,

**COLLABORATIVE RESEARCH AND DEVELOPMENT AGREEMENT**

**BETWEEN**

**Société d’Exploitation de Produits pour l’Industrie Chimique SEPPIC**, a French company (Société Anonyme) registered at the Trade and Companies’ Register of Paris under No. 552 016 487, having its registered office at 75, Quai d’Orsay, 75007 Paris, France, and which is represented by Mrs. Juliette BEN AROUS, acting as Formulation and Vaccine Technologies Unit Director of SEPPIC,

hereinafter called "**SEPPIC**"

**AND**

**Veterinary Research Institute** [Výzkumný ústav veterinárního lékařství, v.v.i.] having its registered office at Hudcova 296/70, 62100 Brno, Czech Republic and which is represented by Mr. Marin Faldyna, acting as director.

hereinafter called “**VRI**”

SEPPIC and VRI are collectively referred to herein as the “**Parties**”, and each as a “**Party**”.

**WHEREAS:**

VRI is veterinary research institution and has knowledge, experience, researchers and equipment to carry out researches in the field of animal health

SEPPIC is developing, producing and commercializing adjuvants, i.e. substances and/or compositions comprised in a vaccine composition, which is associated with an antigen, enhancing the immune response against said antigen for human and veterinary vaccine compositions. SEPPIC has developed specific adjuvant being provided for R&D applications as a sample under the name Essai GR 01, for which SEPPIC possesses associated know-how, intellectual property and technical information related to their compositions and stability data. SEPPIC will also provide the commercial reference MONTANIDE ISA 201 VG for the program purpose.

VRI and SEPPIC consider that the knowledge acquired by each of them and their objectives are complementary to carry out a research and development program aiming to compare the efficiency, safety and immune response after peroral immunization using this liquid oil adjuvants in pigs as detailed in Annex 1 (hereinafter the “**R&D Program**”).

**NOW, THEREFORE,** the Parties hereto agree as follows:

**ARTICLE 1 – DEFINITIONS**

Whenever used in this agreement with an initial capital letter, the terms defined in this Article 1 (Definitions), whether used in the singular or the plural, shall have the meanings defined herein.

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| **“Adjuvant”** | means the SEPPIC’s adjuvants listed in Annex 1. |
| “**Affiliate**” | means, with respect to a Party, any person, organization or entity controlling, controlled by or under common control with, such Party. For purposes of this definition only, “**control**” of another person, organization or entity shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the activities, management or policies of such person, organization or entity, whether through the ownership of voting securities, by contract or otherwise. Without limiting the foregoing, control shall be presumed to exist when a person, organization or entity owns or directly controls more than fifty percent (50%) of the outstanding voting shares or other ownership interest of the other organization or entity. |
| **“Agreement”** | means this collaborative research and development agreement, including its Annexes. |
| **“Antigen”** | means a substance, foreign to the body that stimulates the reaction of the immune system. Antigens include foreign proteins, bacteria, viruses, pollen and other materials. In this Agreement, the Antigen is provided by VRI and is detailed in Annex 1 |
| **“Confidential Information”** | means any and all technical information identified as confidential related to the R&D Program which, pursuant to this Agreement, one Party (the “**Disclosing Party**”) discloses to the other Party (the “**Receiving Party**”), respectively, in writing, or, if disclosed orally or by inspection of samples or their respective facilities, is identified as Confidential Information and described in writing within thirty (30) days following such disclosure, provided that Confidential Information shall not include:1. information which is or becomes published or otherwise publicly available through no breach of this Agreement, or
2. which the Receiving Party can evidence was known to it or any of its Affiliates at the time of disclosure by the Disclosing Party, or
3. which the Receiving Party later lawfully learns from some source other than directly or indirectly from the Disclosing Party, or
4. which has been independently developed by the Receiving Party or any of its Affiliates without any reliance upon the Disclosing Party's Confidential Information.
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| **“Results”** | means any data, analysis, methods, know-how, designs, plans and specifications of improvements, inventions, samples, software and programming, trade secrets, trademarks, related to the performance of the R&D Program. |
| **“Vaccine Composition”** | means association of the Adjuvant and the Antigen for achievement of the R&D Program. |

**ARTICLE 2 - PURPOSE**

The purpose of this Agreement is to set forth:

1. the terms and conditions under which VRI and SEPPIC shall cooperate for the achievement of the R&D Program according to Annex 1;
2. the ownership of the Results;
3. the conditions of exploitation of the Results.

**ARTICLE 3 – RESEARCH & DEVELOPMENT PERFORMANCE**

**3.1.** VRI undertakes:

1. to perform the R&D Program according to Annex 1 with all reasonable promptness and diligence within maximum 4 month after signature of the contract.
2. to make available facilities and qualified personnel to perform the R&D Program;
3. at the end of the R&D Program, which shall not occur later than term of the Agreement as defined in Article 11, to write a final report, and send it to SEPPIC within a period of thirty (30) days after the completion of the R&D Program.

**3.2.** SEPPIC undertakes:

1. to contribute to the financial costs of the R&D Program according to Article 4;
2. to provide VRI with the necessary quantity of Adjuvants consisting in samples without any additional costs;
3. to advise for preparation at lab scale of vaccine formulation.

**ARTICLE 4 – FINANCIAL TERMS**

**4.1.** The total cost of the R&D Program was valued by the Parties at 22 555 € (twenty two thousand five hundred and fifty five euros).

**4.2.** SEPPIC undertakes to contribute to financial costs in consideration of the R&D Program, against appropriate accounting, and pay a fee of 22 555 € (twenty two thousand five hundred and fifty five euros) on the following timing:

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| After the last signature of this Agreement by the last of the Parties | 15 790 €Fifteen thousand seven hundred and ninety euros |
| After the date of receipt of the final report defined in Article 3.1. | 6 765 €Six thousand seven hundred and sixty five euros |

**4.3.** Payments shall be made to VRI by SEPPIC by wire transfer in Euros at the account that shall be indicated later in writing by VRI, at the end of the month forty-five (45) days after receipt of an invoice to SEPPIC to the attention of Mr. Sebastien DEVILLE

**ARTICLE 5 - RESEARCH & DEVELOPMENT FOLLOW-UP**

**5.1.** For administration of this Agreement, a project leader shall be designated by each Party within the fifteen (15) days of the signing of this Agreement.

**5.2.** The Parties shall meet any time it shall be deemed necessary. The Results of each meeting will be documented in writing (including for example: progress to date, technical difficulties encountered to date, etc.)

**5.3.** Each Party will maintain laboratory notebooks designated specifically for research conducted pursuant to the R&D Program.

**ARTICLE 6 – INTELLECTUAL PROPERTY**

**6.1. Background**

Any intellectual property right which is owned by either Party before the execution of this Agreement shall exclusively remain the sole property of such Party.

**6.2. Results**

1. Should any Results of the R&D Program refer solely to the formulation and/or properties of the Adjuvants (hereafter the “**Adjuvants Results**”), then such Adjuvants Results shall be the exclusive ownership of SEPPIC, which shall be free to protect them by intellectual property rights in its sole name and at its own costs.
2. Any Results arising from the R&D Program related to the Vaccine Composition (hereinafter the “**Vaccine Results**”) patentable or not, shall be the exclusive ownership of SEPPIC, which shall be free to protect them by intellectual property rights in its sole name and at its own costs.

**ARTICLE 7 – EXPLOITATION**

SEPPIC shall be free to use, to exploit, to have exploited and to grant licenses for the use of the Adjuvants and Vaccine results issued from the R&D Program of which it is the owner according to the Article 6.2, without any further remuneration to be paid to VRI other than the remuneration defined in Article 4.

**ARTICLE 8 - CONFIDENTIALITY / PUBLICATIONS**

**8.1. Confidentiality**

The Parties agree to treat and maintain as confidential all the Results of the R&D Program which shall be considered as Confidential Information pertaining to the Disclosing Party.

Each Party, for itself and on behalf of its officers and employees, agrees to hold in strict confidence Confidential Information of the other Party and not to disclose, any part of it to others.

Each Party further agrees not to use Confidential Information of the other Party except in furtherance of the purposes of this Agreement.

The dispositions of this Article shall survive the end of this Agreement for a period five (5) years.

**8.2. Publications / Communications**

Any publication or communication made by VRI or SEPPIC related to the R&D Program and any Results arising the R&D Program (including the Vaccine Results, Antigen Results and the Adjuvants Results) shall require the prior written agreement of the other Party.

Each Party may request the postponement of the publications or communications within a maximum eighteen (18)-months-period.

The publishing Party shall ask the prior written approval of the other Party to mention its participation to the R&D Program.

**ARTICLE 9 – WAIVER – AMENDMENT**

**9.1.** This Agreement may be amended, modified, superseded or canceled, and any of the terms may be waived, only by a written instrument executed by each Party.

**9.2.** No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition or of any other term, provision or condition of this Agreement

**ARTICLE 10 - ASSIGNABILITY**

Neither Party may assign this Agreement without the prior written consent of the other. This Agreement and the provisions hereof shall be binding upon and inure to the benefit of each Party's respective successors and assigns.

**ARTICLE 11 – TERM - TERMINATION**

**11.1.** This Agreement shall commence on the date of the last signature of this Agreement and, unless earlier terminated as per Article 11.2, will expire after a period of twelve (12) months from the date of this Agreement.

**11.2.** Each Party may forthwith terminate this Agreement effective upon giving of a written notice of such termination to the other Party in the event other Party defaults in or breaches any material obligation imposed on it hereunder, and particularly regarding the planning/expected Results specified in the Annex 1 here-attached and such default or breach is not remedied within thirty (30) days after notice thereof by the Party asserting such default or breach.

**11.3.** Obligations defined in Articles 6 (Intellectual property), 7 (Exploitation) and 8 (Confidentiality / Publication) shall survive any termination of the Agreement.

**ARTICLE 12 - GOVERNING LAW / ARBITRATION**

**12.1.** This Agreement shall be governed by the laws of France.

**12.2.** All disputes arising on the interpretation or performance of this Agreement which may not be amicably settled by the Parties within four (4) months shall come under the jurisdiction of the Arbitration Court of the International Chamber of Commerce. Place of arbitration shall be Paris. The language of arbitration shall be English.

**12.3.**  The Parties note that the Agreement will become valid and effective on the day of its disclosure of the register of the contract Czech. VRI shall file this Agreement at the aforementioned register immediately after the last signature and inform in writing SEPPIC of the said registration.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement in two (2) counterparts as of the date hereinabove set forth and in the presence of two witnesses.

**SEPPIC SA**

Name: Mrs. Juliette BEN AROUS

Title: Formulation and Vaccine Technologies Unit Director

Date:

Signature:

**VRI**

Name: Mr. Martin Faldyna

Title: director

Date:

Signature:

**ANNEX 1: R&D Program**

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**OBJECTIVE**

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**MATERIALS AND METHODS**

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**EXPERIMENTAL GROUPS**

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**Duration -** xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

**Monitored/measured parameters:**

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**COST ESTIMATION**

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