

SERVICE AGREEMENT

Between

YEDA RESEARCH AND DEVELOPMENT COMPANY LIMITED

a company duly registered under the laws of
Israel of P O Box 95, Rehovot 76100, Israel

(hereinafter, "Yeda")

and

a company duly registered under the laws of
Spain, having its principal place of business at

[please complete]

(hereinafter, "the Company")

P R E A M B L E :

WHEREAS: (A)

WHEREAS: (A) in the course of research conducted at the Weizmann
Institute of Science (the "Institute") Prof. _____
of the Department of _____ (the "Scientist"),
has developed the ability, the skill and the know how to
perform the Service requested by the Company, as
defined below (the "Know-How"); and

(B) pursuant to an agreement between the Institute and the
Scientist, and an agreement between the Institute and
Yeda, all right, title and interest of the Institute and of the
Scientist in and to the Know-How vest and shall vest in
Yeda; and

(C) subject to and in accordance with the terms of this
Agreement, the Company wishes that the study specified
in **Appendix A** attached hereto (the "Service") shall be
performed at the Institute, under the supervision of the
Scientist, while using the Know-How; and

- (D) The Company undertakes to supply the materials specified in Appendix A hereto (the "**Company's Materials**") to the Scientist, in accordance with the details and quantities specified therein; and
- (E) Subject to and in accordance with the terms of this Agreement, Yeda is willing to procure, and the Company is willing to finance the performance of the Service, under the supervision of the Scientist, in accordance with the Protocol.

NOW THEREFORE IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. PERFORMING THE SERVICE

In consideration for the full payment of the Service Budget, pursuant to clause 2 below, and subject to the supply of the Company's Materials to the Scientist, Yeda undertakes as follows:

- 1.1. to procure the performance of the Service at the Institute under the supervision of the Scientist, in accordance with the Protocol. It being agreed that prior to commencing the Service the Scientist shall meet, if necessary, with representatives of the Company at Yeda, or if elsewhere, at the Company's expense, to discuss and review the Protocol and the facilities to be used by the Scientist;
- 1.2. The Service shall be performed during the period of **— (-----) months** commencing on the date of receipt by the Scientist of the Company's Materials (the "**Service Period**") and provided that the Service Budget is fully paid to Yeda, pursuant to the provisions of clause 2 below;
- 1.3. It is agreed that, if the performance of the Service involves the conduct of experiments on and/or using animals, the performance of the Service shall be subject to the **Israeli Anti-Cruelty Law, 1994** and to the approval of, and any modifications requested by, the Institutional Animal Care and Use Committee of the Institute, in order to ensure compliance with the above law. It is further agreed that, if the performance of the Service involves the conduct of experiments using human material (e.g. cells, blood, tissue, DNA, RNA, lysates, body fluids), the performance of the Service shall be subject to the approval of, and any modifications requested by the Institute's Safety Committee and the Institutional Review Board for Human Experimentation.
- 1.4. If during the Service Period the Scientist shall cease to be available to conduct the Service, then Yeda shall endeavor to find from among the scientists at the Institute a replacement for the Scientist, but with no guarantee given in this regard. Should

Yeda not find a replacement for the Scientist, acceptable to the Company, within thirty (30) days of the Scientist ceasing to be available, then the Company shall be entitled to terminate this Agreement by serving Yeda with a written notice according to which if a replacement for the Scientist, acceptable to the Company, shall not be found by Yeda within 30 (thirty) days after receipt of such notice this Agreement shall be terminated.

2. **CONSIDERATION**

2.1. In consideration for the performance of the Service, the Company undertakes to pay to Yeda the total sum of **\$US -----** **----- US Dollars**), inclusive of all direct and indirect costs, as described in the budget attached as **Appendix B** hereto (the "**Service Budget**"). The total amount of the Service Budget shall be paid to Yeda in United States Dollars **within -- (-----)** days from the date of signature hereof. Should the Service need to be extended, or adjusted, then the Service Budget shall be extended or adjusted accordingly.

2.2. All amounts paid pursuant to this Agreement shall bear VAT as prescribed by law. The VAT shall be paid to Yeda together with the Service Budget payments according to the schedule as described in clause 2.1 above.

2.3. All payments shall be made by direct wire transfer to Yeda's bank account according to the following details: Account number 37852, Bank Hapoalim, Rehovot branch no. 615, Israel, Swift POALILIT, ABA no. 026008866.

Yeda shall notify the Company in writing of any change in the details of Yeda's bank account.

The Company shall notify Yeda prior or at the date of each such payments.

2.4. Without derogating of the above mentioned, late payments shall bear interest of Libor + 3 from due date until date of actual payment pursuant to clause 2.1 above.

3. **EQUIPMENT**

Title to any equipment, materials, supplies and things of value purchased, built, manufactured or acquired either from the Company or from third parties in conjunction with the performance of the Service, whether or not funded by the Company, shall vest in and remain the property of the Institute.

4. **NO WARRANTIES**

Yeda makes no warranties whatsoever that any results will be achieved by the Service, or that the Data (as hereinafter defined), or any other

results or information derived from the performance of the Service, will be of any practical or commercial value, or concerning actual or potential infringement of patents or other intellectual property rights of third parties.

5. **REPORTING**

Yeda shall procure the preparation by the Scientist and shall submit to the Company a copy of a final report 60 (sixty) days from the end of the Service Period (the "**Data**").

6. **COMPANY INFORMATION**

Should the Company furnish the Scientist with proprietary information in the course of and solely for the purpose of the performance of the Service (the "**Confidential Information**") such information shall be marked as confidential, and shall remain the proprietary information of the Company and shall be used by Yeda and the Scientist and anyone working under the Scientist's supervision only for the performance of the Service.

7. **CONFIDENTIALITY**

Yeda shall keep confidential the Data accrued in the performance of the Service. This undertaking of confidentiality shall not apply to any information that :

- 7.1. Yeda can establish was already known to either of them or was in their possession at the time of its receipt from the Company; or
- 7.2. at the time of disclosure by the Company is in the public domain; or
- 7.3. after disclosure by the Company becomes part of the public domain by publication except by breach of confidentiality obligations hereunder; or
- 7.4. is received from third parties who were lawfully entitled to disclose such information; or
- 7.5. is independently developed by personnel of Yeda and/or of the Institute who are not connected with this Agreement.

8. **TITLE AND INVENTIONS**

- 8.1. The entire right and title in all Data generated that is specifically required and contemplated under the Service according to the Protocol, and all patent applications or patents based thereon, shall be owned solely by the Company.
- 8.2. The entire right and title in all inventions, discoveries, improvements or other technology, whether patentable or not, and all patent applications or patents based thereon, made or

conceived serendipitously or coincidentally during the Service, and not specifically required by the Service, shall be owned solely by Yeda (the “**Yeda Inventions**”).

- 8.3. Yeda shall promptly disclose in writing to the Company the conception or reduction to practice of Yeda Inventions made or conceived during and as a result of the Service. In the event of any Yeda Inventions, the Company shall have a right of first opportunity, for a period of two months from notification thereof by Yeda, to negotiate a royalty bearing license to such Yeda Inventions, on terms to be agreed between the Parties. Failing conclusion of such agreement between the Parties, Yeda shall be free to negotiate with third parties concerning such license.

9. **PUBLICATIONS AND USE OF NAME**

- 9.1. Subject to the provisions of clause 7, Yeda and the Institute shall be free to use the Data for their own non-commercial purposes, including teaching, research, and education purposes. Yeda shall submit to the Company for its review, a copy of any proposed written disclosure resulting from the Service at least sixty (60) days prior to the estimated date of publication, and if no response is received within thirty (30) days of the date submitted to the Company, it will be conclusively presumed that the publication may proceed without delay. For abstracts, oral presentations or other disclosure, Yeda shall make such submissions to the Company no later than thirty (30) days prior to the estimated date of publication, and if no response is received within fifteen (15) days of the date submitted to the Company, it will be conclusively presumed that the publication may proceed without delay. If the Company determines that the proposed publication contains patentable subject matters that require protection, the Company may require the delay of publication for such period as may be required, not to exceed ninety (90) days, to file such patent application or other intellectual property protection.
- 9.2. Yeda shall not mention the name of the Company and the Company shall not mention the name of Yeda, the Institute, the Scientist or any other employees of the Institute, including, without limitation, in any advertising publication, promotional material, private placement memoranda, public offering registration statements and the like, without the other Party's prior written consent thereto being obtained.

10. **EXCLUSION OF LIABILITY AND INDEMNIFICATION**

- 10.1. Yeda, the Institute and the directors, officers and employees of Yeda and/or of the Institute (hereinafter collectively the “**Indemnitees**”) shall not be liable for any claims, demands, liabilities, costs, losses, damages or expenses (including legal costs and attorney's fees) of whatever kind or nature caused to

or suffered by any person or entity that directly or indirectly arise out of or result from or are encountered in connection with this Agreement or the use of the Data or other results of the Service by the Company or any person acting on behalf of or with the consent of the Company.

- 10.2. In the event that any of the Indemnitees should suffer any damages, claim, demand, liability, loss, cost or expense as aforesaid in clause 10.1, or shall be requested or obliged to pay to any person or entity any amount whatsoever as compensation for any damages, demand, claim, liability, cost, loss or expense as aforesaid, then the Company shall indemnify and hold harmless such Indemnitees from and against any and all such damages, claim, demand, liability, cost, loss or expense (including attorney's fees and legal costs) of whatever kind or nature as aforesaid.
- 10.3. The Company shall at its own expense insure its liability pursuant to clause 10.2. Such insurance shall be in reasonable amounts and on reasonable terms in the circumstances, having regard, in particular, to the nature of the Service, and shall be subscribed for from a reputable insurance company. The beneficiaries of such insurance shall be the Company, Yeda and the Institute. The policy or policies so issued shall include a "cross-liability" provision pursuant to which the insurance is deemed to be separate insurance for each insured (without right of subrogation as against any of the insured under the policy, or any of their representatives, employees, officers, directors or anyone in their name) and shall further provide that the insurer will be obliged to notify each insured in writing at least 30 (thirty) days in advance of the expiry or cancellation of the policy or policies. The Company hereby undertakes to comply punctually with all obligations imposed upon it under such policy or policies and in particular, without limiting the generality of the foregoing to pay in full and punctually all premiums and other payments for which it is liable pursuant to such policy or policies. Company shall submit to Yeda within 14 days of signature hereof, a copy of the aforesaid insurance policy.

11. **TERM AND TERMINATION**

- 11.1. Unless previously terminated in accordance with the provisions of this Agreement, this Agreement shall terminate at the end of the Service Period.
- 11.2. Without derogating from the Parties' rights hereunder or by law to any other or additional remedy or relief, it is agreed that either Party may terminate this Agreement by serving a written notice to that effect on the other upon or after:
 - 11.2.1. the commitment of a breach hereof by the other, which breach, if curable, shall not have been cured by the Party in breach within 30 (thirty) days after receipt of a

written notice from the other Party in respect of such breach; or

11.2.2. upon the granting of a winding-up order in respect of the other Party, or upon an order being granted against the other Party for the appointment of a receiver, or if such other Party passes a resolution for its voluntary winding-up, or if a temporary or permanent liquidator is appointed in respect of such other Party, or if a temporary or permanent attachment order is granted on the majority of such other Party's assets, and the order or act as aforesaid is not cancelled within 60 (sixty) days of the grant of such order or the performance of such act.

11.3. If this Agreement is terminated prior to the end of the Service Period, all funds paid by the Company up to the time of termination shall be considered non-recoverable by the Company. Additionally, Yeda shall be to recover from the Company all amounts owed for work completed and for non-cancelable expenses committed through the date of termination including non-cancelable employment obligations entered into by Yeda as a result of this Agreement for the remainder of any Agreement year which has begun and within such year the termination has occurred.

11.4. The termination of this Agreement for any reason shall not relieve the Parties of such obligations that shall have accrued prior to such termination.

11.5. Clauses 4 (Warranties), 6 (Company Information), 7 (Confidentiality), 8 (Title and Inventions), 9 (Publications and Use of Name) and 10 (Exclusion of Liability and Indemnification), shall survive any termination of this Agreement.

12. **NO RESTRICTION**

This Agreement shall not restrict Yeda from acquiring an interest in, or performing, work or research, or developing technology, that can compete with all or any part of the Material or the Service. The Company agrees that Yeda may commercialize and/or explore competitive technologies or materials in its sole discretion.

13. **NOTICES**

13.1. All notices and communications to be given pursuant to or in connection with this Agreement shall be given, in writing, by personal delivery or by facsimile or by prepaid registered mail. If notice is given by personal delivery, it shall be deemed to have been served when actually delivered. If notice is sent by facsimile, it shall be deemed to have been received on the first business day after the date of transmission. All notices given by

facsimile shall be confirmed by letter dispatched in the manner appearing in Clause 13.2.

- 13.2. Notices given by prepaid express registered letter (or nearest equivalent) shall be made to the address of the Party given herein or such other address as may from time to time be notified for this purpose and any notice so served shall be deemed to have been received 7 (seven) days after the time at which it was posted and in proving such service it shall be sufficient to prove that the notice was properly addressed and posted.

14. **GOVERNING LAW**

This Agreement shall be governed in all respects by the laws of Israel and the Parties hereby submit to the exclusive jurisdiction of the courts of Israel, except that Yeda may institute an action or proceeding in a jurisdiction where the Company has its registered office.

15. **MISCELLANEOUS**

- 15.1. The headings in this Agreement are intended solely for convenience or reference and shall be given no effect in the interpretation of this Agreement.
- 15.2. This Agreement constitutes the entire agreement between the Parties hereto in respect of the subject matter hereof, and supersedes all prior agreements or understandings between the Parties relating to the subject matter hereof, and this Agreement may be amended only by a written document signed by both Parties hereto. Should any portion of this Agreement be held invalid or unlawful, the remainder of this Agreement shall continue to be binding on both Parties.
- 15.3. No waiver by either Party hereto, whether express or implied, of its rights under any provision of this Agreement shall constitute a waiver of such Party's rights under such provisions at any other time or a waiver of such Party's rights under any other provision of this Agreement.
- 15.4. Nothing contained in this Agreement shall be construed to place the Parties in relationship of partners or parties to a joint venture or to constitute either Party an agent, employee or representative of the other Party and neither Party shall have power or authority to act on behalf of the other Party or to bind the other Party in any manner whatsoever.
- 15.5. Neither Party may assign all or any of its rights or obligations under this Agreement without the prior written consent of the other Party, unless such assignment is to a wholly-owned subsidiary company of the assigning Party, and only for as long as such subsidiary remains wholly-owned by such assigning Party. For the avoidance of doubt, the said subsidiary company

shall not be entitled to further assign or encumber the rights and obligations under this Agreement.

15.6. The Company shall pay stamp duty as required by law.

IN WITNESS WHEREOF the Parties hereto have set their signatures as of this __ day of _____ year.

YEDA RESEARCH AND DEVELOPMENT COMPANY LTD.

By: _____

By: _____

Title: _____

Title: _____

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APPENDIX A

Protocol

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APPENDIX B

Service Budget

[provided separately (Excel Spread-sheet)]

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