

Dear Investigator:

Please find attached the Knockout Repository Terms of Sale. Complete all required information and ensure that an Institutional Representative signs the Terms of Sale. The Institutional Representative must be someone who can legally represent your Institution: typically this would be someone in your Technology Transfer, Licensing or Contracts office.

Submit the completed Terms of Sale directly to legal@taconic.com together with a PO for the referenced fee. Once Taconic has the completed Terms of Sale, you will be contacted to arrange payment.

Thank you for your interest in the Taconic Knockout Repository.

Taconic Knockout Repository-Terms of Sale

The not-for-profit institution identified below shall accept the following terms and conditions of sale for the indicated Taconic Knockout Repository Model on behalf of itself and its' below identified Investigator by submitting an executed copy of this document (the "Terms of Sale") together with a valid purchase order. The submitted purchase order shall not be binding on Taconic Biosciences, Inc. ("Taconic") until it has been accepted by Taconic. Taconic's acceptance of the institution's purchase order is expressly conditioned on the institution's agreement, by its signature below, that a) no term or condition in the institution's purchase order shall modify, supplement, supersede or amend these Terms of Sale; and b) no terms, provisions, or conditions of any purchase order will have any effect on the obligations of the parties under or otherwise modify these Terms of Sale. Taconic expressly objects to any terms, provisions or conditions of any purchase order. Now therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

1. These Terms of Sale are accepted by the not-for-profit institution on behalf of itself and the below identified Investigator. As used herein "Customer" means the not-for-profit institution together with the Investigator.
2. Taconic distributes the Taconic Knockout Repository Models ("KO Models") under a license granted by Lexicon Pharmaceuticals, Inc. ("Lexicon"). Lexicon maintains ownership of the KO Models. Use of the KO Model is specific to the named Investigator and Customer agrees to the following terms and conditions of use with respect to the KO Model ordered by Customer.
 - a. The purchased KO Model may be used to obtain progeny (meaning mice, including successive generations thereof) that are produced, developed or derived by Taconic, Customer, or Contract Service Provider (defined below) whether by breeding or other means. Biological materials may be derived from the KO Model and its progeny. The KO Model, progeny and biological materials are collectively referred to as "Materials."
 - b. Materials are for academic research use only. Materials may be used by Customer for the academic research purposes of Investigator and not for or on behalf of any commercial entity.
 - c. Customer agrees that Customer shall not sell Materials to any third party, and that it shall not transfer Materials to any third party except a Contract Service Provider under the following conditions. A "Contract Service Provider" means an entity that performs contract research services for the benefit of Customer. Upon execution of a material transfer agreement between Customer, a Contract Service Provider and Taconic, and payment of the fees set forth in such material transfer agreement, Customer shall be permitted to transfer Materials to such Contract Service Provider for purposes of such Contract Service Provider's performance of fee-for-service contract research services for Customer. Such material transfer agreement shall (a) permit the use of Materials by such Contract Service Provider solely for the academic research purposes of Customer, (b) assign exclusively to Customer any and all rights to all data and information generated or developed, and all discoveries and inventions made (including, without limitation, all patent and other intellectual property rights therein), by such Contract Service Provider through use of such Materials, (c) prohibit the sale or transfer of such Materials by such Contract Service Provider to any third party, and (d) obligate such Contract Service Provider to return or destroy such Materials upon the completion of its services for Customer.
 - d. Customer acknowledges and agrees that Lexicon is an intended third-party beneficiary of these terms and conditions, and of any material transfer agreement, with the right to enforce the restrictions.

3. Customer recognizes that the generation of the KO Model involves a number of technologically complex steps and that Taconic may not be able to produce and deliver the requested KO Model within the typical time period or further may be unable to deliver the requested KO Model. In the event that Taconic determines that due to technical difficulties delivery of the requested KO Model will require a period of time that is longer than typical then Taconic shall promptly notify Customer of the delay. Upon such notification Customer may elect to cancel the order or may accept the longer period of time for delivery. Customer's election shall be the sole remedy of Customer for any delay. Should Customer request refund of the amount paid for the order then Taconic shall refund the amount paid and shall have no further obligations to Customer under these Terms of Sale. Further, in the event that at any time Taconic determines that it will be unable to deliver the requested KO Model, then Taconic shall promptly notify Customer and shall refund to Customer the amount paid for the order. Upon such refund to Customer, Taconic shall have no further obligations to Customer under these Terms of Sale.

4. KO MODELS ARE SUPPLIED WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED. TACONIC HEREBY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR FOR NON-INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. WITHOUT LIMITING THE FOREGOING, TACONIC MAKES NO REPRESENTATION OR WARRANTY THAT THE BREEDING OR USE OF MATERIALS WILL NOT INFRINGE ANY PATENT OR OTHER PROPRIETARY RIGHTS OF THIRD PARTIES.

5. NEITHER TACONIC NOR LEXICON SHALL IN ANY EVENT BE LIABLE TO CUSTOMER FOR ANY LOSS, CLAIM, DAMAGE OR LIABILITY, OF WHATEVER KIND OR NATURE, WHICH MAY ARISE FROM OR IN CONNECTION WITH THE USE, HANDLING OR STORAGE OF MATERIALS BY CUSTOMER OR CONTRACT SERVICE PROVIDERS. NEITHER LEXICON NOR TACONIC SHALL IN ANY EVENT BE LIABLE WITH RESPECT TO ANY MATTER ARISING WITH RESPECT TO THE MATERIALS UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR (A) ANY PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS OR (B) COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY OR SERVICES.

6. To the extent permitted by law, Customer will indemnify and hold Taconic harmless from any claims or liability arising from any use, storage, handling or disposal of Materials by Customer (including Contract Service Providers), except to the extent that such claims or liability result from the negligence or willful misconduct of Taconic. Customer's obligation to indemnify Taconic as set forth herein is conditioned on Taconic giving Customer prompt written notice of all claims, providing reasonable cooperation in Customer's investigation and defense thereof, and permitting Customer to defend said claims at Customer's expense with legal counsel of Customer's choice.

7. Neither party shall use the name of the other party or any contraction or derivative thereof or the name(s) of the other party's employees in any advertising, promotional, sales literature, or fundraising documents without prior written consent from the other party.

IN WITNESS WHEREOF, Customer has caused these Terms of Sale to be executed by its duly authorized representative on the date set forth below, to be effective as of the date executed on behalf of Taconic ("Effective Date").

Signatures follow on next page

Customer:

By: _____
Authorized Representative Signature

Print Name: _____

Title: _____

Institution Name: _____

Date: _____ Fee: _____ KO Model # _____ PO # (attach PO) _____

READ AND UNDERSTOOD

I have read and understand these Terms of Sale and accept the terms as they relate to my activities as Investigator.

Signature Date

Printed Name of Investigator

Title: _____

Taconic:

By: _____
Authorized Representative Signature

Mary Powers, Contract Administrator Wendy Nack-Lawlor, Sr. Director, Asst. General Counsel

Taconic Biosciences, Inc.
273 Hover Ave
Germantown, NY 12526

Effective Date: _____