the application of Licensee's Diligent Efforts to obtain such financing and whether such factors were in Licensee's control.

11.4.4 In the event that representatives of Licensor and Licensee cannot agree, within the period of thirty (30) days described in Section 11.4.2 following the time at which the Development Milestone was to be achieved as set out in Exhibit F, that such Development Milestone was not achieved despite Licensee's applying its Diligent Efforts or cannot agree on the amendment of the Development Program to reset the time of achievement of the Development Milestone or otherwise amend the Development Program with the goal of achieving Marketing Authorizations for the Licensed Product in the Territory at the earliest date reasonably possible, either Party may refer the matter as a Dispute to the dispute resolution provisions of Article 10.

11.4.5 In the event that Licensor accepts the Development Program Amendment pursuant to Section 11.4.2 or Licensor and Licensee otherwise agree upon amendments to the Development Program pursuant to Section 11.4.2, the Parties shall amend Exhibit F accordingly and shall attach a revised Exhibit F to this Agreement.

11.4.6 In the event that:

(a) Licensee fails to deliver a Development Program Amendment within the time set out in Section 11.4.1; or

(b) it is determined by arbitration pursuant to Article 10 that the failure to achieve a Development Milestone was substantially by reason of Licensee's failure to use Diligent Efforts to achieve the Development Milestone;

then Licensor may terminate this Agreement upon notice in writing to Licensee and without further reference to the provisions of Article 10 by either Party.

11.5 Termination by Licensee

Licensee may terminate this Agreement in its entirety upon six (6) months notice in writing to Licensor if the Licensee determines, acting reasonably and in good faith, that it cannot continue the development or commercialization of the Licensed Product for scientific, safety or commercial reasons.

11.6 Bankruptcy, Dissolution and Winding Up

In the event of proceedings being commenced by or against a Party respecting its bankruptcy, dissolution or winding up this Agreement may terminate forthwith at the election of the non-bankrupt Party with delivery of notice to the bankrupt Party, unless such proceedings have been dismissed within thirty (30) Business Days of the date on which they were commenced.

11.7 Expiry of Royalty Term on a Country by Country Basis

Upon expiry of the Royalty Term in each country in the Territory, Licensee will have an irrevocable, paid up, royalty-free license under the Patent Rights to make, have made, use, import, offer for sale and sell the Licensed Product in such country, and Licensee will have an exclusive, irrevocable, paid up, royalty-free license under the Know How to make, have made, use, import, offer for sale and sell the Licensed Product in such country.

11.8 Consequences of Termination

Upon the early termination of this Agreement by either Party, the following shall occur:

11.8.1 Licensee, its Sublicensees and Affiliates (as the case may be) shall have no right to practice within the Patent Rights or use any of the Licensor's Patent Rights and Licensor's Know How, and all rights, title or interest in, or other incidents of ownership under, the Licensor's Patent Rights and Licensor's Know How shall revert to and become the sole property of Licensor, and the licenses granted under Article 2 shall automatically terminate.

11.8.2 Notwithstanding Section 11.8.1, Licensee and any Affiliate or Sublicensee thereof may, after the effective date of such termination and continuing for a period not to exceed twelve (12) months thereafter, sell all completed Licensed Product, and any Licensed Product in the process of manufacture at the time of such termination, and sell the same, provided that Licensee:

(a) notifies Licensor of the decision within thirty (30) days after the date it receives a notice of termination by Licensor or the date it provides a notice of termination to Licensor, as the case may be;

(b) pays or cause to be paid to Licensor the royalties and other payments thereon as would have been required by Article 6 of this Agreement had it not been terminated; and

(c) submits the Royalty Statements that would have been required by Article 8 of this Agreement had it not been terminated.

11.8.3 If Licensee does not elect pursuant to Section 11.8.2 to sell-off or distribute, as applicable, any existing inventory of Licensed Product, Licensee shall (and shall cause its Affiliates and Sublicensees to do the same), at Licensor's election, either:

(a) sell all existing inventory of Licensed Product to Licensor at the current average retail price in the U.S.; or

(b) destroy all remaining inventory of Licensed Product in accordance with Applicable Laws and provide Licensor with written proof of destruction sufficient to comply with Applicable Laws.

11.8.4 Licensee shall (and shall cause its Affiliates and Sublicensees to do the same), promptly but in any event not more than 30 days following such termination:

(a) return to Licensor all copies of materials delivered by Licensor to Licensee pursuant to Section 3.1 and all other materials relating to the Licensed Product or the Know-How delivered by Licensor to Licensee;

(b) deliver to Licensor the original copies of all Governmental Approvals and Marketing Authorizations relating to the Licensed Product and all regulatory dossiers relating to the same;

(c) execute such documents and take such steps as are necessary to transfer to Licensor all Governmental Approvals and Marketing Authorizations relating to the Licensed Product and all applications relating to the same; and

(d) pay to Licensor any amounts owing to Licensor pursuant to this Agreement and unpaid as of the effective date of such termination.

11.9 Survival

Upon termination of this Agreement for any reason, nothing herein shall be construed to release either Party from any obligation that matured prior to the effective date of such termination or obligations under Article 7. Notwithstanding anything to the contrary herein, Licensee shall have no obligation to pay any Milestone Payments under Article 7 if Licensee terminates this Agreement pursuant to Section 11.3. The following provisions shall survive termination for any reason, Sections 2.9, 8.1, 8.3, 9.3, 10.1, 10.3, 11.5, 11.8, Article 12, Article 14, Article 15, Article 16 and Article 17. Notwithstanding anything to the contrary, the license to the Know-How referred to in Section 2.1 and the rights of sublicensees in Section 2.2 shall survive the Term.

Article 12 Infringement and Other Actions

12.1 Notice of Infringement of Patent Rights

Licensee and Licensor shall promptly provide written notice to the other Party of any alleged infringement or any challenge or threatened challenge to the validity, enforceability or priority of any of the Licensor's Patent Rights in the Territory, and shall provide such other Party with any available evidence of such infringement, challenge or threatened challenge.

12.2 Enforcement of Patent Rights

Subject to Section 12.3, Licensee shall have the right and obligation to institute, prosecute, and control with its own counsel any action or proceeding in the Territory with respect to infringement of Licensor's Patent Rights or misappropriation Licensor's Know-How and Licensee shall have the right to be represented in such action by its own counsel.

12.3 Licensor's Rights

If Licensee fails to institute, prosecute, and control such action or prosecution within a period of 120 days after receiving notice of the infringement (or such earlier date as may be relevant in the circumstances pertaining to such misappropriation or infringement in order to give Licensor sufficient time to take action), Licensor shall have the right, at its own expense, to bring and control such action by counsel of its own choice.

12.4 Infringement by Licensed Product

In the event that a claim or suit is asserted or brought against Licensee alleging that the manufacture or sale of the Licensed Product by Licensee, its Affiliate or Sublicensee, or the use of such Licensed Product by any customer of any of the foregoing, infringes proprietary rights of a Third Party, Licensee shall give written notice thereof to Licensor. Licensee may, in its sole discretion, modify such Licensed Product to avoid such infringement and/or may settle on terms that it deems advisable in its sole discretion, provided that any final disposition of the litigation that will restrict the claims in or admit any invalidity of any Licensor's Patent Rights shall not be made without full consultation with and approval by Licensor, not to be unreasonably withheld. Otherwise, Licensee shall have the right, but not the obligation, to defend any such claim or suit. In the event Licensee elects not to defend such suit, Licensor shall have the right, but not the obligation to do so.

12.5 Allocation of Damages Recovered

Any recovery of damages by Licensee, in any suit under Section 12.2 shall be applied first in satisfaction of any unreimbursed expenses and legal fees of Licensee relating to the suit. The balance remaining from any such recovery shall be allocated as follows: **(REDACTED: Recovery formula)**

12.6 Credit of Litigation Costs

(REDACTED: Cost recovery formula)

12.7 Cooperation

In any suit to enforce and/or defend the Patent Rights pursuant to this Agreement, the Party not in control of such suit shall, at the request and expense of the controlling Party, cooperate in all respects and, to the extent possible, have its employees testify when requested and make available relevant records, papers, information, samples, specimens, and the like.

Article 13 Representations and Warranties

13.1 Mutual Representations and Warranties

Each Party represents and warrants to the other that:

13.1.1 it has the requisite power and authority to execute and deliver this Agreement and the other agreements contemplated hereby to which it is a Party and to consummate the transactions contemplated hereby and thereby.

13.1.2 The execution and delivery of this Agreement and the other agreements contemplated hereby to which it is a Party and the performance and consummation of the transactions contemplated hereby and thereby by it have been duly authorized by all necessary action on its part.

13.1.3 This Agreement and the other agreements contemplated hereby to which it is a Party have been duly executed and delivered to the other Party and, subject to the due authorization, execution and delivery of such agreements by the other Party, this Agreement and such other agreements contemplated hereby constitute valid and binding obligations, enforceable against it in accordance with their respective terms, except as such enforcement may be affected by bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditor's rights generally and except for general principles of equity.

13.1.4 The execution and delivery of this Agreement and the other agreements contemplated hereby do not, and the consummation of the transactions contemplated hereby and thereby will not, (i) conflict with, or result in any violation or breach of any provision of its organizational documents, (ii) conflict with or violate any applicable foreign, Federal, state and local statutes, judgments, decrees, laws, ordinances, rules, regulations, injunctions and orders ("**Laws**") of any Canadian or U.S. provincial, federal, state, foreign or local government or any court, tribunal, administrative agency or commission or other governmental or regulatory authority, body or agency, including any self-regulatory organization ("**Governmental Authorities**") applicable to it or any of its assets or operations or any permit applicable to it or (iii) (x) result in any violation or breach of, or constitute (with or without notice or lapse of time or both) a default under or conflict with (or give rise to a right of termination, amendment, cancellation or acceleration of any material obligation or loss of any benefit under) the provisions of any lease, contract or other agreement to which it is a Party or by which it or any of its properties or assets is otherwise bound or (y) result in the imposition of any lien, pledge, hypothecation, mortgage, security interest, claim, lease, charge, option, right of first refusal or first offer, easement, servitude, transfer restriction, voting requirement or any other encumbrance, restriction or limitation on any of its properties or assets.

13.2 Representations and Warranties of Licensor

13.2.1 Licensor has not received from any Competent Authority or Governmental Authority any written notice of any pending or threatened investigation, review, or regulatory enforcement action (including seizure, injunction, civil penalty or criminal action) with respect to: (i) any alleged or actual violation by Licensor of any permit, Law or other requirement of any Governmental Authority relating to the operations conducted by Licensor with respect to any Licensed Product; or (ii) any alleged or actual failure to have or maintain in effect all permits required in connection with the operations conducted by Licensor with respect to any Licensed Product.

13.2.2 Licensor has not received from any Competent Authority or Governmental Authority any written notice regarding the approvability or approval of the Licensed Product.

13.2.3 The Licensed Product has been withdrawn, suspended or discontinued by Licensor as a result of any action by a Competent Authority or Governmental Authority, either within or outside the United States (whether voluntarily or otherwise).

13.2.4 With respect to the Licensed Product only, to the knowledge of Licensor, no officer, employee or agent of Licensor has made any untrue statement of a material fact or a fraudulent statement to a Competent Authority or failed to disclose any material fact required to be disclosed to a Competent Authority.

13.2.5 No Person has notified Licensor in writing of any material claim against Licensor alleging any personal, property or economic injury, loss or damage incurred as a result of or relating to the use of the Licensed Product.

13.2.6 There is no judgment, order, injunction, decree, writ or award against Licensor that is not satisfied and remains outstanding with respect to the Licensed Product.

13.2.7 Licensor has provided to Licensee a copy of each material license, contract or other agreement (together with certain other agreements) to which Licensor is a Party or by or to which any property of Licensor is otherwise bound or subject that relates to the Licensed Product or the Licensor's Patent Rights.

13.2.8 Licensor is the exclusive owner of the Licensor's Patent Rights and the Trademarks free and clear of all liens, charges, encumbrances or other restrictions or limitations of any kind whatsoever material to the uses of the Licensed Product and Licensor's Patent Rights.

13.2.9 To the knowledge of Licensor, there are no licenses, options, restrictions, liens, rights of Third Parties, disputes, royalty obligations, proceedings or claims relating to, affecting, or limiting Licensor's rights or the rights of Licensee under this Agreement, or which may lead to a claim of infringement by or invalidity regarding, any part or all of the Licensor's Patent Rights or Licensor's Know How, Trademarks or their use.

13.2.10 Licensor has not received notice of any claim, pending or threatened, of infringement, interference or invalidity regarding any part or all of the Licensor's Patent Rights or Licensor's Know-How or Trademarks or their use.

13.2.11 To the knowledge of Licensor, none of the Licensed Product, Licensor's Patent Rights or Licensor's Know-How infringes or conflicts with, and the Licensor has not received any notice of infringement of, or conflict with, any license, patent, copyright, trademark, service mark or other intellectual property right of any other entity and, to the knowledge of Licensor, there is no infringement or unauthorized use by any person of any of the Licensed Product, Licensor's Patent Rights, Trademarks or Licensor's Know How.

13.2.12 The validity or enforceability of any of the Licensor's Patent Rights, Licensor's Know-How and/or Trademarks or the title of the Licensor thereto has not been questioned in any litigation, governmental inquiry or proceeding to which the Licensor is a Party and, to the knowledge of Licensor, no such litigation, governmental inquiry or proceeding is threatened.

13.2.13 The Patent Rights itemized on Exhibit A set forth all of the patents and patent applications of Licensor Covering the Licensed Product in the Field of Use owned by or licensed to Licensor on the Effective Date.

13.2.14 The trademarks itemized on Exhibit B set forth all the trademarks used by the Licensor with respect to the Licensed Product on the Effective Date.

13.2.15 To the knowledge of Licensor, there are no inventors of Licensor's Patent Rights other than those listed as inventors on applications filed for Licensor's Patent Rights.

13.2.16 The Licensor's Patent Rights and Licensor's Know How were not supported in whole or part by funding or grants by any federal or state agency.

Article 14 Limitation of Liability, Indemnity

14.1 NO IMPLIED WARRANTIES

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, LICENSOR DOES NOT MAKE AND EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTY OF MERCHANTABILITY, DURABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND VALIDITY OF PATENTED RIGHTS CLAIMS, ISSUED OR PENDING:

14.2 Licensee Indemnity

Licensee agrees to defend Licensor and its Affiliates at Licensee's cost and expense, and will indemnify and hold Licensor and its Affiliates and their respective directors, officers, employees and agents (the "**Licensor Indemnified Parties**") harmless from and against any action, suit, liabilities, losses, costs, damages, claims, demands, encumbrances, fees or expenses (including reasonable legal fees and disbursements) (collectively, a "**Loss**") arising out of any Third Party claim relating:

(a) to any breach by Licensee of any of its representations, warranties or obligations pursuant to this Agreement;

(b) to the negligence or wilful misconduct of Licensee; or

(c) to any injury, damage or loss resulting from any Licensed Product manufactured or sold by Licensee, its Affiliates or Sublicensees.

In the event of any such claim against the Licensor Indemnified Parties by any Third Party, Licensor shall promptly notify Licensee in writing of the claim and Licensee shall manage and control, at its sole expense, the defence of the claim and its settlement, keeping Licensor reasonably advised of the status of the defence and/or settlement. No settlement shall be finalized without obtaining Licensor's prior written consent, which shall not be unreasonably withheld, except that, in the case of a settlement that does not require an admission or action on the part of Licensor, Licensor's consent shall not be required so long as is unconditionally released from all liability in such settlement. The Licensor Indemnified Parties shall cooperate with Licensee and may, at their option and expense, be represented in any such action or proceeding. Licensee shall not be liable for any litigation costs or expenses incurred by the Licensor Indemnified Parties without Licensee's prior written authorization, unless Licensee is in breach of any of its obligations pursuant to this Section. In addition, Licensee shall not be responsible for the indemnification or defence of any Licensor Indemnified Party to the extent any Third Party claims arises from any negligent or intentional acts or omissions by any Licensor Indemnified Party, or the breach by Licensor of any obligation, representation or warranty under this Agreement, or any claims compromised or settled without Licensee's prior written consent.

14.3 Licensor Indemnity

Licensor agrees to defend Licensee and its Affiliates at Licensor's cost and expense, and will indemnify and hold Licensee and its Affiliates and their respective directors, officers, employees and agents (the "**Licensee Indemnified Parties**") harmless from and against any action, suit, liabilities, losses, costs, damages, claims, demands, encumbrances, fees or expenses (including reasonable legal fees and disbursements) arising out of any Third Party claim relating to:

(a) any breach by Licensor of any of its representations, warranties or obligations pursuant to this Agreement; or

(b) the negligence or wilful misconduct of Licensor.

In the event of any claim against the Licensee Indemnified Parties by any Third Party, Licensee shall promptly notify Licensor in writing of the claim and Licensor shall manage and control, at its sole expense, the defence of the claim and its settlement, keeping Licensee reasonably advised of the status of the defence and/or settlement. No settlement shall be finalized without obtaining Licensee's prior written consent, which consent shall not be unreasonably withheld, except that, in the case of a settlement that does not require an admission or action on the part of Licensee, Licensee's consent shall not be required so long as Licensee is unconditionally released from all liability in such settlement. The Licensee Indemnified Parties shall cooperate with Licensor and may, at their option and expense, be represented in any such action or proceeding. Licensor shall not be liable for any litigation costs or expenses incurred by the Licensee Indemnified Parties without Licensor's prior written authorization, unless Licensor is in breach of any of its obligations pursuant to this Section. In addition, Licensor shall not be responsible for the indemnification or defence of any Licensee Indemnified Party to the extent any Third Party Claim arises from any negligent or intentional acts or omissions by any Licensee Indemnified Party, or the breach by Licensee of any obligation, representation or warranty under this Agreement, or any claims compromised or settled without Licensor's prior written consent.

Article 15 Use of Names and Publication

15.1 Use of Name

Nothing contained in this Agreement shall be construed as granting any right to Licensee or its Affiliates to use in advertising, publicity, or other promotional activities any name, trade name, trademark, or other designation of Licensor other than those related to the Licensed Product without the prior, written consent of Licensor; provided that Company may use Licensor's name in various documents used for capital raising and financing without such prior written consent and where the use of such names may be required by Applicable Law.

15.2 No Agency

Nothing herein shall be deemed to establish a relationship of principal and agent between Licensor and Licensee, nor any of their agents or employees for any purpose whatsoever. This Agreement shall not be construed as creating a partnership between the Licensor and Licensee, or as creating any other form of legal association or arrangement, which would impose liability upon one Party for the act or failure to act of the other Party.

15.3 Publication

In the event that Licensor or Licensee desires to publish or disclose, by written, oral or other presentation, Patent Rights, Know How, or any material information related thereto then such Party shall receive the prior written consent of the other Party and shall notify the other Party in writing by facsimile where confirmed by the receiving Party, and/or by certified or registered mail (return receipt requested) of such Party's intention at least **(REDACTED: Delivery dates)** prior to any speech, lecture or other oral presentation and at least **(REDACTED: Delivery dates)** any written or other publication or disclosure. Each Party shall include with such notice a description of any proposed oral presentation or, in any proposed written or other disclosure, a current draft of such proposed disclosure or abstract.

Article 16 Confidentiality

16.1 Confidentiality and Non-Use

Any proprietary or confidential information, whether oral, written or electronic, relating to Patent Rights, Know How (including but not limited to patent prosecution documents relating to Patent Rights), Trademarks and documents, data and information required to be delivered by either Party to the other pursuant to or in connection with, this Agreement including, without limitation, financial information, business plans, strategies, regulatory and pricing correspondence, filings or other information, and clinical data and protocols, collectively constitute the "**Confidential Information**". Neither Party will use the Confidential Information for any purpose unrelated to this Agreement, and will hold it in confidence during the Term and for a period of **(REDACTED: Term duration)** after the termination or expiration date of this Agreement. Each Party shall exercise with respect to such the Confidential Information the same degree of care as such Party exercises with respect to its own confidential or proprietary information of a similar nature, but in any event no less than reasonable care, and shall not disclose it or permit its disclosure to any Third Party (except to those of its employees, consultants, or agents who are bound by the same obligation of confidentiality of this Agreement). However, such undertaking of confidentiality shall not apply to any information or data which:

16.1.1 The receiving Party receives at any time from a Third Party lawfully in possession of same and having the right to disclose same;

16.1.2 is, as of the date of this Agreement, in the public domain, or subsequently enters the public domain through no fault of the receiving Party;

16.1.3 is independently developed by the receiving Party as demonstrated by written evidence without reference to information disclosed to the receiving Party by the disclosing Party;

16.1.4 is disclosed pursuant to the prior written approval of the disclosing Party; or

16.1.5 is required to be disclosed pursuant to Applicable Law or legal process (including, without limitation, to a Governmental Authority, including securities authorities) provided, in the case of disclosure pursuant to legal process, reasonable notice of the impending disclosure is provided to the disclosing Party.

In addition, the Parties may disclose this Agreement to lawyers, accountants, investment bankers, brokers and potential investors or partners, who agree to be bound to the confidentiality provisions of this Article 16 or are otherwise bound by a duty of confidentiality.

16.2 Limited Disclosure by Licensor

Licensor acknowledges and agrees that the Licensor's Know-How licensed to Licensee has value to Licensee in being maintained as confidential. Therefore, Licensor shall disclose the Licensor's Know How only under an obligation of confidence as set forth in Section 16.1.

Article 17 Miscellaneous Provisions

17.1 Assignment

This Agreement and the rights and duties appertaining hereto may not be assigned by either Party without first obtaining the written consent of the other which consent shall not be unreasonably withheld. Any such purported assignment, without the written consent of the other Party, shall be null and of no effect. Notwithstanding the foregoing, either Party may assign this Agreement without the consent of the other to (i) a purchaser, merging or consolidating corporation, or acquirer of substantially all of assigning Party's voting securities, assets or business and/or pursuant to any reorganization qualifying under section 368 of the United States Internal Revenue Code of 1986 as amended, or any corresponding law in the jurisdiction of either Party, as may be in effect at such time; (ii) a party financing the research, development and/or commercialization or the Licensed Product, provided such assignment does not adversely effect Licensor's financial rights hereunder; or (ii) an Affiliate of such Party.

17.2 Binding Nature and Inurnment

This Agreement will not be binding upon the Parties until it has been signed below on behalf of each Party, in which event, it shall be effective as of the Effective Date. As of the Effective Date, this Agreement is binding upon and inures to the benefit of the Parties and their respective permitted successors and assigns.

17.3 Compliance with Applicable Laws

Licensee shall observe, in all material respects, all Applicable Laws with respect to the making, manufacture, use, sale, offer for sale, export and/or import of Licensed Product and related technical data to foreign countries, including, without limitation, the regulations of Competent Authorities.

17.4 Counterparts; Facsimile

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be signed and delivered to the other Party by facsimile signature; such transmission will be deemed a valid signature.

17.5 Entire Agreement; Amendment

The Parties hereto acknowledge that this Agreement, including the Exhibits and other documents incorporated by reference, sets forth the entire agreement and understanding of the Parties hereto as to the subject matter hereof, and shall not be subject to any change of modification except by the execution of a written instrument subscribed to by the Parties hereto and shall supersede all previous communications, representations or understandings, either oral or written, between the Parties relating to the subject matter hereof. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties hereto unless reduced to writing and signed by the respective authorized officers of the Parties.

17.6 Force Majeure

Neither Party is responsible for delays resulting from causes beyond its reasonable control, including without limitation fire, explosion, flood, war, strike, or riot, provided that the nonperforming Party uses commercially reasonable efforts to avoid or remove those causes of nonperformance and continues performance under this Agreement with reasonable dispatch whenever the causes are removed.

17.7 Further Assurances

From time to time during the Term, at the request of either Party, the other Party shall execute and deliver such documents and take such other action as the requesting Party may reasonably request to consummate more effectively the transactions contemplated hereby.

17.8 Law

This Agreement shall be construed, governed, interpreted and applied in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

17.9 No Consequential Damages

EXCEPT WITH REGARD TO DAMAGES ARISING FOR BREACH OF ARTICLE 16 AND ANY DUTY TO INDEMNIFY UNDER ARTICLE 13 FOR INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES RECOVERED BY A THIRD PARTY, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES INCURRED BY EITHER PARTY UNDER THIS AGREEMENT OR OTHERWISE.

17.10 Payments, Notices and Other Communications

Any payment, notice or other communication required or permitted to be given pursuant to this Agreement shall be in writing and sent by certified first class mail, postage prepaid, by hand delivery or by facsimile if confirmed in writing, in each case effective upon receipt, at the addresses below or as otherwise designated by written notice given to the other Party:

In the case of Licensor:
Genesense Technologies Inc.
2 Meridian Road
Toronto, ON, Canada M9W 4Z7

In the case of Licensee:

Zor Pharmaceuticals, LLC
(REDACTED: Zor Address)

With a copy to:

Torys LLP
(REDACTED: Torys Address)

17.11 Benefits of Bankruptcy Laws and Liquidated Damages

(REDACTED: Benefit rights)

17.12 Payment of Own Fees and Expenses

Each of Licensee and Licensor shall be responsible for their own expenses relating to the preparation and consummation of this Agreement and the agreements and transactions contemplated hereby. Without limiting the foregoing, Pharma Immune, Inc. shall pay its own legal fees.

17.13 Severability

The provisions of this Agreement are severable, and in the event that any provision of this Agreement shall be determined to be invalid or unenforceable under any controlling body of law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

17.14 Waiver

The failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party. Any waiver of any rights or failure to act in a specific instance relates only to that instance and is not an agreement to waive any rights or fail to act in any other instance.

17.15 Publicity

Except as may be required by applicable securities laws and regulations upon the advice of counsel, neither Party shall issue or cause the publication of any press release or other public announcement with respect to the terms contemplated by this Agreement without the consent of the other Party, which consent shall not be unreasonably withheld, *provided* that the press release in the form attached hereto as Exhibit D may be released following the Effective Date.

17.16 Witness

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement, in duplicate by proper persons thereunto duly authorized.

GENESENSE TECHNOLOGIES INC.	**ZOR PHARMACEUTICALS, LLC**
By: */s/ Aiping Young*	By: */s/ Asher*
Name: Dr. Aiping H. Young	Name:
Title: President and CEO	Title:
Date:	Date:

Exhibit A: Patent Rights

(REDACTED: Patent name, numbers and status)

Exhibit B: Trademarks

VIRULIZIN®

Country	Registration No.	Status
(REDACTED:	**Registration numbers and status)**	

Exhibit C: Independent Contractor Services Agreement

INDEPENDENT CONTRACTOR SERVICES AGREEMENT

Effective Date: _____, 2008

This agreement (the "**Agreement**") is made by and between **Zor Pharmaceuticals, LL**C (the "**Company**"), located at **(REDACTED Zor Address)** and **Genesense Technologies Inc**. located at 2 Meridian Road, Toronto, ON, Canada M9W 4Z7 (the "**Contractor**").

WHEREAS the Company and Contractor have entered into an exclusive license agreement (the "**License Agreement**") pursuant to which Contractor has granted to Company the right, among other things, to develop and commercialize Virulizin® in the countries of North America, South America and Europe and in Israel;

WHEREAS pursuant to the terms of the License Agreement Contractor agreed to provide technical assistance to Company upon the terms set out herein; and

WHEREAS capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the License Agreement.

WITNESSES that in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

1. Engagement of Services. During the term of this Agreement, Company Designated Executives, listed on Exhibit A attached hereto (each a "**Designated Executive**"), may give to Contractor written requests for technical assistance relating to manufacturing of the Licensed Product, design of clinical trials for the Licensed Product and other know-how regarding the Licensed Product. Upon receipt of such request Company and Contractor shall discuss the terms of the scope, timing and deliverables of such assistance, and the participation of third party contractors or subcontractors, if any. Such terms shall, upon agreement by the parties, be evidenced by a written instrument signed on behalf of the parties, dated and numbered sequentially and attached as Exhibit B hereto, and shall thereupon constitute a project assignment (each, a "**Project Assignment**") and shall form part of this Agreement. Contractor may engage its parent company, Lorus Therapeutics Inc., to perform Project Assignments for the benefit of Contractor. Contractor shall not be responsible for, or otherwise liable to Company in respect of, any services or other work performed by any other contractor or subcontractor of Contractor in connection with any Project Assignment except for liability resulting from Contractor's negligence or wilful misconduct. Except as otherwise provided in a Project Assignment, Project Assignments shall be subject to the terms and conditions of this Agreement and Contractor will render the services set forth in each Project Assignment accepted by Contractor substantially in accordance with the terms thereof.

2. Compensation. During the first twelve months of this Agreement Contractor will perform Project Assignments up to **(REDACTED: Rate of payment, contract total and scope of work)** without charge to Company for the services of Contractor (but Company shall pay all charges of contractors and subcontractors described in the Project Assignments). At the end of **(REDACTED: Rate of payment, contract total and scope of work)**, whichever comes first, Company will pay to Contractor **(REDACTED: Rate of payment, contract total and scope of work)** per hour (plus applicable goods and services tax) for services of Contractor, pro rated as appropriate, for performance of Project Assignments and all charges of contractors and subcontractors described in the Project Assignments. Services provided by contractors engaged by Company, or by Contractor's subcontractors, and described in a Project Assignment will be paid by Company at the rates charged by such contractors and subcontractors. Contractor will be reimbursed only for such other expenses described in the Project Assignment or which are otherwise expressly approved in advance by Company. Without limiting the foregoing, Contractor shall provide Company with **(REDACTED: Rate of payment, contract total and scope of work)** Under no circumstances shall Company be required to pay for more than **(REDACTED: Rate of payment, contract total and scope of work)** (excluding applicable goods and services tax) for this service from Contractor.

Company will pay Contractor the fee set forth in each Project Assignment within **(REDACTED: Delivery dates)** of receipt of Contractor's invoice, provided Contractor has furnished such documentation for authorized expenses as Company may reasonably request. Upon termination of this Agreement for any reason, Company will pay Contractor fees on the basis stated in the Project Assignment, for work which has been completed up to the time of termination, within **(REDACTED: Delivery dates)** following such termination.

Overdue payments shall bear interest at the rate set out in Section 7.11 of the License Agreement.

3. Independent Contractor Relationship. Contractor's relationship with Company is that of an independent contractor, and nothing in this Agreement is intended to, or should be construed to, create a partnership, agency, joint venture or employment relationship. Contractor will not be entitled to any of the benefits which Company may make available to its employees, including, but not limited to, group health or life insurance, profit sharing or retirement benefits. Contractor is not authorized to make any representation, contract or commitment on behalf of Company unless specifically requested or authorized in writing to do so by a Designated Executive. Contractor is solely responsible for filing all tax returns and payments required to be filed with, or made to, any federal, state, provincial or local tax authority with respect to the performance of services and receipt of fees under this Agreement. No part of Contractor's compensation will be subject to withholding by Company.

4. Intellectual Property Rights. Except as otherwise expressly provided in a Project Assignment, all tangible and intangible information, know-how, inventions, discoveries, trade secrets, data and materials, whether patentable or not, including but not limited to: formulations, in vitro, preclinical or clinical design, information or results, other proprietary materials, processes, including but not limited to manufacturing processes, data, drawings, sketches, designs, testing and test results, and regulatory information, created by Contractor or its subcontractors in connection with the performance of each Project Assignment (collectively, the "Know-How"), shall be owned by Contractor and shall constitute Know-How (as defined in the License Agreement) for all purposes of the License Agreement and the Contractor hereby grants to the Company, and the Company accepts, an exclusive license under such Know-How upon for the purpose, and on the terms and conditions, set out in the License Agreement.

5. Confidential Information.

5.1 Definition of Confidential Information. "Confidential Information" as used in this Agreement shall mean any and all technical and non-technical information (written or oral) owned by the Company and disclosed by Company to Contractor including patent, copyright, trade secret, and proprietary information, technology, business and financial information, manufacturing methods, plans and procedures relating to its pharmaceutical products, future and proposed products and services of Company, its suppliers and customers, and includes, without limitation, information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, customer lists, business forecasts, sales, merchandising and marketing plans and information, and any other information identified by Company as confidential.

5.2 Nondisclosure and Nonuse Obligations. Contractor will use the Confidential Information solely to perform Project Assignment(s) for the benefit of Company. Contractor agrees that it shall treat all Confidential Information of Company with the same degree of care as it accords to its own Confidential Information, and Contractor represents that it exercises reasonable care to protect its own Confidential Information. Contractor agrees that it shall disclose Confidential Information only to those of its employees who need to know such information and certifies that such employees have previously agreed, either as a condition of employment or in order to obtain the Confidential Information, to be bound by an obligation of confidentiality.

5.3 Exclusions from Nondisclosure and Nonuse Obligations. Contractor's obligations under Paragraph 5.2 ("Nondisclosure and Nonuse Obligations") with respect to any portion of Confidential Information shall terminate when Contractor can document that such Confidential Information (a) was in the public domain at or subsequent to the time it was communicated to Contractor by the disclosing party through no fault of Contractor; (b) was rightfully in Contractor's possession free of any obligation of confidence at or subsequent to the time it was communicated to Contractor by the disclosing party; or (c) was developed by employees or agents of Contractor independently of and without reference to any information communicated to Contractor by the disclosing party, provided however that nothing herein shall relieve Genesense Technologies Inc. from its obligations under Article 16 of the License Agreement made between that company and the Company dated April ___, 2008.

5.4 Disclosure of Third Party Information. Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

5.5 Return of Company's Property. All materials (including, without limitation, all documents, records, reports, notes, compilations, or all other recorded matter and copies or reproduction thereof, containing Confidential Information, whether delivered to Contractor by Company or made by Contractor in the performance of services under this Agreement ("**Company Property**") are the sole and exclusive property of Company. Contractor agrees to promptly deliver the original and any copies of the Company Property to Company at any time upon Company's request. Upon termination of this Agreement by either party for any reason, Contractor agrees to promptly deliver to Company or destroy, at Company's option, the original and any copies, including data stored in electronic format, of the Company Property. Contractor agrees to certify in writing that Contractor has so returned or destroyed all such Company Property.

6. No Conflict of Interest. During the term of this Agreement, Contractor will not accept work, enter into a contract, or accept an obligation, inconsistent or incompatible with Contractor's obligations or the scope of services rendered by Company under this Agreement. Contractor warrants that, to the best of its knowledge, it is not a party to any other contract or subject to any duty on its part inconsistent with this Agreement. Contractor agrees to indemnify Company from any and all loss or liability incurred by Company by reason of the alleged breach by Contractor of any services agreement with any third party.

7. Term, Renewal and Termination.

7.1 Term. This Agreement is effective as of the Effective Date set forth above and will terminate on the earlier of (i) first anniversary of the Effective Date unless terminated earlier as set forth below, or unless stated otherwise in any Project Assignment that extends beyond the first anniversary of the Effective Date or unless renewed pursuant to Section 7.2; and (ii) the date of termination of the License Agreement for any reason.

7.2 Renewal. This Agreement may be renewed by Company upon **(REDACTED: Renewal Terms)** written notice to Contractor, for **(REDACTED: Renewal Terms)** , in the event that Contractor has provided less than **(REDACTED: Renewal Terms)** of services described in Section 2.

7.3 Termination by Company. Company may terminate this Agreement, with or without cause, at any time upon **(REDACTED: Term)** prior written notice to Contractor. Company may also terminate this Agreement immediately in its sole discretion (i) upon Contractor's material breach of Section 4 ("Intellectual Property Rights"), ("Confidential Information"), Section 9 ("Noninterference with Business"), (ii) upon any acts of misconduct by Contractor directly affecting this Agreement or the independent contractor relationship, or (iii) in the event Company determines in its sole discretion that the quality of Contractor's work is unacceptable.

7.4 Termination by Contractor. Contractor may terminate this Agreement upon any failure of Company to pay any amounts owing to Contractor hereunder within **(REDACTED: Term)** following notice in writing from Contractor. Except during the term of a Project Assignment and only after the one year anniversary of the Effective Date, Contractor may terminate this Agreement, with or without cause, at any time upon **(REDACTED: Term)** prior written notice to Company.

7.5 Survival. The rights and obligations contained in Sections 4 ("Intellectual Property Rights"), 5 ("Confidential Information"), and 8 ("Noninterference with Business") will survive any termination or expiration of this Agreement and will continue to survive following the termination of this Agreement.

8. Noninterference with Business. During this Agreement, and for a period of **(REDACTED: Term)** immediately following its termination or any renewal or extension thereof, Contractor agrees not to solicit or induce any employee or independent contractor to terminate or breach an employment, contractual or other relationship with Company.

9. Successors and Assigns. Contractor may not subcontract or otherwise delegate its obligations under this Agreement without Company's prior written consent. Subject to the foregoing, this Agreement will be for the benefit of Company's successors and assigns, and will be binding on Contractor's assignees. Company may only assign this Agreement to the same assignee to whom the License Agreement is assigned by Company pursuant to the provisions of Section 17.1 thereof.

10. Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be given by prepaid mail, by facsimile or other means of electronic communication or by hand-delivery. Any such notice or other communication, if mailed by prepaid mail shall be deemed to have been received in the second day after the date that was post marked upon it, or if sent by facsimile or other means of electronic communication or hand-delivered shall be deemed to have been received on the day it is delivered. All notices and other communications given or made pursuant to this Agreement shall be addressed as follows:

If to Contractor:

Genesense Technologies Inc.
2 Meridian Road
Toronto, ON, Canada M9W 4Z7
Attention: Dr. Aiping H. Young

If to Company:

Zor Pharmaceuticals, LLC
(REDACTED Zor Address)

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

12. Severability. Should any provisions of this Agreement be held by a court of law to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

13. Waiver. The waiver by Company of a breach of any provision of this Agreement by Contractor shall not operate or be construed as a waiver of any other or subsequent breach by Contractor.

14. Injunctive Relief for Breach. Contractor's obligations under this Agreement are of a unique character that gives them particular value; breach of any of such obligations will result in irreparable and continuing damage to Company for which there will be no adequate remedy at law; and, in the event of such breach, Company will be entitled to injunctive relief and/or a decree for specific performance, and

15. Entire Agreement. This Agreement constitutes the entire agreement between the parties relating to this subject matter and supersedes all prior or contemporaneous oral or written agreements concerning such subject matter. The terms of this Agreement will govern all Project Assignments and services undertaken by Contractor for Company. This Agreement may only be changed by mutual agreement of authorized representatives of the parties in writing.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

ZOR PHARMACEUTICALS, LLC		**GENESENSE TECHNOLOGIES INC.**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____

EXHIBIT A

Designated Executive(s)

EXHIBIT B

PROJECT ASSIGNMENT - No. 1
between
GENESENSE TECHNOLOGIES INC. (“Contractor”)
and
ZOR PHARMACEUTICALS, LLC (“Company”)

Date: _____, 2008

Designated Executive

Services

Contractor shall provide the following services:

Payment of Fees. Fee will be as follows:

Contractor shall receive US $_____ (_____ US dollars). The maximum amount to be paid under this Project Assignment No. 1 is US $_____ dollars.

Expenses. Company will reimburse Contractor for the following expenses incurred in connection with this Project Assignment upon receipt of proper documentation of those expenses from Contractor:

NOTE: This Project Assignment is governed by the terms of an Independent Contractor Services Agreement in effect between Company and Contractor. Any item in this Project Assignment which is inconsistent with that Agreement is invalid.

IN WITNESS WHEREOF, the parties have executed this Project Assignment as of the date first written above.

ZOR PHARMACEUTICALS, LLC	GENESENSE TECHNOLOGIES INC.
By:	By:
Name:	Name:
Title:	Title:

Exhibit D: Press Release

LORUS THERAPEUTICS ANNOUNCES EXCLUSIVE MULTINATIONAL LICENSE AGREEMENT WITH ZOTICON BIOVENTURES FOR VIRULIZIN®

- AGREEMENT INCLUDES UPFRONT, MILESTONE AND ROYALTY PAYMENTS ON FUTURE SALES - -

TORONTO, CANADA - (April 8, 2008) - Lorus Therapeutics Inc. ("Lorus") (TSX: LOR; AMEX: LRP), announced today that its subsidiary Genesense Technologies Inc. has signed an exclusive multinational license agreement with Zor Pharmaceuticals formed as a subsidiary of Zoticon Bioventures Inc. ("Zoticon"), a research-driven biopharmaceutical group, to further develop and commercialize Virulizin® for human therapeutic applications. The initial clinical development of Virulizin® under the agreement will be in advanced pancreatic cancer.

Under the terms of the agreement, Lorus will be entitled to receive payments in excess of US$10 million upon achievement of various milestone events and royalties that vary from 10-20% depending on achieving of sales of Virulizin® and subject to certain other adjustments. In addition, Lorus will receive 25% of the initial equity in Zor Pharmaceuticals. Lorus' equity will not be subject to dilution on the first US$5 million of financing in the new entity. Thereafter, Lorus has, at its option, a right to participate in any additional financings to maintain its ownership level. In addition, the Company has entered into a Service Agreement with Zor Pharmaceuticals to assist in the transfer of knowledge and establish a strong foundation for moving forward with the development program.

Zor Pharmaceuticals will be responsible for the cost of all the clinical development, regulatory submissions and commercialization of Virulizin® in North and South America and Europe. Lorus will retain rights in all other countries, including Asian markets.

"We are delighted to enter into this transaction with Zoticon, which shares our vision in the potential of Virulizin® and has the expertise and financial commitment to bring Virulizin® to market" stated Dr. Aiping Young, President and Chief Executive Officer of Lorus. "We believe that this drug has significant potential as a treatment option not only for patients with advanced pancreatic cancer, but also, upon further development, for other cancer indications. This arrangement provides significant potential value to our shareholders , representing Lorus' commitment in maximizing the commercial potential of its anticancer products."

"Zoticon is very excited to be involved with the Virulizin® program. We have already begun to lay the groundwork for Zor Pharmaceuticals to continue product development and ultimately commercialization of this novel drug," stated Asher Nathan, Managing Director of Zoticon.

About Virulizin®

Virulizin® is a novel biological response modifier (or immunotherapeutic agent) that stimulates a patient's immune system through several mechanisms, including the activation of macrophages and the infiltration of natural killer cells into tumors. Virulizin® has demonstrated high levels of antitumor activity against a number of cancer indications including pancreatic cancer. Virulizin® has been granted orphan drug status and fast track status from the United States FDA and orphan designation from the Marketing Authorization Application with the European Medical Evaluation Agency (EMEA).

Virulizin® is a registered trademark owned by Lorus Therapeutics Inc.

About Lorus
Lorus is a biopharmaceutical company focused on the research and development of novel therapeutics in cancer. Lorus' goal is to capitalize on its research, preclinical, clinical and regulatory expertise by developing new drug candidates that can be used, either alone, or in combination with other drugs, to successfully manage cancer. Through its own discovery efforts and an acquisition and in-licensing program, Lorus is building a portfolio of promising anticancer drugs. Lorus Therapeutics Inc. is listed on the Toronto Stock Exchange under the symbol LOR, and on the American Stock Exchange under the symbol LRP.

About Zoticon
Zoticon is a privately held global drug development and healthcare investment firm with a portfolio of life-sciences-focused companies. Zoticon's business model is to in-license novel therapeutics, and the formation of new biotechnology companies.

Forward-Looking Statements for Lorus
This press release contains forward-looking statements within the meaning of Canadian and U.S. securities laws. Such statements include, but are not limited to, statements relating to: financings and corporate reorganizations, the establishment of corporate alliances, the Company's plans, objectives, expectations and intentions and other statements including words such as "continue", "expect", "intend", "will", "should", "would", "may", and other similar expressions. Such statements reflect our current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results, performance, achievements or the transactions described in this press release to be materially different from any future results, performance, achievements or transactions described in this press release, if at all, that may be expressed or implied by such forward-looking statements, including, among others: the progress of negotiations; the inherent risks in early stage drug development including demonstrating efficacy; development time/cost and the regulatory approval process; the progress of our clinical trials; our ability to find and enter into agreements with potential partners; and changing market conditions.

Should one or more of these risks or uncertainties materialize, or should the assumptions set out in the section entitled "Risk Factors" in our filings with Canadian securities regulators and the United States Securities and Exchange Commission underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein. These forward-looking statements are made as of the date of this press release and we do not intend, and do not assume any obligation, to update these forward-looking statements, except as required by law. We cannot assure you that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Lorus Therapeutics' recent press releases are available through the Company's website at www.lorusthera.com. For Lorus' regulatory filings on SEDAR, please go to Sedar.com. For SEDAR filings prior to July 10, 2007 you will find these under the company profile for Global Summit Real Estate Inc.

Lorus Therapeutics Inc.'s recent press releases are available through Licensee's website at www.lorusthera.com.

Enquiries:
For further information, please contact:

Lorus Therapeutics Inc.
Dr. Saeid Babaei, 1-416-798-1200 ext. 490
ir@lorusthera.com

Zoticon Bioventures
Dr. Asher Nathan, 972 2 9995858
asher@zoticon.com

Exhibit E: Preliminary List of Know How

Know-How related to Virulizin:

1.

(REDACTED know-how specifics)

Exhibit F: Development Steps

Part I

In the event that Licensee decides to pursue the Development of the Licensed Product**(REDACTED: Development program schedules)** Licensee's Development Plan shall include the following steps to be accomplished at the time indicated:

(REDACTED: Development program schedules)

Part II

In the event that Licensee decides to pursue the Development of the Licensed Product using a form of administration other than**(REDACTED: Development program schedules)** Licensee's Development Plan shall include the following steps to be accomplished at the time indicated:

(REDACTED: Development program schedules)

Exhibit G:

Map of European Countries Within the Territory

Exhibit H: Adjusted Royalty Rates

Column I	Column II	Column III
Sublicense Royalty Rate		
(Redacted)	**(Redacted)**	**(Redacted)**

INDEPENDENT CONTRACTOR SERVICES AGREEMENT

Effective Date: April 8, 2008

This agreement (the "**Agreement**") is made by and between **Zor Pharmaceuticals, LLC** (the "**Company**"), located at **(REDACTED: Zor address)** and **Genesense Technologies Inc.** located at 2 Meridian Road, Toronto, ON, Canada M9W 4Z7 (the "**Contractor**").

WHEREAS the Company and Contractor have entered into an exclusive license agreement (the "**License Agreement**") pursuant to which Contractor has granted to Company the right, among other things, to develop and commercialize Virulizin® in the countries of North America, South America and Europe and in Israel;

WHEREAS pursuant to the terms of the License Agreement Contractor agreed to provide technical assistance to Company upon the terms set out herein; and

WHEREAS capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the License Agreement.

WITNESSES that in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

1. Engagement of Services. During the term of this Agreement, authorized executives of the Company ("**Designated Executives**") may give to Contractor written requests for technical assistance relating to manufacturing of the Licensed Product, design of clinical trials for the Licensed Product and other know-how regarding the Licensed Product. Upon receipt of such request Company and Contractor shall discuss the terms of the scope, timing and deliverables of such assistance, and the participation of third party contractors or subcontractors, if any. Such terms shall, upon agreement by the parties, be evidenced by a written instrument signed on behalf of the parties, dated and numbered sequentially and attached as Exhibit A hereto, and shall thereupon constitute a project assignment (each, a "**Project Assignment**") and shall form part of this Agreement. Contractor may engage its parent company, Lorus Therapeutics Inc., to perform Project Assignments for the benefit of Contractor. Contractor shall not be responsible for, or otherwise liable to Company in respect of, any services or other work performed by any other contractor or subcontractor of Contractor in connection with any Project Assignment except for liability resulting from Contractor's negligence or wilful misconduct. Except as otherwise provided in a Project Assignment, Project Assignments shall be subject to the terms and conditions of this Agreement and Contractor will render the services set forth in each Project Assignment accepted by Contractor substantially in accordance with the terms thereof.

2. Compensation. During the first twelve months of this Agreement Contractor will perform Project Assignments up to **(REDACTED: Rate of Payment, contract total and scope of work)** without charge to Company for the services of Contractor (but Company shall pay all charges of contractors and subcontractors described in the Project Assignments). At the end of **(REDACTED: Rate of Payment, contract total and scope of work)** whichever comes first, Company will pay to Contractor **(REDACTED: Rate of Payment, contract total and scope of work)** per hour (plus applicable goods and services tax) for services of Contractor, pro rated as appropriate, for performance of Project Assignments and all charges of contractors and subcontractors described in the Project Assignments. Services provided by contractors engaged by Company, or by Contractor's subcontractors, and described in a Project Assignment will be paid by Company at the rates charged by such contractors and subcontractors. Contractor will be reimbursed only for such other expenses described in the Project Assignment or which are otherwise expressly approved in advance by Company. Without limiting the foregoing, Contractor shall provide **(REDACTED: Rate of Payment, contract total and scope of work)** Under no circumstances shall Company be required to pay for more than **(REDACTED: Rate of Payment, contract total and scope of work)** (excluding applicable goods and services tax) for this service from Contractor.

Company will pay Contractor the fee set forth in each Project Assignment within **(REDACTED: Delivery dates)** of receipt of Contractor's invoice, provided Contractor has furnished such documentation for authorized expenses as Company may reasonably request. Upon termination of this Agreement for any reason, Company will pay Contractor fees on the basis stated in the Project Assignment, for work which has been completed up to the time of termination, **(REDACTED: Delivery dates)** following such termination.

Overdue payments shall bear interest at the rate set out in Section 7.11 of the License Agreement.

3. Independent Contractor Relationship. Contractor's relationship with Company is that of an independent contractor, and nothing in this Agreement is intended to, or should be construed to, create a partnership, agency, joint venture or employment relationship. Contractor will not be entitled to any of the benefits which Company may make available to its employees, including, but not limited to, group health or life insurance, profit-sharing or retirement benefits. Contractor is not authorized to make any representation, contract or commitment on behalf of Company unless specifically requested or authorized in writing to do so by a Designated Executive. Contractor is solely responsible for filing all tax returns and payments required to be filed with, or made to, any federal, state, provincial or local tax authority with respect to the performance of services and receipt of fees under this Agreement. No part of Contractor's compensation will be subject to withholding by Company.

4. Intellectual Property Rights. Except as otherwise expressly provided in a Project Assignment, all tangible and intangible information, know-how, inventions, discoveries, trade secrets, data and materials, whether patentable or not, including but not limited to: formulations, in vitro, preclinical or clinical design, information or results, other proprietary materials, processes, including but not limited to manufacturing processes, data, drawings, sketches, designs, testing and test results, and regulatory information, created by Contractor or its subcontractors in connection with the performance of each Project Assignment (collectively, the "**Know-How**"), shall be owned by Contractor and shall constitute Know-How (as defined in the License Agreement) for all purposes of the License Agreement and the Contractor hereby grants to the Company, and the Company accepts, an exclusive license under such Know-How upon for the purpose, and on the terms and conditions, set out in the License Agreement.

5. Confidential Information.

5.1 Definition of Confidential Information. "Confidential Information" as used in this Agreement shall mean any and all technical and non-technical information (written or oral) owned by the Company and disclosed by Company to Contractor including patent, copyright, trade secret, and proprietary information, technology, business and financial information, manufacturing methods, plans and procedures relating to its pharmaceutical products, future and proposed products and services of Company, its suppliers and customers, and includes, without limitation, information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, customer lists, business forecasts, sales, merchandising and marketing plans and information, and any other information identified by Company as confidential.

5.2 Nondisclosure and Nonuse Obligations. Contractor will use the Confidential Information solely to perform Project Assignment(s) for the benefit of Company. Contractor agrees that it shall treat all Confidential Information of Company with the same degree of care as it accords to its own Confidential Information, and Contractor represents that it exercises reasonable care to protect its own Confidential Information. Contractor agrees that it shall disclose Confidential Information only to those of its employees who need to know such information and certifies that such employees have previously agreed, either as a condition of employment or in order to obtain the Confidential Information, to be bound by an obligation of confidentiality.

5.3 Exclusions from Nondisclosure and Nonuse Obligations. Contractor's obligations under Paragraph 5.2 ("Nondisclosure and Nonuse Obligations") with respect to any portion of Confidential Information shall terminate when Contractor can document that such Confidential Information (a) was in the public domain at or subsequent to the time it was communicated to Contractor by the disclosing party through no fault of Contractor; (b) was rightfully in Contractor's possession free of any obligation of confidence at or subsequent to the time it was communicated to Contractor by the disclosing party; or (c) was developed by employees or agents of Contractor independently of and without reference to any information communicated to Contractor by the disclosing party, provided however that nothing herein shall relieve Genesense Therapeutics, Inc. from its obligations under Article 16 of the License Agreement made between that company and the Company dated April 8, 2008.

5.4 Disclosure of Third Party Information. Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

5.5 Return of Company's Property. All materials (including, without limitation, all documents, records, reports, notes, compilations, or all other recorded matter and copies or reproduction thereof, containing Confidential Information, whether delivered to Contractor by Company or made by Contractor in the performance of services under this Agreement ("**Company Property**") are the sole and exclusive property of Company. Contractor agrees to promptly deliver the original and any copies of the Company Property to Company at any time upon Company's request. Upon termination of this Agreement by either party for any reason, Contractor agrees to promptly deliver to Company or destroy, at Company's option, the original and any copies, including data stored in electronic format, of the Company Property. Contractor agrees to certify in writing that Contractor has so returned or destroyed all such Company Property.

6. No Conflict of Interest. During the term of this Agreement, Contractor will not accept work, enter into a contract, or accept an obligation, inconsistent or incompatible with Contractor's obligations or the scope of services rendered by Company under this Agreement. Contractor warrants that, to the best of its knowledge, it is not a party to any other contract or subject to any duty on its part inconsistent with this Agreement. Contractor agrees to indemnify Company from any and all loss or liability incurred by Company by reason of the alleged breach by Contractor of any services agreement with any third party.

7. Term, Renewal and Termination.

7.1 Term. This Agreement is effective as of the Effective Date set forth above and will terminate on the earlier of (i) first anniversary of the Effective Date unless terminated earlier as set forth below, or unless stated otherwise in any Project Assignment that extends beyond the first anniversary of the Effective Date or unless renewed pursuant to Section 7.2; and (ii) the date of termination of the License Agreement for any reason.

7.2 Renewal. This Agreement may be renewed by Company upon **(REDACTED: Renewal Terms)** written notice to Contractor, for **(REDACTED: Renewal Terms)** in the event that Contractor has provided less than the **(REDACTED: Renewal Terms)** of services described in Section 2.

7.3 Termination by Company. Company may terminate this Agreement, with or without cause, at any time upon **(REDACTED: Term)** prior written notice to Contractor. Company may also terminate this Agreement immediately in its sole discretion (i) upon Contractor's material breach of Section 4 ("Intellectual Property Rights"), ("Confidential Information"), Section 9 ("Noninterference with Business"), (ii) upon any acts of misconduct by Contractor directly affecting this Agreement or the independent contractor relationship, or (iii) in the event Company determines in its sole discretion that the quality of Contractor's work is unacceptable.

7.4 Termination by Contractor. Contractor may terminate this Agreement upon any failure of Company to pay any amounts owing to Contractor hereunder **(REDACTED: Term)** following notice in writing from Contractor. Except during the term of a Project Assignment and only after the one year anniversary of the Effective Date, Contractor may terminate this Agreement, with or without cause, at any time upon **(REDACTED: Term)** prior written notice to Company.

7.5 Survival. The rights and obligations contained in Sections 4 ("Intellectual Property Rights"), 5 ("Confidential Information"), and 8 ("Noninterference with Business") will survive any termination or expiration of this Agreement and will continue to survive following the termination of this Agreement.

8. Noninterference with Business. During this Agreement, and for a period of **(REDACTED: Term)** immediately following its termination or any renewal or extension thereof, Contractor agrees not to solicit or induce any employee or independent contractor to terminate or breach an employment, contractual or other relationship with Company.

9. Successors and Assigns. Contractor may not subcontract or otherwise delegate its obligations under this Agreement without Company's prior written consent. Subject to the foregoing, this Agreement will be for the benefit of Company's successors and assigns, and will be binding on Contractor's assignees. Company may only assign this Agreement to the same assignee to whom the License Agreement is assigned by Company pursuant to the provisions of Section 17.1 thereof.

10. Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be given by prepaid mail, by facsimile or other means of electronic communication or by hand-delivery. Any such notice or other communication, if mailed by prepaid mail shall be deemed to have been received in the second day after the date that was post marked upon it, or if sent by facsimile or other means of electronic communication or hand-delivered shall be deemed to have been received on the day it is delivered. All notices and other communications given or made pursuant to this Agreement shall be addressed as follows:

If to Contractor:

Genesense Technologies Inc.
2 Meridian Road
Toronto, ON, Canada M9W 4Z7
Attention: Dr. Aiping H. Young

If to Company:

Zor Pharmaceuticals, LLC
(REDACTED: Zor Address)

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

12. Severability. Should any provisions of this Agreement be held by a court of law to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

13. Waiver. The waiver by Company of a breach of any provision of this Agreement by Contractor shall not operate or be construed as a waiver of any other or subsequent breach by Contractor.

14. Injunctive Relief for Breach. Contractor's obligations under this Agreement are of a unique character that gives them particular value; breach of any of such obligations will result in irreparable and continuing damage to Company for which there will be no adequate remedy at law; and, in the event of such breach, Company will be entitled to injunctive relief and/or a decree for specific performance, and such other and further relief as may be proper (including monetary damages if appropriate).

15. Entire Agreement. This Agreement constitutes the entire agreement between the parties relating to this subject matter and supersedes all prior or contemporaneous oral or written agreements concerning such subject matter. The terms of this Agreement will govern all Project Assignments and services undertaken by Contractor for Company. This Agreement may only be changed by mutual agreement of authorized representatives of the parties in writing.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

ZOR PHARMACEUTICALS, LLC	**GENESENSE TECHNOLOGIES INC.**
By: **(REDACTED: Individual name)**	By: */s/ Aiping Young*
Name: **(REDACTED: Individual name)**	Name: Aiping Young
Title: **(REDACTED: Individual name)**	Title: President and CEO

EXHIBIT A

PROJECT ASSIGNMENT - No. 1
between
GENESENSE TECHNOLOGIES INC. ("Contractor")
and
ZOR PHARMACEUTICALS, LLC ("Company")

Date: _____, 2008

Designated Executive

Services

Contractor shall provide the following services:

Payment of Fees. Fee will be as follows:

Contractor shall receive US $_____ (_____ US dollars). The maximum amount to be paid under this Project Assignment No. 1 is US $_____ dollars.

Expenses. Company will reimburse Contractor for the following expenses incurred in connection with this Project Assignment upon receipt of proper documentation of those expenses from Contractor:

NOTE: This Project Assignment is governed by the terms of an Independent Contractor Services Agreement in effect between Company and Contractor. Any item in this Project Assignment which is inconsistent with that Agreement is invalid.

IN WITNESS WHEREOF, the parties have executed this Project Assignment as of the date first written above.

ZOR PHARMACEUTICALS, LLC	GENESENSE TECHNOLOGIES INC.
By:	By:
Name:	Name:
Title:	Title:

ZOR PHARMACEUTICALS, LLC

LIMITED LIABILITY COMPANY AGREEMENT

Table of Contents

LIMITED LIABILITY COMPANY AGREEMENT
OF
ZOR PHARMACEUTICALS, LLC

This **LIMITED LIABILITY COMPANY AGREEMENT** is made by and between the Persons named on Schedule A (such Persons are referred to collectively as the "*Members*" and individually as a "*Member*") on April 8, 2008.

WHEREAS, the undersigned have caused the formation of Zor Pharmaceuticals, LLC, a Delaware limited liability company (the "*Company*"), of which the undersigned constitute all of the initial Members; and

WHEREAS, the Delaware Limited Liability Company Act provides that the members of a limited liability company may enter into a limited liability company agreement to establish or regulate the affairs of the limited liability company, the conduct of its business and the relations of its members; and

WHEREAS, each of the undersigned desires to enter into such an agreement;

NOW, **THEREFORE**, in consideration of the premises, the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and adequacy of which the Members acknowledge, the Members agree as follows:

Article 1
General

1.1 Limited Liability Company Agreement.

The Members agree that this Agreement constitutes the "limited liability company agreement" of the Company within the meaning of Section 18-101(7) of the Act, effective as of the date hereof (the "*Effective Date*") and that it shall govern the rights, duties and obligations of the Members, except as otherwise expressly required by the Act.

1.2 Certificate of Formation.

The Members adopt, approve and ratify the execution and filing in the office of the Secretary of State of the State of Delaware of the certificate of formation of the Company by **(Redacted: Individual's name)** on February 26, 2008 (the "*Certificate of Formation*"), a copy of which is attached as Exhibit 1, and acknowledge, approve and ratify his designation as an "authorized person" of the Company in the Certificate of Formation as contemplated by Section 18-201(a) of the Act.

1.3 Name.

The name of the Company shall be and the business shall be conducted under the name of "Zor Pharmaceuticals, LLC" or under such other name or names as the Board of Managers may determine. The Board of Managers is authorized to execute and deliver or file such documents and to take such actions as it may consider advisable to permit the Company to use and to ensure the Company's right to use such name or names.

1.4 Principal Place of Business.

The location of the principal place of business of the Company shall be such place as the Board of Managers may from time to time determine (the "*Principal Office*"). The Company may maintain offices and places of business at such other place or places within or outside the State of Delaware as the Board of Managers deems advisable. The Board of Managers is authorized and directed to execute and deliver or file such documents and to take such actions as it may consider advisable to permit the Company to conduct its business in such states.

1.5 Names of Members.

The names of the Members are as set forth on Schedule A.

1.6 Term of Existence.

The Company shall be formed as of the time of the filing of the Certificate of Formation in the Office of the Secretary of State of Delaware and its term of existence shall be perpetual, unless earlier terminated, dissolved or liquidated in accordance with the provisions of this Agreement.

1.7 Duties of Members.

The only duties of the Members to the Company or to each other in respect of the Company shall be those established in this Agreement, and there shall be no other express or implied duties of the Members to the Company or to each other in respect of the Company.

1.8 Liability of Members.

Except as otherwise provided in the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member of the Company.

1.9 Duties of Managers and Named Officers.

Except as otherwise specifically provided in this Agreement, each Manager and Named Officer shall owe the same fiduciary duties to the Company and the Members as the directors and officers of a corporation organized under the Delaware General Corporation Law owe to the corporation and its stockholders.

1.10 Liabilities of Managers.

No Manager or Named Officer shall be personally liable to the Company or the Members for monetary damages for breach of fiduciary duty as a Manager or Named Officer except:

(a) for any breach of the Manager's or Named Officer's duty of loyalty to the Company or the Members,

(b) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, or

(c) for any transaction from which the Manager or Named Officer derived an improper personal benefit.

No amendment to or repeal of this Section 1.10 shall apply to or have any effect on the liability or alleged liability of any Manager or Named Officer for or with respect to any acts or omissions of such Manager or Named Officer that occurred before such amendment or repeal.

1.11 Other Ventures; Time and Attention.

The Members and Managers may, during the term of the Company, engage in and possess an interest for their respective accounts in other business ventures of every nature and description, independently or with others, and neither the Company nor any Member shall have any right in or to said independent ventures or any income or profits derived from said independent ventures. No Member or Manager shall be required to devote his, her or its full business time and attention to the affairs of the Company, unless such Person expressly agrees otherwise in this Agreement or another written agreement.

Article 2
Definitions

Unless the context otherwise specifies or requires, the terms defined in this Article 2 shall, for the purposes of this Agreement, have the meanings specified in this Article 2. Certain other capitalized terms are defined elsewhere in this Agreement. All defined terms may be used in the singular or the plural, as the context requires.

"*Act*" means the Delaware Limited Liability Company Act, as amended from time to time.

"*Affiliate*" means, when used with reference to a specified Person, (i) any Person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with the specified Person, (ii) any Person that is an officer, partner or trustee of, or serves in a similar capacity with respect to, the specified Person or of which the specified Person is an officer, partner or trustee, or with respect to which the specified Person serves in a similar capacity, (iii) any Person that, directly or indirectly, is the beneficial owner of ten percent or more of any class of equity securities of, or otherwise has a substantial beneficial interest in, the specified Person or of which the specified Person has a substantial beneficial interest, and (iv) any relative or spouse of the specified Person.

"*Agreement*" means this Limited Liability Company Agreement, as it may be amended or supplemented from time to time.

"*Board of Managers*" means the Board of Managers of the Company established pursuant to Article 6.

"*Business Day*" means any day except a Saturday, Sunday, or other day on which commercial banks in New York, New York, are authorized or required by law to close.

"*Capital Account*" is defined in Section 11.5.

"*Capital Contribution*" means the amount of money or the fair market value of any property (as agreed by the Members as of the date of contribution) contributed to the Company by any Member.

"*Code*" means the Internal Revenue Code of 1986, as amended. Any reference in this Agreement to a Section of the Code shall be considered also to include any subsequent amendment or replacement of that Section.

"*Company*" means Zor Pharmaceuticals LLC, the Delaware limited liability company formed pursuant to the filing of the Certificate of Formation and the terms of this Agreement.

"*Effective Date*" is defined in Section 1.1.

"*Electronic Transmission*" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

"*Financial Problems*" means the filing or commencement of a voluntary or involuntary proceeding in bankruptcy, insolvency, receivership or other similar law now or hereafter in effect in a court of competent jurisdiction, or an action to appoint a trustee, receiver, or similar Person, which continues for a period of 90 days without dismissal.

"*Financing*" is defined in Section 5.4.

"*Financing Date*" means the date on which the aggregate consideration received by the Company for New Securities equals or exceeds $5,000,000.

"*Fiscal Year*" means the 12-month accounting period of the Company used for federal income tax purposes ending on December 31 of each year, or such other date as the Board of Managers may determine from time to time subject to the requirements of Code Section 706; it being understood that the Board of Managers may establish other "fiscal years" for financial reporting or any purpose other than federal income tax reporting.

"*Indemnitee*" is defined in Section 8.1(a).

"*Key Holder*" means ZBV I, LLC and Pharma Immune.

"*Manager*" means a Person serving on the Board of Managers pursuant to Article 6.

"*Members*" means the Persons executing this Agreement until they cease to be Members and the Persons that are hereafter admitted to the Company as Members in accordance with this Agreement.

"*Member Majority*" means, with respect to any decision of the Members, Members who hold 66‰of the Shares having the right to vote with respect to that decision.

"*Named Officers*" is defined in Section 7.1.

"*New Securities*" **(REDACTED: Definition)**

"*Offered Shares*" is defined in Section 9.9.

"*Option Notice*" is defined in Section 9.9.

"*Permitted Transferee*" means a transferee involving:

(i) transfers to an Affiliate of the Member transferor;

(ii) any transfer or transfers by a Key Holder of Shares which in the aggregate, over the term of this Agreement, including any amendments hereto, amount to no more than ten percent (10%) of the Shares held by such Key Holder as of the date hereof (as adjusted for stock splits, dividends and the like);

(iii) any transfer by a Key Holder without consideration, of Shares to the Key Holder's ancestors, descendants or spouse or to trusts for the benefit of such persons or the Key Holder;

(iv) any transfer from one or more other Key Holders to one or more Key Holders;

(v) any transfer of shares to the Company or its assignees; or

(vi) any transfer which is a pledge of any or all of the Shares owned by ZBV I, LLC or Pharma Immune, Inc.;

provided that in the event of any such transfer (A) the transferor shall inform the other Members of such pledge, transfer or gift prior to effecting it and (B) the pledgee, transferee or donee shall enter into a written agreement to be bound by and comply with all the provisions of this Agreement as if it were an original Member hereunder.

"*Person*" means any natural person, corporation, limited liability company, association, partnership (whether general or limited), joint venture, proprietorship, governmental agency, trust, estate, association, custodian, nominee or any other individual or entity, whether acting in an individual, fiduciary, representative or other capacity.

"*Principal Office*" is defined in Section 1.4.

"*Profits*" or "*Losses*" mean, for each Fiscal Year, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this paragraph shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*i*), and not otherwise taken into account in computing Profits and Losses pursuant to this paragraph shall be subtracted from such taxable income or loss;

(iii) If the value of any Company asset is adjusted in compliance with Treasury Regulations Section 1.704-1(b)(2)(iv)(*e*) or (*f*), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits and Losses;

(iv) Gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the value of such property for Capital Account purposes notwithstanding that the adjusted tax basis of such property differs from such value;

(v) If the value of an asset for Capital Account purposes differs from its adjusted tax basis for federal income tax purposes, depreciation, amortization and other cost recovery deductions shall be taken into account in accordance with applicable Treasury Regulations, including Treasury Regulations Section 1.704-1(b)(2)(iv)(*g*), in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing taxable income or loss;

(vi) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734 is required pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*m*)(*4*) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Profits and Losses; and

(vii) Any items that are specially allocated by the Board of Managers to the Members' Capital Accounts pursuant to the provisions of Section 12.1(c) in order to cause the allocation of such items to be respected for federal income tax purposes shall not be taken into account in computing Profits and Losses.

"*Qualified Appraiser*" means an investment banker or independent accountant experienced in the valuation of closely-held businesses.

"*Reorganization*" means (i) any consolidation or merger of the Company with or into any other Person, whether or not the Company is the surviving entity, (ii) any conversion of the Company into another entity pursuant to Section 18-216 of the Act, (iii) any exchange or other transaction pursuant to which outstanding Shares are converted into other securities, property or money or (iv) any sale, transfer or other disposition of all or substantially all of the Company's assets in a single transaction or a series of related transactions. A dissolution or liquidation of the Company pursuant to Article 14 will not constitute a "Reorganization" within the meaning of this Agreement.

"*Securities Act*" is defined in Section 17.1(a).

"*Share*" means a fractional part of the interests of all Members or assignees in the Company equal to the quotient of one divided by the total number of Shares. For purposes of this definition, "interest" means all of the rights to which a Member or assignee in the Company is entitled as provided in this Agreement and under law, together with all of the obligations of such Member or assignee to comply with all of the terms and provisions set forth in this Agreement and under law.

"*Special Event*" means, with respect to any Member or assignee, (i) the death of that Member or assignee (unless the death of the Member or assignee results in a transfer to a Permitted Transferee), (ii) the occurrence, with respect to that Member or assignee, of Financial Problems, (iii) the termination of that Member's employment with the Company or any Affiliate of the Company for any reason, with or without cause, (iv) the Disability of that Member, or (v) the failure of that Member to continue to qualify as a Permitted Transferee (if continued status as, for example, spouse or family member of a Member is required).

"*TMP*" is defined in Section 10.5.

"*Transfer*" means, with respect to a Member's Shares, whether the word is capitalized or not, the sale, assignment, transfer, withdrawal, mortgage, pledge, hypothecation, exchange or other disposition of any part or all of such Shares, whether or not for value and whether such disposition is voluntary, involuntary, by operation of law or otherwise.

"*Transferring Person*" is defined in Section 9.9.

"*Treasury Regulations*" means the regulations promulgated by the United States Treasury Department under the Code. Any reference in this Agreement to a Section of the Treasury Regulations shall be considered also to include any subsequent amendment or replacement of that Section.

Article 3
Purpose and Character of the Business

The purpose and character of the business of the Company shall be the development and commercialization of Virulizin and to undertake and carry on any lawful business, purpose, or activity permitted under the Act and approved by the Board of Managers related to such matters.

Article 4
Members; Meetings; Acts

4.1 Authority of the Members.

Except as otherwise expressly provided in this Agreement, no Member shall have any authority to act for, or to assume any obligations or responsibility on behalf of, or bind any other Member or the Company. Each of the Members agrees that it shall not represent to any third party with whom such Member is in contact concerning the affairs or the business of the Company that such Member has any authority to act for, or to assume any obligations or responsibilities on behalf of, the Company unless expressly authorized by the Board of Managers. Members shall take action in their capacities as Members only at a meeting of the Members or by written action as provided in this Article 4.

4.2 Place and Time of Meetings.

Meetings of the Members may be held at such place and at such time as may be designated by the Board of Managers. In the absence of a designation of place, meetings shall be held at the Principal Office.

4.3 Regular Meetings.

Regular meetings of Members will be held on an annual basis and may be held more frequently as may be determined by the Board of Managers.

4.4 Special Meetings.

Special meetings of the Members for any purpose or purposes shall be called by the Secretary at the written demand of (a) the President, (b) the Treasurer, (c) the sole Manager, if there is a single Manager, or two or more Managers, if there are multiple Managers or (d) a Member or Members owning not less than 10 percent of the Shares outstanding. Such demand shall state the purpose or purposes of the proposed meeting. Within ten days after receiving a proper demand to call a meeting, the Secretary shall cause a meeting to be duly called on a Business Day determined by the Secretary within 90 days after the date of receipt of such request. Business transacted at any special meeting shall be limited to the purpose or purposes stated in the demand.

4.5 Notices of Meetings.

A written notice of each regular and special meeting of Members shall be given not less than ten nor more than 60 days before the date of such meeting to each Member. Every notice of a meeting of Members shall state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called.

4.6 Waiver of Notice.

Notice of any regular or special meeting may be waived either before, at or after such meeting in writing signed by the Member entitled to the notice. Attendance by a Member at a meeting shall constitute a waiver of notice of such meeting, unless the Member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened.

4.7 Proxies.

Each Member may authorize another Person or Persons to act for him, her or it by proxy by an instrument executed in writing and filed with the Secretary. If any such instrument designates two or more Persons to act as proxies, any proxy may exercise all of the powers conferred by such written instrument unless the instrument shall otherwise provide. No proxy shall be valid for more than one year from the date of its execution. Subject to the above, any proxy may be revoked if an instrument revoking it or a proxy bearing a later date is filed with the Secretary.

4.8 Quorum; Adjourned Meetings.

The presence, in person or by proxy, of Members who own a Member Majority of the Shares outstanding shall constitute a quorum for the transaction of business at any regular or special meeting of the Members. If a quorum is not present at a meeting, the Members present shall adjourn to such day as they shall agree upon by a vote of the Members present who hold a Member Majority of the Shares held by the Members who are present. Notice of any adjourned meeting need not be given if the date, time and place thereof are announced at the meeting at which the adjournment is taken. At adjourned meetings at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. If a quorum is present, the Members may continue to transact business until adjournment notwithstanding the withdrawal of enough Members to leave less than a quorum.

4.9 Conference Communications.

To the fullest extent permitted under the Act, one or more Members may participate in a meeting by any means of communication through which all Members participating in the meeting may simultaneously hear each other during the meeting. For the purposes of establishing a quorum and taking any action at the meeting, Members participating pursuant to this Section 4.9 shall be deemed present in person at the meeting; and the place of the meeting shall be the place of origination of the conference telephone conversation or other comparable communication technique.

4.10 Organization.

At each meeting of the Members, the President or, in his or her absence, the individual chosen by the vote of the Members present who hold a majority of the Shares held by the Members who are present shall act as chair; and the Secretary or, in his or her absence, any Person whom the chair of the meeting shall appoint, shall act as secretary of the meeting.

4.11 Order of Business.

The order of business at each meeting of the Members shall be determined by the chair of the meeting, but such order of business may be changed by the vote of the Members present who hold a majority of the Shares held by the Members who are present.

4.12 Voting.

(a) Each Member shall have one vote for each Share registered in his, her or its name on the books of the Company. Except where otherwise required by the Act or this Agreement, all questions at a meeting shall be decided by a Member Majority vote of the number of Shares represented at the meeting at the time of the vote.

(b) Persons who hold Shares in a fiduciary capacity shall be entitled to vote the Shares so held. If Shares are held in the names of two or more Persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety or otherwise, or if two or more Persons have the same fiduciary relationship respecting the same Shares, unless the Secretary has been given written notice to the contrary and has been furnished with a copy of the instrument or order so providing, their acts with respect to voting shall have the following effect: (i) if only one votes, his, her or its act shall bind all; (ii) if more than one votes, the act of the majority voting shall bind all and (iii) if more than one votes, but the votes are evenly split on any particular matter, then, except as otherwise required by law, each Person may vote the Shares in question proportionately.

(c) No Member shall have any cumulative voting rights.

4.13 Written Action.

Any action that may be taken at a meeting of the Members may be taken without a meeting if done in writing and signed by all Members. Any Electronic Transmission consenting to an action to be taken and transmitted by a Member, or by a Person or Persons authorized to act for a Member, shall be deemed to be written for purposes of this Section 4.13, provided that any such Electronic Transmission sets forth information from which the Company can determine that the Electronic Transmission was transmitted by the Member or a Person authorized to act for the Member. The date on which such Electronic Transmission is transmitted shall be deemed to be the date on which such consent was signed.

4.14 Certain Actions.

Until a Financing (as defined below) is closed the Company shall not take any of the following actions without the consent of Pharma Immune, Inc., which consent may be given either in writing or pursuant to a regular or special meeting of the Members:

(REDACTED: Pharma Immune rights)

Article 5
New Members; Shares; Certificates

5.1 Admission of New Members.

The Members by vote of a Member Majority may from time to time admit additional Members to the Company in addition to transferees who are admitted as Members pursuant to Article 9.

5.2 Issuance of Shares.

The Members by vote of a Member Majority may issue additional Shares from time to time to existing or new Members. Shares may be issued for any consideration, including, without limitation, cash or other property, tangible or intangible, received or to be received by the Company or services rendered or to be rendered to the Company.

5.3 No Certificates for Shares.

The Shares of the Company shall not be certificated unless otherwise determined by the Board of Managers.

5.4 Anti-Dilution Protection.

(REDACTED Anti-dilution terms)

Article 6
Management and Operation of Company Business

6.1 Authority of the Board of Managers.

Except as otherwise required by the Act or this Agreement, the business and affairs of the Company shall be managed by or under the authority of the Board of Managers. The Board of Managers shall take action only at a meeting of the Board of Managers or by written action as provided in this Article 6.

6.2 Number; Qualification; Term of Office; Vote.

(a) The initial number of members of the Board of Managers shall be five (each a "*Manager*"). The number of Managers may be increased or decreased at any time by a Member Majority.

(b) For as long as Pharma Immune, Inc. holds at least 10% of the Shares, it shall be entitled to appoint one Manager.

(c) The remaining four Managers shall be elected from time to time by the vote of Members who hold a majority of the Shares outstanding.

(d) Each of the Managers shall hold office until such Manager's successor shall have been elected, or until the earlier death, resignation, removal or disqualification of such Manager.

(e) Each Manager shall have one vote in all matters to come before the Board of Managers. Except as otherwise provided in this Agreement, the Board of Managers shall take action at a meeting by the affirmative vote of a majority of the total number of Managers, and any such act shall be deemed to be the action of the Board of Managers for all purposes of this Agreement and the Act.

(f) In addition to its entitlement to appoint a Manager in 6(b), above, for as long as Pharma Immune, Inc. owns Shares, it shall be entitled to appoint an observer to the Board of Managers who will be entitled to receive notice of each meeting of the Board of Managers, together with all materials with respect to such meeting at the time they are delivered to the Managers. The observer will not be entitled to vote but will be entitled to speak at and participate in each meeting of the Board of Managers.

6.3 Initial Board of Managers.

The initial Board of Managers will be appointed within 30 days of the Effective Date.

6.4 Place of Meetings.

Meetings of the Board of Managers shall be held at the Principal Office or at such other place as may be agreed by the Managers from time to time.

6.5 Regular Meetings.

Regular meetings of the Board of Managers may be held on an annual or other less frequent periodic basis as may be determined by the Managers.

6.6 Special Meetings.

A special meeting of the Board of Managers may be called for any purpose or purposes at any time by any Manager or by any Member who holds at least 15 percent of the outstanding Shares and who shall demand such special meeting by written notice given to the Secretary specifying the purposes of such meeting.

6.7 Meetings Held Upon Member Demand.

Within five Business Days after the Secretary receives a valid demand for a meeting of the Board of Managers from a Member, it shall be the duty of the Secretary to cause a special or regular meeting of the Board of Managers, as the case may be, to be duly called and held on notice no later than five Business Days after receipt of such demand. If the Secretary fails to cause such a meeting to be called and held as required by this Section 6.7, the Member or Members making the demand may call the meeting by giving notice as provided in Section 6.9 at the expense of the Company.

6.8 Adjournments.

Any meeting of the Board of Managers may be adjourned from time to time to another date, time and place. If any meeting of the Board of Managers is so adjourned, no notice as to such adjourned meeting need be given if the date, time and place at which the meeting will be reconvened are announced at the time of adjournment.

6.9 Notice of Meetings.

Unless otherwise required by law, written notice of each meeting of the Board of Managers, stating the date, time and place and, in the case of a special meeting, the purpose or purposes, shall be given at least five days and not more than 90 days before the meeting to every member of the Board of Managers. A member of the Board of Managers may waive notice of the date, time, place and purpose or purposes of a meeting of the Board of Managers. A waiver of notice is effective whether given before, at or after the meeting, and whether given in writing, orally or by attendance. Attendance by a Manager at a meeting is a waiver of notice of that meeting, unless the Manager objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened.

6.10 Proxies.

A Manager may cast or authorize the casting of a vote by filing a written appointment of proxy with the Secretary at or before the meeting at which the appointment is to be effective. Any copy of the original of such appointment may be filed in lieu of the original if it is a complete and legible reproduction of the entire original and the filing may be made by any means of transmission so long as the transmission contains information sufficient to determine that the Manager authorized such transmission.

6.11 Quorum.

A majority of the Managers constitutes a quorum for the transaction of business at each meeting of the Board of Managers.

6.12 Absent Managers.

A Manager may give advance written consent or opposition to a proposal to be acted on at a meeting of the Board of Managers. If such Manager is not present at the meeting, such consent or opposition to a proposal does not constitute presence for purposes of determining the existence of a quorum, but such consent or opposition shall be counted as a vote in favor of or against the proposal and shall be entered in the minutes or other record of action at the meeting, if the proposal acted on at the meeting is substantially the same or has substantially the same effect as the proposal to which the Manager has consented or objected.

6.13 Conference Communications.

To the fullest extent permitted under the Act, any or all of the Managers may participate in any meeting of the Board of Managers, or of any duly constituted committee thereof, by any means of communication through which the participating Managers may simultaneously hear each other during such meeting. For the purposes of establishing a quorum and taking any action at the meeting, Managers participating pursuant to this Section 6.13 shall be deemed present in person at the meeting; and the place of the meeting shall be the place of origination of the conference telephone conversation or other comparable communication technique.

6.14 Written Action.

Any action which might be taken at a meeting of the Board of Managers, or any duly constituted committee thereof, may be taken without a meeting if done in writing and signed by all the Managers. Any Electronic Transmission consenting to an action to be taken and transmitted by a Manager, or committee member, or by a Person or Persons authorized to act for a Manager or committee member, shall be deemed to be written for purposes of this Section 6.14, provided that any such Electronic Transmission sets forth information from which the Company can determine that the Electronic Transmission was transmitted by the Manager or committee member, or a Person authorized to act for the Manager or committee member. The date on which such Electronic Transmission is transmitted shall be deemed to be the date on which such consent was signed.

6.15 Committees.

A resolution approved by the Board of Managers may establish committees having the authority of the Board of Managers in the management of the business of the Company to the extent provided in the resolution. A committee shall consist of one or more Persons, who need not be Managers. Committees are subject to the direction and control of, and vacancies in the membership thereof shall be filled by, the Board of Managers.

6.16 Compensation.

Managers shall not be compensated by the Company for serving in such capacity, unless Members holding a majority of the Shares outstanding determine otherwise in writing. The Company shall bear the expenses, if any, incurred by each Manager's attendance at meetings of the Board of Managers and shall reimburse Managers for reasonable out-of-pocket expenses incurred in the course of providing services for the Company.

6.17 Removal.

(a) Other than the Pharma Immune, Inc. nominee, any Manager may be removed from office at any time, with or without cause, by the vote of Members holding a majority of the Shares outstanding.

(b) If Pharma Immune, Inc. elects to remove its Manager for any reason, then Pharma Immune, Inc. shall have the right to remove the Manager and designate a successor.

Article 7
Officers

7.1 Number.

The officers of the Company, all of whom shall be natural persons, shall consist of a President, a Secretary and a Treasurer ("*Named Officers*"), and any other officers and agents as the Board of Managers may designate from time to time. Any Person may hold two or more offices.

7.2 Election; Term of Office and Qualifications.

The Board of Managers shall elect officers from time to time as it deems appropriate. Such officers shall hold office until their successors are elected and qualified, or until the office is eliminated by amendment of this Agreement, in the case of the Named Officers, or a vote of the Managers, in the case of officers other than Named Officers. An officer who is a Manager shall hold office until the election and qualification of his or her successor even though he or she may cease to be a Manager.

7.3 Removal and Vacancies.

Any officer may be removed from his or her office with or without cause upon a vote of the Managers. Such removal shall be without prejudice to the contract rights of the Person so removed. A vacancy among the officers by death, resignation, removal or otherwise shall be filled by the Board of Managers, unless such office is eliminated.

7.4 President.

(a) The Company shall be managed by a President. The Board of Managers delegates to the President the authority to oversee and supervise the Company's business. Except as otherwise provided in this Agreement, the President is authorized to determine all questions relating to the day-to-day conduct, operation and management of the business of the Company. The President is directly responsible to the Board of Managers.

(b) The President may delegate such part of his or her duties as he or she may deem reasonable or necessary in the conduct of the business of the Company to one or more employees of the Company, who shall each have such duties and authority as is determined from time to time by the President or as may be set forth in any agreement between such employee and the Company.

7.5 Secretary.

The Secretary shall be secretary of and shall attend all meetings of the Members and Board of Managers and shall record all proceedings of such meetings in the minute book of the Company. He or she shall give proper notice of meetings of Members and the Board of Managers. He or she shall perform such other duties as may from time to time be prescribed by the Board of Managers or the President.

7.6 Treasurer.

The Treasurer shall keep or cause to be kept accurate accounts of all moneys of the Company received or disbursed. He or she shall deposit or cause to be deposited all moneys, drafts and checks in the name of and to the credit of the Company in such banks and depositaries as the Board of Managers or the President shall from time to time designate. He or she shall have power to endorse or cause to be endorsed for deposit or collection all notes, checks and drafts received by the Company. He or she shall disburse or cause to be disbursed the funds of the Company as ordered by the President. He or she shall render to the Board of Managers and the President whenever required an account of all his or her transactions as Treasurer and of the financial condition of the Company and shall perform such other duties as set forth in Article 10 and as may from time to time be prescribed by the Board of Managers or the President.

7.7 Duties of Other Officers.

The duties of such other officers and agents as the Board of Managers may designate shall be set forth in the resolution creating such office or agency or by subsequent resolution.

7.8 Compensation.

The officers, agents and employees of the Company shall receive such compensation for their services as may be determined from time to time by the Board of Managers or as shall be set forth in a written agreement.

7.9 Management and Financial Consulting Services.

Zoticon Consulting Corporation or an affiliate thereof will oversee the management team and provide management and financing services at a rate of US$500 per annum, subject to oversight and direction of the Board of Managers.

Article 8
Indemnification

8.1 General.

(a) To the fullest extent permitted by law, the Company shall indemnify, hold harmless and defend each Manager and Named Officer (individually, an "*Indemnitee*") from and against any and all losses, claims, damages, liabilities, whether joint or several, expenses (including legal fees and expenses), judgments, fines and other amounts paid in settlement, incurred or suffered by such Indemnitee, as a party or otherwise, in connection with any threatened, pending or completed claim, demand, action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal, arising out of or in connection with the business or the operation of the Company if the Indemnitee's conduct:

(i) was not a breach of the Indemnitee's duty of loyalty to the Company or the Members,

(ii) did not involve acts or omissions not in good faith or that involved intentional misconduct or a knowing violation of law, and

(iii) did not involve any transaction from which the Indemnitee derived an improper personal benefit.

(b) An Indemnitee shall have the right to employ separate counsel in any action as to which indemnification may be sought under any provision of this Agreement and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the Company has agreed in writing to pay such fees and expenses, (ii) the Company has failed to assume the defense thereof and employ counsel within a reasonable period of time after being given the notice required above or (iii) the Indemnitee has been advised by its counsel that representation of such Indemnitee and other parties by the same counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same counsel has been proposed) due to actual or potential differing interests between them. It is understood, however, that the Company shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys at any time for all such Indemnitees having actual or potential differing interests with the Company, unless but only to the extent the Indemnitees have actual or potential differing interests with each other.

(c) To the fullest extent permitted by law and subject to Section 8.1(b), expenses incurred by an Indemnitee in defending any claim, demand, action, suit or proceeding subject to this Article 8 shall, from time to time, be advanced by the Company before the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Indemnitee to repay such amount unless it is determined that such Indemnitee is entitled to be indemnified therefor pursuant to this Article 8. An Indemnitee shall not be denied indemnification in whole or in part under this Article 8 merely because the Indemnitee had an interest in the transaction with respect to which the indemnification applies, if the transaction was not otherwise prohibited by the terms of this Agreement and the conduct of the Indemnitee satisfied the conditions set forth in Section 8.1(a).

8.2 Insurance.

The Company will maintain liability insurance for each of the Managers and Named Officers in such amounts as may be acceptable to the Managers, acting reasonably, but in any event in an amount not less than **(REDACTED: Insurance amount)** or such other amount as may be approved unanimously by the Managers).

8.3 No Member Liability.

Any indemnification provided under this Article 8 shall be satisfied solely out of assets of the Company, as an expense of the Company. No Member shall be subject to personal liability by reason of these indemnification provisions.

8.4 Settlements.

The Company shall not be liable for any settlement of any such action effected without its written consent, but if settled with such written consent, or if there is a final judgment against the Indemnitee in any such action, the Company agrees to indemnify and hold harmless the Indemnitee to the extent provided above from and against any loss, claim, damage, liability or expense by reason of such settlement or judgment.

8.5 Amendments.

Any amendment of this Article 8 shall not adversely affect any right or protection of an Indemnitee who was serving at the time of such amendment or repeal, and such rights and protections shall survive such amendment or repeal with respect to events that occurred before such amendment or repeal.

Article 9
Transfers

9.1 Registration, Transfer and Exchange.

The Company shall keep at the Principal Office an original copy of this Agreement in which the Board of Managers shall reflect all transfers of outstanding Shares on successive amendments of Schedule A that are made pursuant to Article 15; *provided, however,* that the Board of Managers shall not reflect on Schedule A any transfer that is not made in compliance with this Article 9. The Company may treat any Person in whose name Shares are recorded on Schedule A to this Agreement as the absolute owner of such Shares. The Board of Managers shall deliver a copy of each amendment of Schedule A to each Member promptly after each amendment, *provided that*, a failure of the Board of Managers to deliver a copy of any amendment to the Members shall not invalidate such amendment.

9.2 Restriction on Transfers.

In addition to any restrictions imposed by the federal securities laws and any applicable state securities or "blue-sky" laws, no Member may transfer all or any part of any Share, whether for consideration or not, and no transferee thereof shall have any rights in the Company or be or have any rights as a Member with respect to all or any part of any such Share attempted to be transferred, and any such attempted transfer of all or any part of a Share shall be entirely null and void, unless:

(a) the transferee is a Permitted Transferee; or

(b) the Member (the "*Selling Member*") gives the Company and the other Qualified Members (as defined below) notice in writing (the "*Notice*") at least 30 days in advance of such proposed sale (the "*Notice Period*") detailing the number of Shares to be transferred, the nature of the transfer, the price and other terms thereof, and the name and address of each prospective purchaser or transferee, and the Selling Member shall not consummate any such sale until it has complied with the provisions of Sections 9.5 and 9.6 and the Notice Period has expired; and

(c) the transferor and the transferee comply with the provisions of Section 9.4.

Subject to compliance with Section 9.4, if a Member transfers one or more Shares to a Permitted Transferee, the Permitted Transferee shall become a Member without any further action on the part of the Company or the Members. The appropriate Company records and any certificates representing the Shares shall be noted to prevent any transfers in violation of this Section 9.2. No Member may transfer any portion of such Member's rights in or obligations to the Company as a Member except pursuant to a transfer of Shares.

9.3 Transfer by Legal Process.

Upon any involuntary transfer of all or any portion of the Shares of a Member pursuant to a levy of execution, foreclosure of pledge, garnishment, attachment, divorce decree, bankruptcy or other legal process (or by operation of law resulting from the death, disability, liquidation, dissolution or winding-up of a Member), (i) such Member shall cease to be a Member with respect to any Shares so transferred, (ii) the Shares that are so transferred shall, in the hands of the transferee, be subject to the purchase rights described in Section 9.9, treating the transferee as the Transferring Person for such purposes. If the Company and the Members do not purchase the transferred Shares pursuant to Section 9.9, and the transferee shall have no right to become a Member or vote in any Company matters unless admitted by the affirmative vote of Members who hold at least *a majority* of the Shares (other than the Shares so transferred), and subject to compliance with the provisions of Section 9.4. If the transferee does not become a Member, the transferee shall be merely an assignee with the rights described in Section 18-702(b) of the Act.

9.4 Conditions to Permitted Transfers.

No transfer otherwise permitted by any provisions of this Agreement shall be valid unless and until the following conditions are satisfied (any of which may be waived by the Board of Managers in its discretion):

(a) The transferor and transferee shall execute and deliver to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Company to effect such transfer and confirm the agreement of the transferee to be bound by the provisions of this Agreement; *provided*, *however*, that in the case of a transfer of Shares at death or involuntarily by operation of law, the transfer shall be confirmed by presentation to the Company of legal evidence of such transfer, in form and substance satisfactory to counsel of the Company.

(b) Except in the case of a transfer of Shares at death or involuntarily by operation of law, where no opinion of counsel is required, the transferor shall furnish to the Company an opinion of counsel, which counsel and opinion shall be satisfactory to the Company, to the effect that:

(i) The transfer will not cause the Company's status as a partnership to terminate for federal income tax purposes under Code Section 708 or cause the Company to be treated as a "publicly traded partnership" within the meaning of Code Section 7704;

(ii) The transfer is exempt from all applicable registration requirements and such transfer will not violate any applicable federal and state laws regulating the transfer of securities; and

(iii) The transfer will not cause the Company to be deemed to be an "investment company" under the Investment Company Act of 1940.

(c) The transferor and transferee shall furnish the Company with the transferee's taxpayer identification number, sufficient information to determine the transferee's initial tax basis in the Shares transferred and any other information reasonably necessary to permit the Company to file all required federal and state tax returns and other legally required information statements or returns. The Company shall not be required to make any distribution otherwise provided for in this Agreement with respect to any transferred Shares until it has received such information.

(d) The transferee shall reimburse the Company for all costs and expenses reasonably incurred by the Company in connection with such transfer including, without limitation, legal fees and costs of the preparation, execution, filing or publishing of any amendment to the Certificate of Formation or this Agreement.

9.5 Company Right of First Refusal.

During the first ten days of the Notice Period, the Company shall have the exclusive right to purchase all or a portion of the Offered Interest at the price and on terms identical to those set forth in the Notice. If the Company elects to purchase any Offered Interest, such Offered Interest shall be delivered, and the transaction closed, within five business days after the Company delivers a written notice to the Selling Member indicating its election to purchase the Offered Interest.

9.6 Right of First Refusal.

(REDACTED: ROFR terms)

9.7 Preemptive Rights.

(REDACTED: Preemtive rights term)

Bring-Along Rights.

(REDACTED Bring-along Rights terms)

9.8 Resignation.

No Member shall be entitled to resign, retire or otherwise withdraw from the Company before the dissolution and winding up of the Company pursuant to Article 14 without the consent of the Board of Managers.

9.9 Special Events.

Upon the occurrence of a Special Event with respect to any Member, the voting rights relating to such Member's Shares shall be transferred to another Member designated by the Member with respect to which a Special Event occurred, or by such Member's legal representative or estate, and that Member or his estate or other assignee shall retain other rights of a Member to the maximum extent permitted by law.

Article 10
Books of Account; Reports and Fiscal Matters

10.1 Books; Place; Access.

The Treasurer shall maintain books of account on behalf of the Company at the Principal Office or such other place as may be designated by the Board of Managers. All Members shall at all reasonable times have access to and the right to inspect the same.

10.2 Financial Information.

The Treasurer shall cause to be prepared and delivered to each of the Members summary financial information with respect to each of the first three quarters of each Fiscal Year. Such quarterly financial information shall be provided to the Members not later than 45 days following the end of each quarter of the Fiscal Year. The Treasurer shall also cause to be prepared and delivered to each of the Members an annual financial report that shall describe in reasonable detail the financial and business activities of the Company and include the financial statements of the Company for the previous Fiscal Year. Such annual financial report shall be provided to the Members not later than 90 days after the close of each Fiscal Year and shall be audited by a reputable public accounting firm.

10.3 Tax Information.

Within 90 days after the close of each Fiscal Year, all necessary tax information shall be transmitted to all Members.

10.4 Tax Elections and Accounting.

The Board of Managers, in consultation with the Company's tax advisers, shall make or refrain from making any elections required or permitted to be made by the Company under the Code and shall choose the Company's tax accounting method from all available tax accounting methods. The Board of Managers may, at the time and in the manner provided in Treasury Regulations Section 1.754-1(b) and upon the vote of a Member Majority, cause the Company to elect pursuant to Code Section 754 to adjust the basis of the assets of the Company in the manner provided in Code Sections 734 and 743.

10.5 Tax Matters Partner.

Until **(REDACTED: Tax Matters partner name)** resigns, is removed, or ceases to be a Member, it shall act as the tax matters partner (the "TMP"), as such term is defined in Code Section 6231(a)(7), and the TMP is authorized to and shall represent the Company in connection with all examinations of the Company's affairs by tax authorities, including resulting administrative and judicial proceedings. The Members and the TMP shall use all reasonable efforts to comply with the responsibilities outlined in Code Sections 6222 through 6231 (including any Treasury Regulations thereunder and any successor or amendatory provisions thereto for which a tax matters partner is designated). Members holding a majority of the Shares outstanding may remove the TMP at any time or the TMP may resign as TMP at any time, and such resignation or removal shall become effective upon the appointment of a successor TMP in the manner required by applicable Treasury Regulations. The successor TMP shall be determined by the vote of Members holding a majority of the Shares outstanding.

10.6 Required Records.

The Board of Managers shall maintain at the Principal Office the information and records that the Members are entitled to obtain from the Company pursuant to Section 18-305(a) of the Act. Each Member shall have the absolute right, upon written demand, to examine and copy, in person or by a legal representative, at any reasonable time, and the Company shall make available within ten days after receipt by the Board of Managers of the written demand, all documents referred to in the preceding sentence.

Article 11
Capital

11.1 Initial Capital Contributions.

As promptly as practical, the Members shall make the Capital Contributions indicated opposite their respective names on Schedule A. In exchange for such Capital Contributions, the Members shall receive the Shares set forth opposite their respective names on Schedule A.

11.2 No Right to Return of Contribution.

No Member shall have the right to the withdrawal or to the return of his, her or its Capital Contribution, except upon the dissolution and liquidation of the Company pursuant to Article 14.

11.3 Additional Capital Contributions.

(REDACTED: Additional capital contribution term)

11.4 Creditor's Interest in the Company.

No creditor who makes a loan to the Company shall have or acquire at any time as a result of making the loan any direct or indirect interest in the profits, capital or property of the Company, other than such interest as may be accorded to a secured creditor. Notwithstanding the foregoing, this provision shall not prohibit in any manner whatsoever a secured creditor from participating in the profits of operation or gross or net sales of the Company or in the gain on sale or refinancing of the Company, all as may be provided in its loan or security agreements.

11.5 Capital Accounts.

A separate Capital Account ("*Capital Account*") shall be maintained for each Member in accordance with Code Section 704 and Treasury Regulations Section 1.704-1(b)(2)(iv). The Board of Managers shall increase or decrease the Capital Accounts in accordance with the rules of such regulations including, without limitation, upon the occurrence of any of the events specified in Treasury Regulations Section 1.704-1(b)(2)(iv)(*f*). The Board of Managers' determination of Capital Accounts shall be binding upon all parties.

11.6 Revaluations of Assets and Capital Account Adjustments.

Immediately preceding the issuance of additional Shares in exchange for cash, property or services to a new or existing Member and upon the redemption of the Interest of a Member, the then prevailing asset values of the Company shall be adjusted to equal their respective gross fair market value and any increase in the net equity value of the Company (asset values less liabilities) shall be credited to the Capital Accounts of the Members in the same manner as Profits are credited under Section 12.1 (or any decrease in the net equity value of the Company shall be charged in the same manner as Losses are charged under Section 12.1). Accordingly, as of the date of issuance of additional Shares or the redemption of all or a portion of a Share Holder's Interest in the Company, the Capital Accounts of Members will reflect both realized and unrealized gains and losses through such date and the net equity value of the Company as of such date.

Article 12

Allocation of Profits and Losses

12.1 Capital Account Allocations.

(REDACTED: Capital account allocation terms)

12.2 Tax Allocations.

Subject to Section 12.4, the Board of Managers shall allocate the items of income, gain, loss and deduction of the Company for federal income tax purposes among the Members in the same manner that such items are allocated to the Members' Capital Accounts.

12.3 Tax Credits.

All tax credits shall be allocated among the Members in accordance with applicable law.

12.4 Code Section 704(c) Allocations.

In accordance with Code Section 704(c), income, gain, loss and deduction with respect to any property contributed to the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for income tax purposes and its book value, in the same manner as such variations are treated under Code Section 704(c). If the value of any Company asset is adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*e*) or (*f*), subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its value in the same manner as under Code Section 704(c) and the Treasury Regulations thereunder. Any elections or other decisions related to such allocations shall be made by the Board of Managers in any manner that reasonably reflects the purpose and intention of this Agreement, provided, however that the Company shall elect to use the traditional allocation method under Treasury Regulation Section 1.704-3(b) with respect to Company assets that are adjusted to fair market value. Allocations pursuant to this Section 12.3 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of income, gain, loss or deduction pursuant to any provision of this Agreement.

12.5 Varying Interests During Fiscal Year; Tax Credits

In the event of any changes in Shares during a Fiscal Year, all Profits and Losses from operations of the Company during such Fiscal Year, using such methods of accounting for depreciation and other items as the Board of Managers determines to use for federal income tax purposes, shall be allocated to each Member based on its varying interest in the Company during such operating year in accordance with Code Section 706. The Board of Managers shall determine in accordance with Code Section 706 whether to prorate items of income and deduction according to the portion of the Fiscal Year for which a Member held Shares or whether to close the books on an interim basis and divide such operating year into two or more segments.

Article 13
Distributions

13.1 Distributions.

The Board of Managers may make distributions of cash or property to the Members from time to time in its discretion. Subject to the provisions of Section 14.2(d), all distributions to the Members shall be made pro rata in proportion to their respective Shares.

13.2 Distributions for Tax Liabilities.

Subject to the limitations on distributions in Section 13.3, the Company shall make the following distributions to cover Member tax liabilities:

(REDACTED: Tax Distribution terms)

13.3 Limitations on Distributions.

Notwithstanding any provision to the contrary in this Article 13:

(a) All distributions made in connection with the liquidation and winding up of the Company shall be made in the manner provided in Section 14.2.

(b) No distribution shall be made that would result in a violation of Section 18-607 of the Act.

Article 14
Dissolution and Liquidation

14.1 Events Causing Dissolution.

The Company shall be dissolved only upon the occurrence of any of the following events:

(a) The written agreement of all Members; or

(b) The final decree of a court that dissolution is required under applicable law.

14.2 Liquidation and Winding Up.

If the Company is dissolved pursuant to Section 14.1, the Company shall be liquidated and the Managers (or other Person or Persons designated by the Managers or by a decree of court) shall wind up the affairs of the Company. The Managers or other Persons winding up the affairs of the Company shall promptly proceed to the liquidation of the Company and, in settling the accounts of the Company, the assets and the property of the Company shall be distributed in the following order of priority:

(a) To the payment of all debts and liabilities of the Company in the order of priority as provided by law (other than outstanding loans from a Member);

(b) To the establishment of any reserves deemed necessary by the Managers or the Person winding up the affairs of the Company for any contingent liabilities or obligations of the Company;

(c) To the repayment of any outstanding loans from Members to the Company, pro rata in proportion to the amounts owed to such Members; and

(d) The balance, if any, to the Members pro rata in accordance with the positive Capital Account balances of the Members, after giving effect to all contributions, distributions, and allocations for all periods.

14.3 No Deficit Restoration Obligation.

If any Member has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all fiscal periods including the fiscal period during which the liquidation occurs), such Member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any Person for any purpose whatsoever.

Article 15
Amendment

The Certificate of Formation and this Agreement may be amended by an instrument in writing signed by a Member Majority; provided that any amendment that would (i) change the rights or preferences of any Member under this Agreement or (ii) dilute the relative interest of any Member in the profits or capital of the Company or otherwise adversely affect the interest of any Member in the Company shall require the consent of such Member. No provision of this Agreement (other than Schedule A as described below) may be modified, amended, waived or terminated except as provided in the preceding sentence. No course of dealing between the parties will modify, amend, waive or terminate any provision of this Agreement or any rights or obligations of any party under or by reason of this Agreement. Notwithstanding the foregoing, the Board of Managers shall amend Schedule A, without having to obtain the consent of any Member, as appropriate to reflect accurately any transfers of Shares, issuances of new Shares and admissions of new Members that are effected in accordance with this Agreement. The Board of Managers shall promptly deliver a copy of any such amendment to each Member, *provided that*, a failure of the Board of Managers to deliver a copy of any amendment to the Members shall not invalidate such amendment.

Article 16
Approval of Reorganizations and Bankruptcy

Without the vote of a Member Majority, the Company shall not engage in any Reorganization or commence any proceedings or the filing of any petition seeking relief under Title 11 of the Shared States Code, as now constituted or hereafter amended, or any other federal or state bankruptcy, insolvency or similar law.

Article 17
Representations, Warranties of the Members

17.1 Representations and Warranties of the Members.

Each of the Members represents and warrants as of the Effective Date to each of the other Members and the Company as follows:

(a) The Shares being acquired by such Member are being purchased for such Member's own account and not with a view to, or for sale in connection with, any distribution or public offering thereof within the meaning of the Securities Act of 1933, as amended (the "*Securities Act*"). Such Member understands that such Shares have not been registered under the Securities Act or any state securities laws by reason of their contemplated issuance in transactions exempt from the registration and prospectus delivery requirements thereof and that the reliance of the Company and others upon such exemptions is predicated in part by the representations and warranties of such Member contained in this Agreement.

(b) Such Member has the requisite power and authority (whether corporate or otherwise) and legal capacity to enter into, and to carry out its obligations under, this Agreement.

(c) The execution and delivery by such Member of this Agreement and the consummation by such Member of the transactions contemplated by this Agreement have been duly authorized before the Effective Date by all necessary action on the part of such Member.

(d) This Agreement has been duly executed and delivered by such Member and constitutes a valid and binding obligation enforceable against such Member in accordance with its terms.

(e) Such Member is not subject to, or obligated under, any provision of (i) any agreement, arrangement or understanding, (ii) any license, franchise or permit or (iii) any law, regulation, order, judgment or decree that would be breached or violated, or in respect of which a right of termination or acceleration or any encumbrance on any of such Member's assets would be created, by such Member's execution, delivery and performance of this Agreement or the consummation of the transactions contemplated by this Agreement, except for such agreements as to which a Member has previously obtained the consent of the other party or parties thereto.

(f) No authorization, consent or approval of, waiver or exemption by, or filing or registration with, any public body, court, third party or authority is necessary on such Member's part, which has not previously been obtained by such Member for the consummation of the transactions contemplated by this Agreement.

(g) No Person has or will have, as a result of any act or omission by such Member any right, interest or valid claim against the Company or any other Member for any commission, fee or other compensation as a finder or broker, or in any similar capacity, in connection with the transactions contemplated by this Agreement.

(h) If such Member is or ever becomes an employee of the Company, such Member acknowledges and agrees that such Member's ownership of Shares and status as a Member does not constitute an express or implied promise by the Company of continued employment and will not interfere in any way with the Company's right to terminate such employment at any time.

Article 18
Miscellaneous Provisions

18.1 Entire Agreement.

This Agreement (including the exhibits, schedules and other documents referred to in this Agreement) contains the entire understanding between the Members with respect to the subject matter of this Agreement and supersedes any prior understandings, agreements or representations, written or oral, relating to the subject matter of this Agreement.

18.2 Time of Essence.

With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

18.3 Signatures; Counterparts.

This Agreement may be executed in one or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same instrument. A facsimile signature will be considered an original signature.

18.4 Severability.

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law but if any provision of this Agreement is held to be invalid, illegal or unenforceable under any applicable law or rule, the validity, legality and enforceability of the other provisions of this Agreement will not be affected or impaired thereby.

18.5 Successors and Assigns.

This Agreement shall be binding upon the transferees, successors, assigns and legal representatives of the parties to this Agreement.

18.6 Notices.

All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing. Without limiting the manner by which written notice may otherwise be given, any notice shall be effective if given by a form of Electronic Transmission consented to in writing by the Person to whom the notice is given, which consent has not been revoked in writing. Notice will be deemed to have been given (i) when delivered if personally delivered by hand (with written confirmation of receipt), (ii) when received if sent by a nationally recognized overnight courier service (receipt requested), (iii) five Business Days after being mailed to a Person's address set forth in the records of the Company or designated in writing by such Person, if sent by first class mail, return receipt requested, (iv) when receipt is acknowledged by an affirmative act of the party receiving notice, (v) if sent by facsimile telecommunication, when directed to a number at which the Person receiving notice has consented to receive notice, (vi) if by electronic mail, when directed to an electronic mail address at which the Person receiving notice has consented to receive notice, or (vii) if by any other form of Electronic Transmission, when directed to the Person who is receiving notice. All notices to the Company shall be addressed to its Principal Office.

18.7 Headings.

The headings and any table of contents contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

18.8 References.

References to Sections, Exhibits, Schedules and like references are to Sections, Exhibits, Schedules and the like of this Agreement unless otherwise expressly provided.

18.9 Construction.

The word "including" means "including without limitation." The use of the masculine, feminine or neuter gender or the singular or plural form of words will not limit any provisions of this Agreement.

18.10 Governing Law.

All matters relating to the interpretation, construction, validity and enforcement of this Agreement shall be governed by the internal laws of the state of Delaware, without giving effect to any choice of law provisions thereof. Any conflict or apparent conflict between this Agreement and the Act will be resolved in favor of this Agreement, except as otherwise specifically required by the Act.

18.11 Third Party Benefit.

Nothing in this Agreement, express or implied, is intended to confer upon any Person not a party to this Agreement any rights, remedies, obligations or liabilities of any nature whatsoever; *provided*, *however*, that the Indemnitees shall, as intended third-party beneficiaries thereof, be entitled to the enforcement of Article 8, but only insofar as the obligations sought to be enforced thereunder are those of the Company.

18.12 Additional Actions and Documents.

The parties agree to execute and deliver any further instruments or perform any acts that are or may become necessary to carry on the Company created by this Agreement or to effectuate its purposes.

18.13 Specific Performance.

Each of the parties acknowledges and agrees that the subject matter of this Agreement is unique, that the other parties would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached, and that the remedies at law would not be adequate to compensate such other parties not in default or in breach. Accordingly, each of the parties agrees that the other parties will be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions of this Agreement in addition to any other remedy to which they may be entitled, at law or in equity. The parties waive any defense that a remedy at law is adequate and any requirement to post bond or provide similar security in connection with actions instituted for injunctive relief or specific performance of this Agreement.

18.14 Waiver of Partition.

Each Member irrevocably waives any and all rights that he, she, or it may have to maintain an action for partition of any of the Company's property.

18.15 Arbitration.

Any claim or dispute of any nature between the parties to this Agreement arising directly or indirectly from the relationship created by this Agreement shall be resolved exclusively by arbitration in the state of New York, in accordance with the applicable rules of the American Arbitration Association. The fees of the arbitrator(s) and other costs incurred by the parties in connection with such arbitration shall be paid by the party which is unsuccessful in such arbitration. The decision of the arbitrator(s) shall be final and binding upon both parties. Judgment of the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. If any dispute is submitted to arbitration, each party shall, not later than 30 days before the date set for hearing, provide to the other party and to the arbitrator(s) a copy of all exhibits upon which the party intends to rely at the hearing and a list of all Persons each party intends to call at the hearing.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date.

ZBV I, LLC

By: **(REDACTED: Individual's name)**

PHARMA IMMUNE, INC.

By: */s/ Aiping Young*
Name: Aiping Young
Title: President

EXHIBIT 1

CERTIFICATE OF FORMATION

SCHEDULE A

Name of Member	Capital Contribution	Agreed Fair Market Value	Shares
(REDACTED: Contribution Details)	**(REDACTED: Contribution Details)**	**(REDACTED: Contribution Details)**	**(REDACTED: Contribution Details)**