UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10

GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934

CHECKPOINT THERAPEUTICS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**47-2568632**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
2 Gansevoort Street, 9th Floor New York, New York	**10014**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(781) 652-4500**

Securities registered pursuant to Section 12(b) of the Act:

(Title of Class)	(Name of exchange on which registered)
n/a	**n/a**

Securities registered pursuant to section 12(g) of the Act:

(Title of Class)

Common Stock, par value $0.0001 per share

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☒

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SPECIAL CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Certain matters discussed in this registration statement may constitute forward-looking statements for purposes of the Securities Act of 1933, as amended (the "Securities Act") and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. The words "anticipate," "believe," "estimate," "may," "expect" and similar expressions are generally intended to identify forward-looking statements. Our actual results may differ materially from the results anticipated in these forward-looking statements due to a variety of factors, including, without limitation, those discussed under the captions "Risk Factors," and elsewhere in this registration statement. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements. Such forward-looking statements include, but are not limited to, statements about our:

- expectations for increases or decreases in expenses;
- expectations for the clinical and pre-clinical development, manufacturing, regulatory approval, and commercialization of our pharmaceutical product candidates or any other products we may acquire or in-license;
- our use of clinical research centers and other contractors;
- expectations for incurring capital expenditures to expand our research and development and manufacturing capabilities;
- expectations for generating revenue or becoming profitable on a sustained basis;
- expectations or ability to enter into marketing and other partnership agreements;
- expectations or ability to enter into product acquisition and in-licensing transactions;
- expectations or ability to build our own commercial infrastructure to manufacture, market and sell our drug candidates;
- acceptance of our products by doctors, patients or payors;
- our ability to compete against other companies and research institutions;
- our ability to secure adequate protection for our intellectual property;
- our ability to attract and retain key personnel;
- availability of reimbursement for our products;
- estimates of the sufficiency of our existing cash and cash equivalents and investments to finance our operating requirements, including expectations regarding the value and liquidity of our investments;
- the volatility of our stock price;
- expected losses; and
- expectations for future capital requirements.

The forward-looking statements contained in this registration statement reflect our views and assumptions as of the effective date of this registration statement. Except as required by law, we assume no responsibility for updating any forward-looking statements.

We qualify all of our forward-looking statements by these cautionary statements.

References in this registration statement to "Checkpoint Therapeutics," "Checkpoint," "our company," "we," "us" and "our" refer to Checkpoint Therapeutics, Inc., a Delaware company.

Item 1: Business

OVERVIEW

We are an immuno-oncology biopharmaceutical company focused on the acquisition, development and commercialization of novel, non-chemotherapy, immune-enhanced combination treatments for patients with solid tumor cancers. We aim to acquire rights to these technologies by licensing the rights or otherwise acquiring an ownership interest in the technologies, funding their research and development and eventually either out-licensing or bringing the technologies to market. Currently we are developing a portfolio of fully human immuno-oncology targeted antibodies generated in the laboratory of Dr. Wayne Marasco, MD, PhD, a professor in the Department of Cancer Immunology and AIDS at the Dana-Farber Cancer Institute ("Dana-Farber"). The portfolio of antibodies we licensed from Dana-Farber includes antibodies targeting programmed death-ligand 1 ("PD-L1"), glucocorticoid-induced TNFR related protein ("GITR") and carbonic anhydrase IX ("CAIX") (together, the "Dana-Farber Antibodies"). We plan to develop these novel immuno-oncology and checkpoint inhibitor antibodies on their own and in combination with each other, as published literature suggests that combinations of these targets may work synergistically together. We expect to submit investigational new drug ("IND") applications for our anti-PD-L1, anti-GITR and anti-CAIX antibodies in 2017. We have also licensed and are developing three oral, small molecule, targeted anti-cancer agents, consisting of an inhibitor of epidermal growth factor receptor ("EGFR") mutations, an inhibitor of the bromodomain and extra-terminal ("BET") protein, BRD4, and an inhibitor of poly (ADP-ribose) polymerase ("PARP"). We plan to submit IND applications for our EGFR inhibitor and BET inhibitor in 2016 and 2017, respectively, followed by the commencement of clinical programs. We are currently developing a clinical program for our PARP inhibitor, which we expect to commence in the next six to twelve months. Additionally, we will seek to add additional immuno-oncology drugs as well as other targeted therapies to create wholly-owned proprietary combinations that leverage the immune system and other complimentary mechanisms. To date, we have not received approval for the sale of any product candidate in any market and, therefore, have not generated any product sales from any product candidates. In addition, we have incurred substantial operating losses since our inception, and expect to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of March 31, 2016, we have an accumulated deficit of $17.5 million.

In December 2015, we closed on gross proceeds of $57.8 million, before commissions and expenses, in a series of private placement financings. Net proceeds from this offering were approximately $51.5 million. The financing involved the sale of Units, each consisting of 10,000 shares of common stock and a warrant exercisable for 2,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $50,000 per Unit. The warrants have a five-year term and are only exercisable for cash. We expect to use the net proceeds primarily for general corporate purposes, which may include financing our growth, developing new or existing product candidates, and funding capital expenditures, acquisitions and investments. We currently anticipate that our cash balances at March 31, 2016, are sufficient to fund our anticipated operating cash requirements for approximately the next 24 months.

We are a majority controlled subsidiary of Fortress Biotech, Inc. ("Fortress").

CORPORATE INFORMATION

Checkpoint Therapeutics, Inc. was incorporated in Delaware on November 10, 2014. Our executive offices are located at 2 Gansevoort Street, 9th Floor, New York, NY 10014. Our telephone number is (781) 652-4500 and our email address is ir@checkpointtx.com.

We are currently filing for registration under this Form 10 under the Exchange Act and we are not subject to the reporting requirements of section 13(a) or 15(d) of the Exchange Act.

PRODUCTS UNDER DEVELOPMENT

Immuno-Oncology Agents

Anti-PD-L1 Research Program

Our anti-PD-L1 monoclonal antibody is a fully human antagonistic antibody designed to bind to PD-L1 and block its interaction with Programmed cell death protein 1 ("PD-1"). Scientific literature indicates that PD-1 and its ligand PD-L1 are checkpoints of immune activation and play a very important role in negative regulation of T-cell effector function and proliferation. Physiological interaction between these molecules inhibits immune activation to prevent autoimmunity and to induce self-tolerance. Many different cancers take advantage of this pathway by expressing PD-L1 and triggering negative signaling in PD-1 expressing tumor reactive T-cells thus blocking anti-tumor T-cell immune response.

Numerous preclinical and clinical studies of third party products have demonstrated that antibodies that block the interaction of PD-1 with its ligands, PD-L1 and PD-L2, or those that block only the interaction of PD-L1 with PD-1 can augment anti-tumor T-cell responses and lead to complete and lasting tumor eradication in a certain proportion of patients. Confirmed overall response rate ("ORR") in the U.S. Food and Drug Administration ("FDA") labels for the approved PD-1 blocking antibodies was cited in the 20-30% range based on clinical trials in patients with metastatic melanoma. Potent therapeutic anti-tumor responses due to blocking of PD-1/PD-L1 interaction has been demonstrated by these approved products in patients with melanoma, renal cell carcinoma ("RCC") and non-small cell lung cancer ("NSCLC").

We plan to develop an anti-PD-L1 antibody for oncology indications, including, but not limited to, the treatment of patients with NSCLC and RCC, indications where studies of other PD-1/PD-L1 antibodies have shown the potential to be effective. In March of 2015, we entered into a Global Collaboration Agreement with TG Therapeutics, Inc. ("TGTX") to develop and commercialize anti-PD-L1 antibodies in the field of hematological malignancies. We retain the right to develop and commercialize anti-PD-L1 antibodies in solid tumors. We believe that an anti-PD-L1 antibody has the potential to be effective in many oncological indications as a monotherapy or in combination with other anti-tumor immune response potentiating compounds and other targeted therapies.

We licensed the exclusive worldwide rights to anti-PD-L1 antibodies from Dana-Farber in March 2015. Currently, we are in preclinical development for this program. In early 2016, we commenced chemistry, manufacturing and control ("CMC") development activities, which include the construction and testing of a production cell line, the development of a manufacturing process for production of the antibody, as well as the development of suitable analytical methods to characterize the antibody. We plan to develop control mechanisms to satisfy Good Manufacturing Practice ("GMP") requirements and scale-up manufacturing in order to conduct the required pharmacology and toxicology studies in the second half of 2016 to support a planned IND application filing in the first half of 2017.

Anti-GITR Research Program

Our anti-GITR monoclonal antibody is a fully human agonistic antibody that is designed to bind and trigger signaling in GITR expressing cells. Scientific literature indicates that GITR is a co-stimulatory molecule of the TNF receptor family and is expressed on activated T cells, B cells, natural killer ("NK") and regulatory T cells ("Treg"). As a co-stimulatory molecule, GITR engagement increases proliferation, activation, and cytokine production of CD4+ and CD8+ T cells**.** Our anti-GITR monoclonal antibody abrogates immunosuppressive activity of natural Treg on expansion of T-effector cells. GITR-specific agonistic monoclonal antibodies under development by third parties have been shown to induce tumor regression in vivo through the activation of CD4+ T cells, CD8+ T cells and NK cells in a number of tumor models.

We plan to develop an anti-GITR antibody for oncology indications, including, but not limited to, the treatment of patients with NSCLC and RCC, indications where scientific literature supports the potential for an anti-GITR to be effective. In March of 2015, we entered into a Global Collaboration Agreement with TGTX to develop and commercialize anti-GITR antibodies in the field of hematological malignancies. We retain the right to develop and commercialize anti-GITR antibodies in solid tumors. We believe that an anti-GITR antibody has the potential to be effective in many oncological indications as a monotherapy or in combination with anti-PD-L1 or anti-CAIX as well as other anti-tumor immune response potentiating compounds and other targeted therapies.

We licensed the exclusive worldwide rights to anti-GITR antibodies from Dana-Farber in March 2015. Currently, we are in preclinical development for this program and are in the process of identifying and optimizing a lead anti-GITR antibody to select as a clinical candidate. We plan to commence CMC development, pharmacology and toxicology activities on a lead anti-GITR antibody in the second half of 2016 in order to submit an IND application to the FDA in 2017.

Targeted Anti-Cancer Agents

CK-101 (formerly RX-518) EGFR Inhibitor Program

We are developing CK-101 as an oral, third generation covalent inhibitor against selective mutations of EGFR. Activating mutations in the tyrosine kinase domain of EGFR are found in approximately 20% of patients with advanced NSCLC. Compared to chemotherapy, first generation EGFR inhibitors significantly improved ORR and progression free survival in previously untreated NSCLC patients carrying EGFR mutations. However, tumor progression could develop due to resistance mutations, often within months of treatment with first generation EGFR inhibitors.

The EGFR T790M "gatekeeper" mutation is the most common resistant mutation found in patients treated with first generation EGFR inhibitors. The mutation decreases the affinity of first generation inhibitors to EGFR kinase domain, rendering the drugs ineffective. Second generation EGFR inhibitors have improved in vitro potency against the T790M mutation, but have not provided meaningful benefits in NSCLC patients due to toxicity from the wildtype EGFR activities.

Third generation EGFR inhibitors are designed to be highly selective against the T790M mutation while sparing wildtype EGFR, thereby improving tolerability and safety profiles. Recently, in November 2015, TAGRISSO(TM) (osimertinib), a third generation EGFR tyrosine kinase inhibitor ("TKI") developed by AstraZeneca that specifically targets the T790M mutation, received accelerated FDA approval for the treatment of patients with metastatic EGFR T790M mutation-positive NSCLC who have progressed on or after EGFR TKI therapy. The approval of TAGRISSO was based on an objective response rate of 59% in a pooled analysis of 411 patients in two single arm trials. In addition, third generation TKIs, including CK-101, have shown potential activity, pre-clinically, against activating EGFR mutations seen in first-line NSCLC patients such as L858R and del 19.

We plan to develop CK-101 for the treatment of various advanced and metastatic solid tumor cancers, including, but not limited to, the treatment of NSCLC patients carrying the susceptible EGFR mutations. These include the EGFR T790M mutation in second-line NSCLC patients as well as the EGFR L858R and del 19 mutations in first-line NSCLC patients. We believe that CK-101 has the potential to be effective in these oncological indications as a monotherapy or in combination with other anti-tumor immune response potentiating compounds and other targeted therapies. Existing preclinical data from other programs support the combination of third generation EGFR inhibitor with checkpoint inhibitors (PD-1 or PD-L1), cMET inhibitors, or MEK inhibitors.

In March 2015, we entered into an exclusive license agreement with NeuPharma, Inc. (“NeuPharma”) to develop and commercialize novel covalent third generation EGFR inhibitors on a worldwide basis outside of certain Asian countries. We have substantially completed the CK-101 CMC development, and pharmacology and toxicology programs required to file an IND application with the FDA, including the 28-day repeat dose toxicity studies in rats and dogs conducted under Good Laboratory Practices. In July 2016, we plan to submit an IND application to the FDA, to be followed by the initiation of a Phase 1/2 clinical study in advanced solid tumor cancers.

CK-102 (formerly CEP-9722) PARP Inhibitor Program

In December 2015, we obtained the exclusive worldwide rights to develop and commercialize CK-102 (formerly CEP-9722) from Teva Pharmaceutical Industries Ltd., through its subsidiary, Cephalon, Inc. CK-102 is an oral, small molecule selective inhibitor of PARP-1 and PARP-2 enzymes in early clinical development for solid tumors.

PARP enzymes are involved in normal cellular homeostasis, such as DNA transcription, cell cycle regulation, and DNA repair. DNA repair enzymes such as PARP, whose activity and expression are up-regulated in tumor cells, are believed to contribute to resistance and dampen the effects of chemotherapy and radiation. By inhibiting PARP, certain cancer cells may be rendered unable to repair single strand DNA breaks, which in turn causes double strand DNA breaks and can lead to cancer cell death. Across multiple tumor types, including breast, ovarian and prostate cancer, PARP inhibitors have shown promising activity as a monotherapy against tumors with existing DNA repair defects, such as BRCA1 and BRCA2, and as a combination therapy when administered together with anti-cancer agents that induce DNA damage.

In November 2010, the licensor of CK-102 submitted an IND application to the FDA for CK-102 for the treatment of patients with advanced or metastatic solid tumors. Between 2009 and 2013, the licensor of CK-102 conducted three Phase 1 studies to evaluate the maximum tolerated dose, safety, pharmacokinetics, and pharmacodynamics of CK-102, as a single agent and in combination with chemotherapy in patients with advanced solid tumor cancers. Details of the studies are as follows:

- Study 1065, a first-in-human study of CK-102, was an open-label, non-randomized, dose-escalating Phase 1 study to identify the maximum tolerated dose of CK-102 and to evaluate the safety, pharmacokinetics, and pharmacodynamics of the combination treatment of CK-102 and temozolomide, administered at 150 mg/m^2/day, in patients with advanced solid tumors. The study enrolled and dosed 26 patients at two sites in France and the United Kingdom. In the study, the combination of oral CK-102 and oral temozolomide given on days 1 to 5 of 28-day cycles was determined to be adequately tolerated with no indication of potentiation of the known toxicities of temozolomide. One patient with melanoma treated with CK-102 at 1000 mg/day demonstrated a confirmed partial response that lasted up to 5.8 months. The patient did not progress on the study. In addition, four patients treated with CK-102 at 300 to 750 mg/day experienced stable disease for at least two months. A dose of CK-102 of 750 mg/day in combination with the standard dose of temozolomide of 150 mg/m^2/day was recommended as the regimen for further study.

- Study 1092 was a dose-escalation, open-label, phase 1 study to identify the maximum tolerated dose of CK-102 and to evaluate the safety, pharmacokinetics, and pharmacodynamics of CK-102 in combination with gemcitabine and cisplatin in patients with advanced solid tumors. In the study, conducted at three sites in France and Belgium, 18 patients were enrolled and received at least one dose of CK-102. Gemcitabine was administered at 1250 mg/m^2 intravenously on day 1 and day 8 of each 21-day cycle. Cisplatin was administered at 75 mg/m^2 intravenously on day 1 of each cycle, after the infusion of gemcitabine. The study was stopped before reaching its objective of determining the maximum tolerated dose of CK-102 when given in combination with cisplatin and gemcitabine due to the limited tolerability of the cisplatin and gemcitabine regimen and the variable exposure to the active moiety of CK-102 during the study.

- Study 2051 was a Phase 1, multicenter, open-label study to determine the maximum tolerated dose of CK-102 when administered as a single-agent in patients with advanced or metastatic solid tumors. In the study, conducted at four sites in the United States, 44 patients were enrolled and received at least one dose of CK-102. Though twelve patients had stable disease in the study, the variable systemic exposure to the active moiety of CK-102 within each cohort precluded any definitive efficacy conclusions. A dose of 750 mg administered twice daily was determined to be the maximum tolerated dose for CK-102 administered as a single agent.

We plan to develop CK-102 as both a monotherapy and in combination with other anti-cancer agents, including our novel immuno-oncology and checkpoint inhibitor antibodies currently in development. Currently, the transfer of ownership of the CK-102 active IND is in process, and the transfer to us should be completed in the third quarter of 2016. Due to the variable systemic exposure of the active moiety of CK-102 in the prior Phase 1 studies, we plan to evaluate a reformulation of the CK-102 drug product to improve its bioavailability prior to commencing a Phase 1b clinical study in advanced or metastatic solid tumors with existing DNA repair defects, such as BRCA1 and BRCA2.

CK-103 BET Inhibitor Program

We are developing CK-103, an oral, inhibitor of the BET protein, BRD4. A bromodomain is an amino acid protein domain that recognizes acetylated-lysine. The binding of the drug prevents interaction between BET proteins and both acetylated histones and transcription factors. Therefore, BET proteins, such as BRD4, are considered potential therapeutic targets in cancer, as they may play a pivotal role in regulating the transcription of key regulators of cancer cell growth and survival, including the c-Myc oncogene. BRD4 is often required for expression of c-Myc. Scientific literature has shown that small molecule inhibition of BET bromodomains may lead to selective killing of tumor cells across a broad range of hematologic malignancies and certain targeted solid tumors. We plan to develop CK-103 for the treatment of various advanced and metastatic solid tumor cancers, including, but not limited to, those associated with elevated c-Myc expression

On May 26, 2016, we entered into an exclusive license agreement with Jubilant Biosys Limited (“Jubilant”) to develop and commercialize novel compounds that inhibit the BRD4 protein on a worldwide basis. Currently, we are in preclinical development for this program and plan to conduct the required CMC, pharmacology and toxicology activities to support an IND application to the FDA in 2017.

Anti-CAIX Research Program

Our Anti-CAIX is a fully human pre-clinical antibody designed to recognize CAIX expressing cells and kill them via antibody-dependent cell-mediated cytotoxicity ("ADCC") and complement-dependent cytotoxicity ("CDC"). Scientific literature indicates that CAIX is a well characterized tumor associated antigen ("TAA") with expression almost exclusively limited to the cells of RCC. More than 85% of RCC cases have been demonstrated to express high levels of CAIX expression. There is a very limited expression of this antigen on healthy tissue which limits reactivity of this antibody against healthy tissues.

In 2015, pre-clinical data were published in the peer-reviewed journal, Molecular Cancer, that demonstrated that our anti-CAIX antibodies are able to trigger killing of CAIX-positive human RCC cell lines in tissue culture via ADCC and CDC. The killing activity correlated positively with the level of CAIX expression on RCC tumor cell lines. In addition, the study demonstrated that our anti-CAIX antibodies inhibited growth of CAIX-positive tumors in a mouse xenograft model as well as led to the activation of T-cells and NK cells.

We plan to develop an anti-CAIX antibody for the treatment of patients with RCC in combination with an anti-PD-L1 and/or anti-GITR antibody as well as other anti-tumor immune response potentiating compounds and/or targeted therapies.

We licensed the exclusive worldwide rights to anti-CAIX antibodies from Dana-Farber in March 2015. Currently, we are in preclinical development for this program and are in the process of identifying and optimizing a lead anti-CAIX antibody to select as a clinical candidate. We plan to commence CMC development, pharmacology and toxicology activities in the second half of 2016 in order to submit an IND application to the FDA in 2017.

COSTS AND TIME TO COMPLETE PRODUCT DEVELOPMENT

The information below provides estimates regarding the costs associated with the completion of the current development phase and our current estimated range of the time that will be necessary to complete that development phase for our product candidates. For a description of the risk factors that could significantly affect our ability to meet these cost and time estimates, see Item 1A of this registration statement.

Product Candidate	Target Indication	Development Status	Completion of Phase	Estimated Cost to Complete Phase
Immuno-Oncology Agents				
Anti-PD-L1	Multiple Forms of Cancer	Preclinical	1H 2017	$4 to $6 million
Anti-GITR	Multiple Forms of Cancer	Preclinical	2017	$4 to $6 million
Targeted Anti-Cancer Agents				
CK-101	Lung Cancer	Preclinical	Mid 2016	Less than $1 million
CK-102	Multiple Forms of Cancer	IND transfer in-process / Phase 1b study planned	2017	$2 to $4 million
CK-103	Multiple Forms of Cancer	Preclinical	2017	$2 to $4 million
Anti-CAIX	Renal Cell Carcinoma	Preclinical	2017	$4 to $6 million

Completion dates and costs in the above table are estimates due to the uncertainties associated with pre-clinical testing and clinical trials and the related requirements of development. In the cases where the requirements for pre-clinical testing and clinical trials and development programs have not been fully defined, or are dependent on the success of other trials, we cannot estimate trial completion or cost with any certainty. The actual spending on each trial during the year is also dependent on funding.

INTELLECTUAL PROPERTY AND PATENTS

General

Our goal is to obtain, maintain and enforce patent protection for our products, formulations, processes, methods and other proprietary technologies, preserve our trade secrets, and operate without infringing on the proprietary rights of other parties, both in the United States and in other countries. Our policy is to actively seek to obtain, where appropriate, the broad intellectual property protection for our product candidates, proprietary information and proprietary technology through a combination of contractual arrangements and patents, both in the U.S. and elsewhere in the world.

We also depend upon the skills, knowledge and experience of our scientific and technical personnel, as well as that of our advisors, consultants and other contractors ("know-how"). To help protect our proprietary know-how which is not patentable, and for inventions for which patents may be difficult to enforce, we rely on trade secret protection and confidentiality agreements to protect our interests. To this end, we require all employees, consultants, advisors and other contractors to enter into confidentiality agreements which prohibit the disclosure of confidential information and, where applicable, require disclosure and assignment to us of the ideas, developments, discoveries and inventions important to our business.

Patents and other proprietary rights are crucial to the development of our business. We will be able to protect our proprietary technologies from unauthorized use by third parties only to the extent that our proprietary rights are covered by valid and enforceable patents, supported by regulatory exclusivity or are effectively maintained as trade secrets. We have a few patents and patent applications related to our compounds and other technology, but we cannot guarantee the scope of protection of the issued patents, or that such patents will survive a validity or enforceability challenge, or that any of the pending patent applications will issue as patents.

Generally, patent applications in the U.S. are maintained in secrecy for a period of 18 months or more. The patent positions of biotechnology and pharmaceutical companies are highly uncertain and involve complex legal and factual questions. Therefore, we cannot predict the breadth of claims allowed in biotechnology and pharmaceutical patents, or their enforceability. To date, there has been no consistent policy regarding the breadth of claims allowed in biotechnology patents. Third parties or competitors may challenge or circumvent our patents or patent applications, if issued. If our competitors prepare and file patent applications in the U.S. that claim technology also claimed by us, we may have to participate in interference proceedings declared by the U.S. Patent and Trademark Office to determine priority of invention, which could result in substantial cost, even if the eventual outcome is favorable to us. Because of the extensive time required for development, testing and regulatory review of a potential product, it is possible that before we commercialize any of our products, any related patent may expire or remain in existence for only a short period following commercialization, thus reducing any advantage of the patent. However, the life of a patent covering a product that has been subject to regulatory approval may have the ability be extended through the patent restoration program, although any such extension could still be minimal.

If a patent is issued to a third party containing one or more preclusive or conflicting claims, and those claims are ultimately determined to be valid and enforceable, we may be required to obtain a license under such patent or to develop or obtain alternative technology. In the event of litigation involving a third party claim, an adverse outcome in the litigation could subject us to significant liabilities to such third party, require us to seek a license for the disputed rights from such third party, and/or require us to cease use of the technology. Further, our breach of an existing license or failure to obtain a license to technology required to commercialize our products may seriously harm our business. We also may need to commence litigation to enforce any patents issued to us or to determine the scope and validity of third-party proprietary rights. Litigation would involve substantial costs.

We in-licensed in March 2015 intellectual property related to certain antibodies from Dana-Farber. The intellectual property includes issued patents in a number of countries, including the United States and Europe, as well as pending patent applications in several countries elsewhere. The issued patents and pending patent applications relate generally to compositions and methods of treatment involving antibodies against CAIX, PD-L1 and GITR. In particular, we have exclusive rights under U.S. Patent No. 8,466,263, directed to CAIX antibodies, which is scheduled to expire no earlier than July 2029. Its European counterpart is in force in Switzerland, Liechtenstein, Germany, France and the United Kingdom. A Canadian counterpart patent has also issued. Both the European and Canadian counterpart patents, as well as any pending applications outside the United States, are scheduled to expire no sooner than December 2026. The PD-L1 segment of the portfolio includes patent applications pending in the United States, Australia, Canada, Europe, Israel and Korea. Any patents maturing from these pending applications will expire no sooner than October 2033. The GITR segment of the portfolio includes an International Application No. PCT/US2015/054010, filed in October 2015. Any national stage applications, which are pursued off of this international application (including one in the United States Patent and Trademark Office), would expire no earlier than October 2035.

In March 2015, we in-licensed intellectual property from NeuPharma, which is directed to technology involving small molecules that are inhibitors of EGFR and kinase mutants. EGFR is a receptor tyrosine kinase of the ErbB family and is also known as “Her1” and “ErbB1.” The in-licensed patent estate includes an international application and a pending U.S. non-provisional application. In February 2016, we filed separate national stage applications in the relevant territories worldwide. Any patents maturing from this patent estate are expected to expire no sooner than August 2034.

In December 2015, we in-licensed intellectual property from Teva Pharmaceutical Industries Ltd., through its subsidiary, Cephalon. Under the terms of the license agreement, Cephalon granted us exclusive, worldwide rights under Cephalon's patents and know-how covering small molecule inhibitors of PARP, an enzyme important to a cell's ability to repair DNA. Cephalon's patents include four patent families covering certain compounds and pharmaceutical compositions, including claims to the compound, certain salts, and crystalline polymorphs of the pro-drug, CK-102, processes for preparing same, pharmaceutical compositions of same and certain methods of inhibition or prevention associated with certain indications. Cephalon's patents include three granted United States patents, which are scheduled to expire as early as January 2023 and as late as September 2030. Foreign counterparts included in each patent family exist in numerous jurisdictions around the world having expected expiration dates ranging from May 2021 to June 2027 (November 2027 for certain methods of sensitizing tumors), August 2030 for claims directed to novel polymorphs and November 2035 for certain salts of CK-102.

In May 2016, we in-licensed intellectual property from Jubilant. Under the terms of the license agreement, Jubilant granted us exclusive, worldwide rights under Jubilant's patents and know-how covering small molecule inhibitors of BET, specifically targeting BRD4, a member of the BET family which is often required for the expression of c-Myc. The in-licensed patent estate includes a pending international application filed in March 2016 and a pending Indian provisional application from which a second international application will be filed in September 2016. Any patents maturing from this patent estate are expected to expire no sooner than March 2036.

Other Intellectual Property Rights

We depend upon trademarks, trade secrets, know-how and continuing technological advances to develop and maintain our competitive position. To maintain the confidentiality of trade secrets and proprietary information, we require our employees, scientific advisors, consultants and collaborators, upon commencement of a relationship with us, to execute confidentiality agreements and, in the case of parties other than our research and development collaborators, to agree to assign their inventions to us. These agreements are designed to protect our proprietary information and to grant us ownership of technologies that are developed in connection with their relationship with us. These agreements may not, however, provide protection for our trade secrets in the event of unauthorized disclosure of such information.

In addition to patent protection, we may utilize orphan drug regulations or other provisions of the Food, Drug and Cosmetic Act of 1938, as amended, or FDCA, to provide market exclusivity for certain of our product candidates. Orphan drug regulations provide incentives to pharmaceutical and biotechnology companies to develop and manufacture drugs for the treatment of rare diseases, currently defined as diseases that exist in fewer than 200,000 individuals in the U.S., or, diseases that affect more than 200,000 individuals in the U.S. but that the sponsor does not realistically anticipate will generate a net profit. Under these provisions, a manufacturer of a designated orphan-drug can seek tax benefits, and the holder of the first FDA approval of a designated orphan product will be granted a seven-year period of marketing exclusivity for such FDA-approved orphan product.

LICENSING AGREEMENTS AND COLLABORATIONS

Dana-Farber Cancer Institute, Inc.

On March 2, 2015, we entered into a License Agreement with Dana-Farber Cancer Institute, Inc., and on October 5, 2015, we entered into a First Amendment to the License Agreement, whereby we obtained an exclusive, worldwide license to Dana-Farber's patents for the Dana-Farber Antibodies. The field of use license includes all prophylactic, therapeutic or diagnostic uses in humans or animals excluding use in chimeric antigen receptor technology. The Dana- Farber Antibodies were generated in the laboratory of Dr. Wayne Marasco, MD, PhD, a Professor in the Department of Cancer Immunology and AIDS at Dana-Farber. Under the terms of the agreement, we paid Dana-Farber an up-front licensing fee of $1.0 million and granted Dana-Farber five percent of our common stock on a fully-diluted basis, equal to 500,000 shares valued at $32,500. The agreement included an anti-dilution clause that maintained Dana-Farber's ownership at 5% until such time that we raised $10 million in cash in exchange for common shares. Pursuant to this provision, on September 30, 2015, we granted to Dana-Farber an additional 136,830 shares of common stock valued at approximately $0.6 million and the anti-dilution clause thereafter expired. Dana-Farber is eligible to receive payments of up to an aggregate of approximately $21.5 million for each licensed product upon our successful achievement of certain clinical development, regulatory and first commercial sale milestones. In addition, Dana-Farber is eligible to receive up to an aggregate of $60.0 million upon our successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered low to mid-single digit percentage of net sales. Following the second anniversary of the effective date of the agreement, Dana-Farber will receive an annual license maintenance fee, which is creditable against milestone payments or royalties due Dana-Farber. The license will terminate on a country-by-country and product-by-product basis until the royalty term in such country with respect to such product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country. The royalty term, on a product-by-product and country-by-country basis, is the later of (i) ten years after first commercial sale of a given product in such country, or (ii) the expiration of the last-to-expire Dana-Farber patent containing a valid claim to the product in such country. To date, we have incurred $1.0 million of upfront licensing and milestone payments under the License Agreement.

NeuPharma, Inc.

On March 17, 2015, Fortress entered into a License Agreement with NeuPharma, which agreement was assigned to us by Fortress on the same date, whereby we obtained an exclusive, worldwide license, other than certain Asian countries, to NeuPharma's patents to a library of EGFR inhibitors. Under the terms of the agreement, we paid NeuPharma an up-front licensing fee of $1.0 million, and NeuPharma is eligible to receive payments of up to an aggregate of approximately $40.0 million per licensed product upon our successful achievement of certain clinical development and regulatory milestones in up to three indications, of which $22.5 million are due upon various regulatory approvals to commercialize the products. In addition, NeuPharma is eligible to receive payments of up to an aggregate of $40.0 million upon our successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered mid to high-single digit percentage of net sales. The license will terminate on a country-by-country and product-by-product basis until the royalty term in such country with respect to such product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country. Royalty term means, on a licensed product-by-licensed product and country-by-country basis, the period from the first commercial sale of a given licensed product in such country until the later of (a) expiry of the last-to-expire licensor patent containing a valid claim to the compound in such country; or (b) the 10^{th} anniversary of the first commercial sale of such licensed product in such country. In a country where no licensor patent containing a valid claim with respect to the compound has ever existed nor ever exists, the royalty term means on a product-by-product and country-by-country basis, the period from the first commercial sale of such product in such country until the 10^{th} anniversary of such first commercial sale of such product in such country. To date, we have incurred $1.0 million of upfront licensing and milestone payments under the License Agreement.

In connection with the license agreement with Neupharma, we entered into a Sponsored Research Agreement with NeuPharma for certain research and development activities. Effective January 11, 2016, TGTX agreed to assume all costs associated with this Sponsored Research Agreement and reimbursed the Company for all amounts paid previously by the Company. Accordingly, TGTX reimbursed us $260,000 in the three months ended March 31, 2016.

Teva Pharmaceutical Industries Ltd. (through its subsidiary, Cephalon, Inc.)

On December 18, 2015, Fortress entered into a License Agreement with Teva Pharmaceutical Industries Ltd. through its subsidiary, Cephalon, Inc. ("Cephalon"), which agreement was assigned to us by Fortress on the same date, whereby we obtained an exclusive, worldwide license to Cephalon's patents relating to CEP-8983 and its small molecule prodrug, CEP-9722, which we now refer to as CK-102. Under the terms of the agreement, we paid Cephalon an up-front licensing fee of $0.5 million, and Cephalon is eligible to receive milestone payments of up to an aggregate of approximately $220.0 million upon our successful achievement of certain clinical development, regulatory approval and product sales milestones, of which approximately $206.5 million are due on or following regulatory approvals to commercialize the product. In addition, Cephalon is eligible to receive royalty payments based on a tiered low double digit percentage of net sales. The license will terminate on a product-by-product and country-by-country basis upon the later of (i) expiration of the last licensed patent right, (ii) the end of any regulatory exclusivity period, or (iii) a specified number of years after first commercial sale of a product; in each case unless the agreement is earlier terminated. To date, we have incurred $0.5 million of upfront licensing and milestone payments under the License Agreement.

Jubilant Biosys Limited

On May 26, 2016, we entered into a License Agreement with Jubilant, whereby we obtained an exclusive, worldwide license to Jubilant's family of patents covering compounds that inhibit BRD4, a member of the BET domain for cancer treatment, which we refer to as CK-103. Under the terms of the agreement, we paid Jubilant an up-front licensing fee of $2.0 million, and Jubilant is eligible to receive payments up to an aggregate of approximately $89.0 million upon our successful achievement of certain preclinical, clinical development, and regulatory milestones, of which $59.5 million are due upon various regulatory approvals to commercialize the products. In addition, Jubilant is eligible to receive payments up to an aggregate of $89.0 million upon our successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered low to mid-single digit percentage of net sales. To date, we have incurred $2.0 million of upfront licensing and milestone payments under the License Agreement.

The license will terminate on a country-by-country and product-by-product basis until the royalty term in such country with respect to such product expires, at which time this Agreement shall expire in its entirety with respect to such licensed product in such country. The royalty term, on a product-by-product and country-by-country basis, begins on the first commercial sale of a product in a country and ends on the expiration of the last-to-expire Jubilant patent containing a valid claim to the product in such country.

TG Therapeutics, Inc.

In connection with the License Agreement with Dana-Farber, on March 3, 2015, we entered into a Global Collaboration Agreement with TGTX to develop and commercialize the Anti-PD-L1 and Anti-GITR antibody research programs in the field of hematological malignancies. We retain the right to develop and commercialize these antibodies in solid tumors. Both programs are currently in pre-clinical development. Under the terms of the Global Collaboration Agreement, TGTX paid us $500,000, representing a reimbursement for their share of the licensing fee, and we are eligible to receive up to an aggregate of approximately $21.5 million for each product upon TGTX's successful achievement of certain clinical development, regulatory and first commercial sale milestones. In addition, we are eligible to receive up to an aggregate of $60.0 million upon TGTX's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered high single digit percentage of net sales. Following the second anniversary of the effective date of the agreement, we will receive an annual license maintenance fee, which is creditable against milestone payments or royalties due to us. The Global Collaboration Agreement will terminate on a product-by-product and country-by-country basis upon the expiration of the last licensed patent right, unless the agreement is earlier terminated.

In connection with the License Agreement with NeuPharma, Inc., on March 17, 2015, Fortress entered into an Option Agreement with TGTX, which was assigned to us on the same date, granting TGTX the right, but not the obligation to enter into a global collaboration to develop and commercialize NeuPharma's patents to a library of EGFR inhibitors in the field of hematological malignancies. We would retain the right to develop and commercialize the EGFR inhibitors in solid tumors. Under the terms of the Option Agreement, TGTX paid us $25,000, representing consideration for granting the option. If the option is exercised, we are eligible to receive up to an aggregate of approximately $14.5 million upon TGTX's successful achievement of certain clinical development and regulatory milestones under a collaboration agreement. In addition, we are eligible to receive up to an aggregate of $40.0 million upon TGTX's successful achievement of certain sales milestones based on aggregate net sales by TGTX, in addition to royalty payments based on a tiered mid to high-single digit percentage of net sales by TGTX. The Option Agreement will expire on December 31, 2016, unless both parties agree to extend the option period.

In connection with the License Agreement with Jubilant, on May 26, 2016, we entered into a Sublicense Agreement with TGTX to develop and commercialize the Jubilant family of patents covering compounds that inhibit BRD4, a member of the BET domain for cancer treatment in the field of hematological malignancies. We retain the right to develop and commercialize the BET inhibitors in solid tumors. Under the terms of the Sublicense Agreement, TGTX will pay us $1.0 million, representing a reimbursement for their share of the licensing fee, and we are eligible to receive up to an aggregate of approximately $177.0 million upon TGTX's successful achievement of certain preclinical, clinical development, and regulatory milestones, including commercial milestones. In addition, we are eligible to receive royalty payments based on a mid-single digit percentage of net sales by TGTX. The license will terminate on a country-by-country and product-by-product basis until the royalty term in such country with respect to such product expires, at which time this Agreement shall expire in its entirety with respect to such licensed product in such country. The royalty term, on a product-by-product and country-by-country basis, begins on the first commercial sale of a product in a country and ends on the expiration of the last-to-expire Jubilant patent containing a valid claim to the product in such country.

COMPETITION

Competition in the pharmaceutical and biotechnology industries is intense. Our competitors include pharmaceutical companies and biotechnology companies, as well as universities and public and private research institutions. In addition, companies that are active in different but related fields represent substantial competition for us. Many of our competitors have significantly greater capital resources, larger research and development staffs and facilities and greater experience in drug development, regulation, manufacturing and marketing than we do. These organizations also compete with us to recruit qualified personnel, attract partners for joint ventures or other collaborations, and license technologies that are competitive with ours. To compete successfully in this industry, we must identify novel and unique drugs or methods of treatment and then complete the development of those drugs as treatments in advance of our competitors.

The drugs that we are attempting to develop will have to compete with existing therapies. In addition, a large number of companies are pursuing the development of pharmaceuticals that target the same conditions that we are targeting. Other companies have products or product candidates in various stages of pre-clinical or clinical development, or with marketing approvals, to treat conditions for which we are also seeking to discover and develop product candidates. Some of these potential competing drugs are further advanced in development than our product candidates and may be commercialized earlier.

In the Immuno-Oncology area, almost every major pharmaceutical company has a PD-1 and/or PD-L1 in clinical development or on the market, including, without limitation, Merck & Co. (approved drug PD-1 with the brand name Keytruda®), Bristol-Myers Squibb (approved PD-1 with the brand name Opdivo®), Roche (approved PD-L1 with the brand name Tecentriq®), Astra-Zeneca/Celgene and Pfizer/Merck KGA. We are aware of several anti-GITR antibody development programs in pre-clinical or early clinical studies, including by Merck & Co. and GITR, Inc., and an anti-CAIX antibody in past clinical studies by Wilex AG.

In the targeted anti-cancer agent area, there are several companies with marketing approvals or in late stage development with EGFR and PARP inhibitors that are targeting mutations similar to our programs. There are also a number of early stage programs developing BET inhibitors which could overlap with our upcoming programs.

In the EGFR inhibitor space, Tarceva®, Iressa® and Gilotrif® are currently approved drugs for the treatment of first-line EGFR-mutant NSCLC. In November 2015, AstraZeneca's Tagrisso™ (formerly AZD9291) was approved by the FDA for the treatment of patients with metastatic EGFR T790M mutation-positive NSCLC who have progressed on or after EGFR tyrosine kinase inhibitor therapy. In addition, we are aware of a number of products in development targeting cancer-causing mutant forms of EGFR for the treatment of NSCLC patients, including Clovis Oncology's rociletinib (formerly CO-1686), Pfizer's PF-299804 (dacomitinib), Astellas Pharma's ASP8273, Novartis' EGF816, Hanmi Pharmaceutical's HM61713 and HM781-36B (Poziotinib), and Acea Bio (Hangzhou)'s avitinib.

In the PARP inhibitor space, in late 2014, AstraZeneca's Lynparza™ (olaparib) was approved in the U.S. as monotherapy in patients with germline BRCA mutated advanced ovarian cancer who have been treated with three or more prior lines of chemotherapy and in the EU for the maintenance treatment of BRCA mutated platinum-sensitive relapsed serous ovarian cancer. There are a number of other PARP inhibitors in late-stage clinical development including Clovis Oncology's rucaparib, AbbVie's ABT-888 (veliparib), Tesaro, Inc's niraparib, Eisai's E-7016, and Medivation Inc's talazoparib BMN-673.

In the BET inhibitor space, there are a number of companies which have advanced to early stage clinical trials, including Merck & Co's MK-8628, Roche's TEN-010, Constellation Pharmaceuticals' CPI-0610, Bristol-Myers Squibb's BMS-986158, GlaxoSmithKline's GSK525762, Abbvie's ABBV-075, Incyte's INCB54329, Forma Therapeutics' FT-1101 and Gilead Sciences' GS-5829.

Additional information can be found under Item 1A - Risk Factors – Other Risks Related to Our Business.

EMPLOYEES

As of the date of this registration statement, we have four full-time employees, including our Chief Executive Officer, and two part-time employees.

SUPPLY AND MANUFACTURING

We have limited experience in manufacturing products for clinical or commercial purposes. We currently do not have any manufacturing capabilities. We have established, or intend to establish, contract manufacturing relationships for the preliminary supplies of our product candidates, in each case with a single manufacturer. As with any supply program, obtaining raw materials of the correct quality cannot be guaranteed and we cannot ensure that we will be successful in this endeavor.

At the time of commercial sale, to the extent possible and commercially practicable, we would seek to engage a back-up supplier for each of our product candidates. Until such time, we expect that we will rely on a single contract manufacturer to produce each of our product candidates under current Good Manufacturing Practice ("cGMP") regulations. Our third-party manufacturers have a limited number of facilities in which our product candidates can be produced and will have limited experience in manufacturing our product candidates in quantities sufficient for commercialization. Our third-party manufacturers will have other clients and may have other priorities that could affect their ability to perform the work satisfactorily and/or on a timely basis. Both of these occurrences would be beyond our control.

We expect to similarly rely on contract manufacturing relationships for any products that we may in-license or acquire in the future. However, there can be no assurance that we will be able to successfully contract with such manufacturers on terms acceptable to us, or at all.

Contract manufacturers are subject to ongoing periodic and unannounced inspections by the FDA, the Drug Enforcement Administration and corresponding state agencies to ensure strict compliance with cGMP and other state and federal regulations. Our contractors, if any, in Europe face similar challenges from the numerous European Union and member state regulatory agencies and authorized bodies. We do not have control over third-party manufacturers' compliance with these regulations and standards, other than through contractual obligations. If they are deemed out of compliance with cGMPs, product recalls could result, inventory could be destroyed, production could be stopped and supplies could be delayed or otherwise disrupted.

If we need to change manufacturers after commercialization, the FDA and corresponding foreign regulatory agencies must approve these new manufacturers in advance, which will involve testing and additional inspections to ensure compliance with FDA regulations and standards and may require significant lead times and delay. Furthermore, switching manufacturers may be difficult because the number of potential manufacturers is limited. It may be difficult or impossible for us to find a replacement manufacturer quickly or on terms acceptable to us, or at all.

GOVERNMENT AND INDUSTRY REGULATIONS

Numerous governmental authorities, principally the FDA and corresponding state and foreign regulatory agencies, impose substantial regulations upon the clinical development, manufacture and marketing of our product candidates, as well as our ongoing research and development activities. None of our product candidates have been approved for sale in any market in which we have marketing rights. Before marketing in the U.S., any drug that we develop must undergo rigorous pre-clinical testing and clinical trials and an extensive regulatory approval process implemented by the FDA under the FDCA. The FDA regulates, among other things, the pre-clinical and clinical testing, safety, efficacy, approval, manufacturing, record keeping, adverse event reporting, packaging, labeling, storage, advertising, promotion, export, sale and distribution of biopharmaceutical products.

The regulatory review and approval process is lengthy, expensive and uncertain. We are required to submit extensive pre-clinical and clinical data and supporting information to the FDA for each indication or use to establish a product candidate's safety and efficacy before we can secure FDA approval to market or sell a product in the U.S. The approval process takes many years, requires the expenditure of substantial resources and may involve ongoing requirements for post-marketing studies or surveillance. Before commencing clinical trials in humans, we must submit an IND to the FDA containing, among other things, pre-clinical data, chemistry, manufacturing and control information, and an investigative plan. Our submission of an IND may not result in FDA authorization to commence a clinical trial.

The FDA may permit expedited development, evaluation, and marketing of new therapies intended to treat persons with serious or life-threatening conditions for which there is an unmet medical need under its fast track drug development programs. A sponsor can apply for fast track designation at the time of submission of an IND, or at any time prior to receiving marketing approval of the new drug application ("NDA"). To receive fast track designation, an applicant must demonstrate:

- that the drug is intended to treat a serious or life-threatening condition;
- that the drug is intended to treat a serious aspect of the condition; and
- that the drug has the potential to address unmet medical needs, and this potential is being evaluated in the planned drug development program.

The FDA must respond to a request for fast track designation within 60 calendar days of receipt of the request. Over the course of drug development, a product in a fast track development program must continue to meet the criteria for fast track designation. Sponsors of products in fast track drug development programs must be in regular contact with the reviewing division of the FDA to ensure that the evidence necessary to support marketing approval will be developed and presented in a format conducive to an efficient review. Sponsors of products in fast track drug development programs ordinarily are eligible for priority review of a completed application in six months or less and also may be permitted to submit portions of an NDA to the FDA for review before the complete application is submitted.

Sponsors of drugs designated as fast track also may seek approval under the FDA's accelerated approval regulations. Under this authority, the FDA may grant marketing approval for a new drug product on the basis of adequate and well-controlled clinical trials establishing that the drug product has an effect on a surrogate endpoint that is reasonably likely, based on epidemiologic, therapeutic, pathophysiologic, or other evidence, to predict clinical benefit or on the basis of an effect on a clinical endpoint other than survival or irreversible morbidity. Approval will be subject to the requirement that the applicant study the drug further to verify and describe its clinical benefit where there is uncertainty as to the relation of the surrogate endpoint to clinical benefit or uncertainty as to the relation of the observed clinical benefit to ultimate outcome. Post-marketing studies are usually underway at the time an applicant files the NDA. When required to be conducted, such post-marketing studies must also be adequate and well-controlled. The applicant must carry out any such post-marketing studies with due diligence. Many companies who have been granted the right to utilize an accelerated approval approach have failed to obtain approval. Moreover, negative or inconclusive results from the clinical trials we hope to conduct or adverse medical events could cause us to have to repeat or terminate the clinical trials. Accordingly, we may not be able to complete the clinical trials within an acceptable time frame, if at all, and, therefore, could not submit the NDA to the FDA or foreign regulatory authorities for marketing approval.

Clinical testing must meet requirements for institutional review board oversight, informed consent and good clinical practices, and must be conducted pursuant to an IND, unless exempted.

For purposes of NDA approval, clinical trials are typically conducted in the following sequential phases:

- *Phase 1*: The drug is administered to a small group of humans, either healthy volunteers or patients, to test for safety, dosage tolerance, absorption, metabolism, excretion and clinical pharmacology.
- *Phase 2*: Studies are conducted on a larger number of patients to assess the efficacy of the product, to ascertain dose tolerance and the optimal dose range, and to gather additional data relating to safety and potential adverse events.
- *Phase 3*: Studies establish safety and efficacy in an expanded patient population.
- *Phase 4*: The FDA may require Phase 4 post-marketing studies to find out more about the drug's long-term risks, benefits, and optimal use, or to test the drug in different populations.

The length of time necessary to complete clinical trials varies significantly and may be difficult to predict. Clinical results are frequently susceptible to varying interpretations that may delay, limit or prevent regulatory approvals. Additional factors that can cause delay or termination of our clinical trials, or that may increase the costs of these trials, include:

- slow patient enrollment due to the nature of the clinical trial plan, the proximity of patients to clinical sites, the eligibility criteria for participation in the study or other factors;

- inadequately trained or insufficient personnel at the study site to assist in overseeing and monitoring clinical trials or delays in approvals from a study site's review board;

- longer treatment time required to demonstrate efficacy or determine the appropriate product dose;

- insufficient supply of the product candidates;

- adverse medical events or side effects in treated patients; and

- ineffectiveness of the product candidates.

In addition, the FDA, equivalent foreign regulatory authority, or a data safety monitoring committee for a trial may place a clinical trial on hold or terminate it if it concludes that subjects are being exposed to an unacceptable health risk, or for futility. Any drug is likely to produce some toxicity or undesirable side effects in animals and in humans when administered at sufficiently high doses and/or for a sufficiently long period of time. Unacceptable toxicity or side effects may occur at any dose level at any time in the course of studies in animals designed to identify unacceptable effects of a product candidate, known as toxicological studies, or clinical trials of product candidates. The appearance of any unacceptable toxicity or side effect could cause us or regulatory authorities to interrupt, limit, delay or abort the development of any of our product candidates and could ultimately prevent approval by the FDA or foreign regulatory authorities for any or all targeted indications.

Sponsors of drugs may apply for a special protocol assessment ("SPA") from the FDA. The SPA process is a procedure by which the FDA provides official evaluation and written guidance on the design and size of proposed protocols that are intended to form the basis for a new drug application. However, final marketing approval depends on the results of efficacy, the adverse event profile and an evaluation of the benefit/risk of treatment demonstrated in the Phase 3 trial. The SPA agreement may only be changed through a written agreement between the sponsor and the FDA, or if the FDA becomes aware of a substantial scientific issue essential to product safety or efficacy.

Before receiving FDA approval to market a product, we must demonstrate that the product is safe and effective for its intended use by submitting to the FDA an NDA containing the pre-clinical and clinical data that have been accumulated, together with chemistry and manufacturing and controls specifications and information, and proposed labeling, among other things. The FDA may refuse to accept an NDA for filing if certain content criteria are not met and, even after accepting an NDA, the FDA may often require additional information, including clinical data, before approval of marketing a product.

It is also becoming more common for the FDA to request a Risk Evaluation and Mitigation Strategy, or REMS, as part of a NDA. The REMS plan contains post-market obligations of the sponsor to train prescribing physicians, monitor off-label drug use, and conduct sufficient Phase 4 follow-up studies and registries to ensure the continued safe use of the drug.

As part of the approval process, the FDA must inspect and approve each manufacturing facility. Among the conditions of approval is the requirement that a manufacturer's quality control and manufacturing procedures conform to cGMP. Manufacturers must expend significant time, money and effort to ensure continued compliance, and the FDA conducts periodic inspections to certify compliance. It may be difficult for our manufacturers or us to comply with the applicable cGMP, as interpreted by the FDA, and other FDA regulatory requirements. If we, or our contract manufacturers, fail to comply, then the FDA may not allow us to market products that have been affected by the failure.

If the FDA grants approval, the approval will be limited to those conditions and patient populations for which the product is safe and effective, as demonstrated through clinical studies. Further, a product may be marketed only in those dosage forms and for those indications approved in the NDA. Certain changes to an approved NDA, including, with certain exceptions, any significant changes to labeling, require approval of a supplemental application before the drug may be marketed as changed. Any products that we manufacture or distribute pursuant to FDA approvals are subject to continuing monitoring and regulation by the FDA, including compliance with cGMP and the reporting of adverse experiences with the drugs. The nature of marketing claims that the FDA will permit us to make in the labeling and advertising of our products will generally be limited to those specified in FDA approved labeling, and the advertising of our products will be subject to comprehensive monitoring and regulation by the FDA. Drugs whose review was accelerated may carry additional restrictions on marketing activities, including the requirement that all promotional materials are pre-submitted to the FDA. Claims exceeding those contained in approved labeling will constitute a violation of the FDCA. Violations of the FDCA or regulatory requirements at any time during the product development process, approval process, or marketing and sale following approval may result in agency enforcement actions, including withdrawal of approval, recall, seizure of products, warning letters, injunctions, fines and/or civil or criminal penalties. Any agency enforcement action could have a material adverse effect on our business.

Failure to comply with applicable federal, state and foreign laws and regulations would likely have a material adverse effect on our business. In addition, federal, state and foreign laws and regulations regarding the manufacture and sale of new drugs are subject to future changes.

Other Healthcare Laws and Compliance Requirements

In the United States, our activities are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including the Centers for Medicare and Medicaid Services (formerly the Health Care Financing Administration), other divisions of the United States Department of Health and Human Services (e.g., the Office of Inspector General), the United States Department of Justice and individual United States Attorney offices within the Department of Justice, and state and local governments.

Pharmaceutical Coverage, Pricing and Reimbursement

In the United States and markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend in part on the availability of reimbursement from third-party payors, including government health administrative authorities, managed care providers, private health insurers and other organizations. Third-party payors are increasingly examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy, and, accordingly, significant uncertainty exists as to the reimbursement status of newly approved therapeutics. Adequate third party reimbursement may not be available for our products to enable us realize an appropriate return on our investment in research and product development. We are unable to predict the future course of federal or state health care legislation and regulations, including regulations that will be issued to implement provisions of the health care reform legislation enacted in 2010, known as the Affordable Care Act. The Affordable Care Act and further changes in the law or regulatory framework could have a material adverse effect on our business.

International Regulation

In addition to regulations in the United States, there are a variety of foreign regulations governing clinical trials and commercial sales and distribution of any product candidates. The approval process varies from country to country, and the time may be longer or shorter than that required for FDA approval.

Item 1A. Risk Factors

The following information sets forth risk factors that could cause our actual results to differ materially from those contained in forward-looking statements we have made in this registration statement and those we may make from time to time. You should carefully consider the risks described below, in addition to the other information contained in this registration statement, before making an investment decision. Our business, financial condition or results of operations could be harmed by any of these risks. The risks and uncertainties described below are not the only ones we face. Additional risks not presently known to us or other factors not perceived by us to present significant risks to our business at this time also may impair our business operations.

Risks Related to Our Business and Industry

We currently have no drug products for sale. We are heavily dependent on the success of our product candidates, and we cannot give any assurances that any of our product candidates will receive regulatory approval or be successfully commercialized.

To date, we have invested a significant portion of our efforts and financial resources in the acquisition and development of our product candidates. We have not demonstrated our ability to perform the functions necessary for the successful acquisition, development or commercialization of the technologies we are seeking to develop. As an early stage company, we have limited experience and have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biopharmaceutical area. Our future success is substantially dependent on our ability to successfully develop, obtain regulatory approval for, and then successfully commercialize such product candidates. Our product candidates are currently in preclinical development or in clinical trials. Our business depends entirely on the successful development and commercialization of our product candidates, which may never occur. We currently generate no revenues from sales of any drugs, and we may never be able to develop or commercialize a marketable drug.

The successful development, and any commercialization, of our technologies and any product candidates would require us to successfully perform a variety of functions, including:

- developing our technology platform;
- identifying, developing, manufacturing and commercializing product candidates;
- entering into successful licensing and other arrangements with product development partners;
- participating in regulatory approval processes;
- formulating and manufacturing products;
- obtaining sufficient quantities of our product candidates from our third-party manufacturers as required to meet clinical trial needs and commercial demand at launch and thereafter;
- establishing and maintaining agreements with wholesalers, distributors and group purchasing organizations on commercially reasonable terms; and
- conducting sales and marketing activities including hiring, training, deploying and supporting our sales force and creating market demand for our product candidates through our own marketing and sales activities, and any other arrangements to promote our product candidates that we may later establish; and
- maintaining patent protection and regulatory exclusivity for our product candidates.

Our operations have been limited to organizing our company, acquiring, developing and securing our proprietary technology and identifying and obtaining preclinical data or clinical data for various product candidates. These operations provide a limited basis for you to assess our ability to continue to develop our technology, identify product candidates, develop and commercialize any product candidates we are able to identify and enter into successful collaborative arrangements with other companies, as well as for you to assess the advisability of investing in our securities. Each of these requirements will require substantial time, effort and financial resources.

Each of our product candidates will require additional preclinical or clinical development, management of preclinical, clinical and manufacturing activities, regulatory approval in multiple jurisdictions, obtaining manufacturing supply, building of a commercial organization, and significant marketing efforts before we generate any revenues from product sales. We are not permitted to market or promote any of our product candidates before we receive regulatory approval from the FDA or comparable foreign regulatory authorities, and we may never receive such regulatory approval for any of our product candidates.

Pre-clinical development is highly speculative and has a high risk of failure.

All but one of our current product candidates are in pre-clinical development, and, thus, have never been used in humans. Pre-clinical development is highly speculative and carries a high risk of failure. We can provide no assurances that pre-clinical toxicology and/or pre-clinical activity of our product candidates will support moving any of these product candidates into clinical development. If we are unsuccessful in our pre-clinical development efforts for any of these product candidates and they fail to reach clinical development, it would have a material adverse effect on our business and financial condition**.**

Delays in clinical testing could result in increased costs to us and delay our ability to generate revenue.

Although we are planning for certain clinical trials relating to our product candidates, there can be no assurance that the FDA will accept our proposed trial designs. We may experience delays in our clinical trials and we do not know whether planned clinical trials will begin on time, need to be redesigned, enroll patients on time or be completed on schedule, if at all. Clinical trials can be delayed for a variety of reasons, including delays related to:

- obtaining regulatory approval to commence a trial;
- reaching agreement on acceptable terms with prospective contract research organizations, or CROs, and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;

- obtaining institutional review board, or IRB, approval at each site;
- recruiting suitable patients to participate in a trial;
- clinical sites deviating from trial protocol or dropping out of a trial;
- having patients complete a trial or return for post-treatment follow-up;
- developing and validating companion diagnostics on a timely basis, if required;
- adding new clinical trial sites; or
- manufacturing sufficient quantities of product candidate for use in clinical trials.

Patient enrollment, a significant factor in the timing of clinical trials, is affected by many factors including the size and nature of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the trial, the design of the clinical trial, competing clinical trials and clinicians' and patients' perceptions as to the potential advantages of the drug being studied in relation to other available therapies, including any new drugs that may be approved for the indications we are investigating. Furthermore, we intend to rely on CROs and clinical trial sites to ensure the proper and timely conduct of our clinical trials and we intend to have agreements governing their committed activities, however, we will have limited influence over their actual performance.

We could encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such trials are being conducted, by the Data Safety Monitoring Board, or DSMB, for such trial or by the FDA or other regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial.

If we experience delays in the completion of, or termination of, any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed, and our ability to generate product revenues from any of these product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenues. Any of these occurrences may harm our business, financial condition and prospects significantly. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

We may not receive regulatory approval for our product candidates, or their approval may be further delayed, which would have a material adverse effect on our business and financial condition.

Our product candidates and the activities associated with their development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale and distribution, are subject to comprehensive regulation by the FDA and other regulatory agencies in the United States and by the EMA and similar regulatory authorities outside the United States. Failure to obtain marketing approval for one or more of our product candidates or any future product candidate will prevent us from commercializing the product candidate. We have not received approval to market any of our product candidates from regulatory authorities in any jurisdiction. We have only limited experience in filing and supporting the applications necessary to gain marketing approvals and expect to rely on third-party contract research organizations to assist us in this process. Securing marketing approval requires the submission of extensive preclinical and clinical data and supporting information to regulatory authorities for each therapeutic indication to establish the product candidate's safety and efficacy. Securing marketing approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities by, the regulatory authorities. One or more of our product candidates or any future product candidate may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude our obtaining marketing approval or prevent or limit commercial use. If any of our product candidates or any future product candidate receives marketing approval, the accompanying label may limit the approved use of our drug in this way, which could limit sales of the product.

The process of obtaining marketing approvals, both in the United States and abroad, is expensive, may take many years if approval is obtained at all, and can vary substantially based upon a variety of factors, including the type, complexity and novelty of the product candidates involved. Changes in marketing approval policies during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for each submitted product application, may cause delays in the approval or rejection of an application. Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that our data is insufficient for approval and require additional preclinical studies or clinical trials. In addition, varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent marketing approval of a product candidate. Any marketing approval we ultimately obtain may be limited or subject to restrictions or post-approval commitments that render the approved product not commercially viable.

If we experience delays in obtaining approval or if we fail to obtain approval of one or more of our product candidates or any future product candidate, the commercial prospects for our product candidates may be harmed and our ability to generate revenue will be materially impaired.

In addition, even if we were to obtain approval, regulatory authorities may approve any of our product candidates or any future product candidate for fewer or more limited indications than we request, may not approve the price we intend to charge for our products, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of these scenarios could compromise the commercial prospects for one or more of our product candidates or any future product candidate.

If any of our product candidates are approved and our contract manufacturer fails to produce the product in the volumes that we require on a timely basis, or fails to comply with stringent regulations applicable to pharmaceutical drug manufacturers, we may face delays in the commercialization of our product candidates or be unable to meet market demand, and may lose potential revenues.

The manufacture of pharmaceutical products requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls, and the use of specialized processing equipment. We intend to enter into development and supply agreements with contract manufacturers for the completion of pre-commercialization manufacturing development activities and the manufacture of commercial supplies for each of our product candidates. Any termination or disruption of our relationships with our contract manufacturers may materially harm our business and financial condition, and frustrate any commercialization efforts for each respective product candidate.

All of our contract manufacturers must comply with strictly enforced federal, state and foreign regulations, including cGMP requirements enforced by the FDA through its facilities inspection program, and we have little control over their compliance with these regulations. Any failure to comply with applicable regulations may result in fines and civil penalties, suspension of production, suspension or delay in product approval, product seizure or recall, or withdrawal of product approval, and would limit the availability of our product. Any manufacturing defect or error discovered after products have been produced and distributed could result in even more significant consequences, including costly recall procedures, re-stocking costs, damage to our reputation and potential for product liability claims.

If the commercial manufacturers upon whom we rely to manufacture one or more of our product candidates, and any future product candidate we may in-license, fails to deliver the required commercial quantities on a timely basis at commercially reasonable prices, we would likely be unable to meet demand for our products and we would lose potential revenues.

Our approach to the discovery and development of our product candidates is unproven, and we do not know whether we will be able to develop any products of commercial value.

Our products candidates are emerging technologies and, consequently, it is conceivable that such technologies may ultimately fail to identify commercially viable drugs to treat human patients with cancer or other diseases.

If serious adverse or unacceptable side effects are identified during the development of one or more of our product candidates or any future product candidate, we may need to abandon or limit our development of some of our product candidates.

If one or more of our product candidates or any future product candidate are associated with undesirable side effects in clinical trials or have characteristics that are unexpected, we may need to abandon their development or limit development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. In our industry, many compounds that initially showed promise in early stage testing have later been found to cause side effects that prevented further development of the compound. In the event that our clinical trials reveal a high and unacceptable severity and prevalence of side effects, our trials could be suspended or terminated and the FDA or comparable foreign regulatory authorities could order us to cease further development or deny approval of one or more of our product candidates or any future product candidate for any or all targeted indications. The FDA could also issue a letter requesting additional data or information prior to making a final decision regarding whether or not to approve a product candidate. The number of requests for additional data or information issued by the FDA in recent years has increased, and resulted in substantial delays in the approval of several new drugs. Undesirable side effects caused by one or more of our product candidates or any future product candidate could also result in the inclusion of unfavorable information in our product labeling, denial of regulatory approval by the FDA or other regulatory authorities for any or all targeted indications, and in turn prevent us from commercializing and generating revenues from the sale of that product candidate. Drug-related side effects could affect patient recruitment or the ability of enrolled patients to complete the trial and could result in potential product liability claims.

Additionally, if one or more of our product candidates or any future product candidate receives marketing approval and we or others later identify undesirable side effects caused by this product, a number of potentially significant negative consequences could result, including:

- regulatory authorities may require the addition of unfavorable labeling statements, specific warnings or a contraindication;
- regulatory authorities may suspend or withdraw their approval of the product, or require it to be removed from the market;
- we may be required to change the way the product is administered, conduct additional clinical trials or change the labeling of the product; or
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of any of our product candidates or any future product candidate or could substantially increase our commercialization costs and expenses, which in turn could delay or prevent us from generating significant revenues from its sale.

Even if one or more of our product candidates receives regulatory approval, it and any other products we may market will remain subject to substantial regulatory scrutiny.

One or more of our product candidates that we may license or acquire will also be subject to ongoing requirements and review of the FDA and other regulatory authorities. These requirements include labeling, packaging, storage, advertising, promotion, record-keeping and submission of safety and other post-market information and reports, registration and listing requirements, cGMP requirements relating to manufacturing, quality control, quality assurance and corresponding maintenance of records and documents, requirements regarding the distribution of samples to physicians and recordkeeping of the drug.

The FDA may also impose requirements for costly post-marketing studies or clinical trials and surveillance to monitor the safety or efficacy of the product. The FDA closely regulates the post-approval marketing and promotion of drugs to ensure drugs are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding off-label use and if we do not market our products for only their approved indications, we may be subject to enforcement action for off-label marketing. Violations of the Federal Food, Drug and Cosmetic Act relating to the promotion of prescription drugs may lead to investigations alleging violations of federal and state health care fraud and abuse laws, as well as state consumer protection laws.

In addition, later discovery of previously unknown adverse events or other problems with our products, manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may yield various results, including:

- restrictions on such products, operations, manufacturers or manufacturing processes;
- restrictions on the labeling or marketing of a product;
- restrictions on product distribution or use;
- requirements to conduct post-marketing studies or clinical trials;
- warning letters;

- withdrawal of the products from the market;
- refusal to approve pending applications or supplements to approved applications that we submit;
- recall of products;
- fines, restitution or disgorgement of profits;
- suspension or withdrawal of marketing or regulatory approvals;
- suspension of any ongoing clinical trials;
- refusal to permit the import or export of our products;
- product seizure; or
- injunctions or the imposition of civil or criminal penalties

The FDA's policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained.

We will need to obtain FDA approval of any proposed product brand names, and any failure or delay associated with such approval may adversely impact our business.

A pharmaceutical product cannot be marketed in the U.S. or other countries until we have completed a rigorous and extensive regulatory review processes, including approval of a brand name. Any brand names we intend to use for our product candidates will require approval from the FDA regardless of whether we have secured a formal trademark registration from the USPTO. The FDA typically conducts a review of proposed product brand names, including an evaluation of potential for confusion with other product names. The FDA may also object to a product brand name if we believe the name inappropriately implies medical claims. If the FDA objects to any of our proposed product brand names, we may be required to adopt an alternative brand name for our product candidates. If we adopt an alternative brand name, we would lose the benefit of our existing trademark applications for such product candidate and may be required to expend significant additional resources in an effort to identify a suitable product brand name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA. We may be unable to build a successful brand identity for a new trademark in a timely manner or at all, which would limit our ability to commercialize our product candidates.

Our current and future relationships with customers and third-party payors in the United States and elsewhere may be subject, directly or indirectly, to applicable anti-kickback, fraud and abuse, false claims, transparency, health information privacy and security and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm, administrative burdens and diminished profits and future earnings.

Healthcare providers, physicians and third-party payors in the United States and elsewhere will play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Our future arrangements with third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations, including, without limitation, the federal Anti-Kickback Statute and the federal False Claims Act, which may constrain the business or financial arrangements and relationships through which we sell, market and distribute any product candidates for which we obtain marketing approval. In addition, we may be subject to transparency laws and patient privacy regulation by U.S. federal and state governments and by governments in foreign jurisdictions in which we conduct our business. The applicable federal, state and foreign healthcare laws and regulations that may affect our ability to operate include:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made under federal and state healthcare programs, such as Medicare and Medicaid;

- federal civil and criminal false claims laws and civil monetary penalty laws, including the federal False Claims Act, which impose criminal and civil penalties, including civil whistleblower or *qui tam* actions, against individuals or entities for knowingly presenting, or causing to be presented, to the federal government, including the Medicare and Medicaid programs, claims for payment that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government; the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which imposes criminal and civil liability for executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and their respective implementing regulations, which impose obligations on covered healthcare providers, health plans, and healthcare clearinghouses, as well as their business associates that create, receive, maintain or transmit individually identifiable health information for or on behalf of a covered entity, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;

- the federal Open Payments program, which requires manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program, with specific exceptions, to report annually to the Centers for Medicare & Medicaid Services, or CMS, information related to "payments or other transfers of value" made to physicians, which is defined to include doctors, dentists, optometrists, podiatrists and chiropractors, and teaching hospitals and applicable manufacturers and applicable group purchasing organizations to report annually to CMS ownership and investment interests held by the physicians and their immediate family members. Data collection began on August 1, 2013 with requirements for manufacturers to submit reports to CMS by March 31, 2014 and 90 days after the end each subsequent calendar year. Disclosure of such information was made by CMS on a publicly available website beginning in September 2014; and

- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; state and foreign laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; state and foreign laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; and state and foreign laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws and regulations may involve substantial costs. It is possible that governmental authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, including, without limitation, damages, fines, imprisonment, exclusion from participation in government healthcare programs, such as Medicare and Medicaid, and the curtailment or restructuring of our operations, which could have a material adverse effect on our business. If any of the physicians or other healthcare providers or entities with whom we expect to do business, including our collaborators, is found not to be in compliance with applicable laws, it may be subject to criminal, civil or administrative sanctions, including exclusions from participation in government healthcare programs, which could also materially affect our business.

Regulatory approval for any approved product is limited by the FDA to those specific indications and conditions for which clinical safety and efficacy have been demonstrated.

Any regulatory approval is limited to those specific diseases and indications for which a product is deemed to be safe and effective by the FDA. In addition to the FDA approval required for new formulations, any new indication for an approved product also requires FDA approval. If we are not able to obtain FDA approval for any desired future indications for our products, our ability to effectively market and sell our products may be reduced and our business may be adversely affected.

While physicians may choose to prescribe drugs for uses that are not described in the product's labeling and for uses that differ from those tested in clinical studies and approved by the regulatory authorities, our ability to promote the products is limited to those indications that are specifically approved by the FDA. These "off-label" uses are common across medical specialties and may constitute an appropriate treatment for some patients in varied circumstances. Regulatory authorities in the U.S. generally do not regulate the behavior of physicians in their choice of treatments. Regulatory authorities do, however, restrict communications by pharmaceutical companies on the subject of off-label use. If our promotional activities fail to comply with these regulations or guidelines, we may be subject to warnings from, or enforcement action by, these authorities. In addition, our failure to follow FDA rules and guidelines relating to promotion and advertising may cause the FDA to suspend or withdraw an approved product from the market, require a recall or institute fines, or could result in disgorgement of money, operating restrictions, injunctions or criminal prosecution, any of which could harm our business.

We are subject to new legislation, regulatory proposals and managed care initiatives that may increase our costs of compliance and adversely affect our ability to market our products, obtain collaborators and raise capital.

In the United States and some foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of one or more of our product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell any of our product candidates for which we obtain marketing approval.

Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives. In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act, or collectively the PPACA, a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for the healthcare and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms.

Among the provisions of the PPACA of importance to our potential product candidates are:

- an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic agents, apportioned among these entities according to their market share in certain government healthcare programs;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program to 23.1% and 13.0% of the average manufacturer price for branded and generic drugs, respectively;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program to 23.1% and 13.0% of the average manufacturer price for branded and generic drugs, respectively;
- expansion of healthcare fraud and abuse laws, including the False Claims Act and the Anti-Kickback Statute, new government investigative powers and enhanced penalties for non-compliance;
- a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for a manufacturer's outpatient drugs to be covered under Medicare Part D;
- extension of a manufacturer's Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations;
- expansion of eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to additional individuals and by adding new mandatory eligibility categories for certain individuals with income at or below 133% of the federal poverty level beginning in 2014, thereby potentially increasing a manufacturer's Medicaid rebate liability;
- expansion of the entities eligible for discounts under the Public Health Service pharmaceutical pricing program;
- the new requirements under the federal Open Payments program and its implementing regulations;
- a new requirement to annually report drug samples that manufacturers and distributors provide to physicians; and
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

In addition, other legislative changes have been proposed and adopted since the PPACA was enacted. These changes include aggregate reductions to Medicare payments to providers of up to 2% per fiscal year that started in 2013. On March 1, 2013, the President signed an executive order implementing the 2% Medicare payment reductions, and on April 1, 2013, these reductions went into effect. In January 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, reduced Medicare payments to several providers and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These new laws may result in additional reductions in Medicare and other healthcare funding, which could have a material adverse effect on customers for our drugs, if approved, and, accordingly, our financial operations.

We expect that the PPACA, as well as other healthcare reform measures that may be adopted in the future, may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved drug. Any reduction in reimbursement from Medicare or other government healthcare programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize our drugs.

Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for drugs. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of our product candidates, if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing testing and other requirements.

Public concern regarding the safety of drug products could delay or limit our ability to obtain regulatory approval, result in the inclusion of unfavorable information in our labeling, or require us to undertake other activities that may entail additional costs.

In light of widely publicized events concerning the safety risk of certain drug products, the FDA, members of Congress, the Government Accountability Office, medical professionals and the general public have raised concerns about potential drug safety issues. These events have resulted in the withdrawal of drug products, revisions to drug labeling that further limit use of the drug products and the establishment of risk management programs. The Food and Drug Administration Amendments Act of 2007, or FDAAA, grants significant expanded authority to the FDA, much of which is aimed at improving the safety of drug products before and after approval. In particular, the new law authorizes the FDA to, among other things, require post-approval studies and clinical trials, mandate changes to drug labeling to reflect new safety information and require risk evaluation and mitigation strategies for certain drugs, including certain currently approved drugs. It also significantly expands the federal government's clinical trial registry and results databank, which we expect will result in significantly increased government oversight of clinical trials. Under the FDAAA, companies that violate these and other provisions of the new law are subject to substantial civil monetary penalties, among other regulatory, civil and criminal penalties. The increased attention to drug safety issues may result in a more cautious approach by the FDA in its review of data from our clinical trials. Data from clinical trials may receive greater scrutiny, particularly with respect to safety, which may make the FDA or other regulatory authorities more likely to require additional preclinical studies or clinical trials. If the FDA requires us to conduct additional preclinical studies or clinical trials prior to approving any of our product candidates, our ability to obtain approval of this product candidate will be delayed. If the FDA requires us to provide additional clinical or preclinical data following the approval of any of our product candidates, the indications for which this product candidate is approved may be limited or there may be specific warnings or limitations on dosing, and our efforts to commercialize our product candidates may be otherwise adversely impacted.

If we experience delays or difficulties in the enrollment of patients in clinical trials, our receipt of necessary regulatory approvals could be delayed or prevented.

We may not be able to initiate or continue clinical trials for one or more of our product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA or similar regulatory authorities outside the United States. Some of our competitors have ongoing clinical trials for product candidates that treat the same indications as our product candidates, and patients who would otherwise be eligible for our clinical trials may instead enroll in clinical trials of our competitors' product candidates. Available therapies for the indications we are pursuing can also affect enrollment in our clinical trials. Patient enrollment is affected by other factors including:

- the severity of the disease under investigation;
- the eligibility criteria for the study in question;
- the perceived risks and benefits of the product candidate under study;
- the efforts to facilitate timely enrollment in clinical trials;

- the patient referral practices of physicians;
- the ability to monitor patients adequately during and after treatment; and
- the proximity and availability of clinical trial sites for prospective patients.

Our inability to enroll a sufficient number of patients for our clinical trials would result in significant delays and could require us to abandon one or more clinical trials altogether. Enrollment delays in our clinical trials may result in increased development costs for our product candidate or future product candidates, which would cause the value of our company to decline and limit our ability to obtain additional financing.

Our product candidates are in scientific areas of intense competition from many large pharmaceutical and biotechnology companies, many of which are significantly further along in development or are already on the market with competing products. We expect competition for our product candidates will intensify, and new products may emerge that provide different or better therapeutic alternatives for our targeted indications.

The biotechnology and pharmaceutical industries are subject to rapid and intense technological change. We face, and will continue to face, competition in the development and marketing of our product candidates from academic institutions, government agencies, research institutions and biotechnology and pharmaceutical companies. There can be no assurance that developments by others will not render one or more of our product candidates obsolete or noncompetitive. Furthermore, new developments, including the development of other drug technologies and methods of preventing the incidence of disease, occur in the pharmaceutical industry at a rapid pace. These developments may render one or more of our product candidates obsolete or noncompetitive.

Our product candidates will compete with other product candidates with similar indications. Please refer to Item 1. “Business — Competition”.

Competitors may seek to develop alternative formulations that do not directly infringe on our in-licensed patent rights. The commercial opportunity for one or more of our product candidates could be significantly harmed if competitors are able to develop alternative formulations outside the scope of our in-licensed patents. Compared to us, many of our potential competitors have substantially greater:

- capital resources;
- development resources, including personnel and technology;
- clinical trial experience;
- regulatory experience;
- expertise in prosecution of intellectual property rights; and
- manufacturing, distribution and sales and marketing experience.

As a result of these factors, our competitors may obtain regulatory approval of their products more rapidly than we are able to or may obtain patent protection or other intellectual property rights that limit our ability to develop or commercialize one or more of our product candidates. Our competitors may also develop drugs that are more effective, safe, useful and less costly than ours and may be more successful than us in manufacturing and marketing their products.

Our commercial success depends upon us attaining significant market acceptance of our product candidates, if approved for sale, among physicians, patients, healthcare payors and major operators of cancer and other clinics.

Even if we obtain regulatory approval for one or more of our product candidates, the product may not gain market acceptance among physicians, health care payors, patients and the medical community, which are critical to commercial success. Market acceptance of any product candidate for which we receive approval depends on a number of factors, including:

- the efficacy and safety as demonstrated in clinical trials;
- the timing of market introduction of such product candidate as well as competitive products;

- the clinical indications for which the drug is approved;
- acceptance by physicians, major operators of cancer clinics and patients of the drug as a safe and effective treatment;
- the safety of such product candidate seen in a broader patient group, including its use outside the approved indications;
- the availability, cost and potential advantages of alternative treatments, including less expensive generic drugs;
- the availability of adequate reimbursement and pricing by third-party payors and government authorities;
- the relative convenience and ease of administration of the product candidate for clinical practices;
- the product labeling or product insert required by the FDA or regulatory authority in other countries;
- the approval, availability, market acceptance and reimbursement for a companion diagnostic, if any;
- the prevalence and severity of adverse side effects; and
- the effectiveness of our sales and marketing efforts.

If any product candidate that we develop does not provide a treatment regimen that is as beneficial as, or is perceived as being as beneficial as, the current standard of care or otherwise does not provide patient benefit, that product candidate, if approved for commercial sale by the FDA or other regulatory authorities, likely will not achieve market acceptance. Our ability to effectively promote and sell any approved products will also depend on pricing and cost-effectiveness, including our ability to produce a product at a competitive price and our ability to obtain sufficient third-party coverage or reimbursement. If any product candidate is approved but does not achieve an adequate level of acceptance by physicians, patients and third-party payors, our ability to generate revenues from that product would be substantially reduced. In addition, our efforts to educate the medical community and third-party payors on the benefits of our product candidates may require significant resources, may be constrained by FDA rules and policies on product promotion, and may never be successful.

If approved, our product candidates will face competition from less expensive generic products of competitors and, if we are unable to differentiate the benefits of our product candidates over these less expensive alternatives, we may never generate meaningful product revenues.

Generic therapies are typically sold at lower prices than branded therapies and are generally preferred by hospital formularies and managed care providers of health services. We anticipate that, if approved, our product candidates will face increasing competition in the form of generic versions of branded products of competitors that have lost or will lose their patent exclusivity. In the future, we may face additional competition from a generic form when the patents covering it begin to expire, or earlier if the patents are successfully challenged. If we are unable to demonstrate to physicians and payers that the key differentiating features of our product candidates translate to overall clinical benefit or lower cost of care, we may not be able to compete with generic alternatives.

Reimbursement may be limited or unavailable in certain market segments for our product candidates, which could make it difficult for us to sell our products profitably.

There is significant uncertainty related to the third-party coverage and reimbursement of newly approved drugs. Such third-party payors include government health programs such as Medicare, managed care providers, private health insurers and other organizations. We intend to seek approval to market our product candidates in the U.S., Europe and other selected foreign jurisdictions. Market acceptance and sales of our product candidates in both domestic and international markets will depend significantly on the availability of adequate coverage and reimbursement from third-party payors for any of our product candidates and may be affected by existing and future health care reform measures. Government and other third-party payors are increasingly attempting to contain healthcare costs by limiting both coverage and the level of reimbursement for new drugs and, as a result, they may not cover or provide adequate payment for our product candidates. These payors may conclude that our product candidates are less safe, less effective or less cost-effective than existing or future introduced products, and third-party payors may not approve our product candidates for coverage and reimbursement or may cease providing coverage and reimbursement for these product candidates.

Obtaining coverage and reimbursement approval for a product from a government or other third-party payor is a time consuming and costly process that could require us to provide to the payor supporting scientific, clinical and cost-effectiveness data for the use of our products. We may not be able to provide data sufficient to gain acceptance with respect to coverage and reimbursement. If reimbursement of our future products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, we may be unable to achieve or sustain profitability.

In some foreign countries, particularly in the European Union, the pricing of prescription pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product candidate. To obtain reimbursement or pricing approval in some countries, we may be required to conduct additional clinical trials that compare the cost-effectiveness of our product candidates to other available therapies. If reimbursement of our product candidates is unavailable or limited in scope or amount in a particular country, or if pricing is set at unsatisfactory levels, we may be unable to achieve or sustain profitability of our products in such country.

If we are unable to establish sales, marketing and distribution capabilities or to enter into agreements with third parties to market and sell our product candidates, we may not be successful in commercializing our product candidates if and when they are approved.

We currently do not have a marketing or sales organization for the marketing, sales and distribution of pharmaceutical products. In order to commercialize any product candidate that receives marketing approval, we would need to build marketing, sales, distribution, managerial and other non-technical capabilities or make arrangements with third parties to perform these services, and we may not be successful in doing so. In the event of successful development and regulatory approval of one or more of our product candidates or any future product candidate, we expect to build a targeted specialist sales force to market or co-promote the product. There are risks involved with establishing our own sales, marketing and distribution capabilities. For example, recruiting and training a sales force is expensive and time consuming and could delay any product launch. If the commercial launch of a product candidate for which we recruit a sales force and establish marketing capabilities is delayed or does not occur for any reason, we would have prematurely or unnecessarily incurred these commercialization expenses. This may be costly, and our investment would be lost if we cannot retain or reposition our sales and marketing personnel.

Factors that may inhibit our efforts to commercialize our products on our own include:

- our inability to recruit, train and retain adequate numbers of effective sales and marketing personnel;
- the inability of sales personnel to obtain access to physicians or persuade adequate numbers of physicians to prescribe any future products;
- the lack of complementary or other products to be offered by sales personnel, which may put us at a competitive disadvantage from the perspective of sales efficiency relative to companies with more extensive product lines; and
- unforeseen costs and expenses associated with creating an independent sales and marketing organization.

As an alternative to establishing our own sales force, we may choose to partner with third parties that have well-established direct sales forces to sell, market and distribute our products.

We rely, and expect to continue to rely, on third parties to conduct our preclinical studies and clinical trials, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of such trials or complying with applicable regulatory requirements.

We rely on third-party contract research organizations and site management organizations to conduct some of our preclinical studies and all of our clinical trials for our product candidates and for any future product candidate. We expect to continue to rely on third parties, such as contract research organizations, site management organizations, clinical data management organizations, medical institutions and clinical investigators, to conduct some of our preclinical studies and all of our clinical trials. The agreements with these third parties might terminate for a variety of reasons, including a failure to perform by the third parties. If we need to enter into alternative arrangements, that could delay our product development activities.

Our reliance on these third parties for research and development activities will reduce our control over these activities but will not relieve us of our responsibilities. For example, we will remain responsible for ensuring that each of our preclinical studies and clinical trials are conducted in accordance with the general investigational plan and protocols for the trial and for ensuring that our preclinical studies are conducted in accordance with good laboratory practice ("GLP") as appropriate. Moreover, the FDA requires us to comply with standards, commonly referred to as good clinical practices ("GCPs") for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected. Regulatory authorities enforce these requirements through periodic inspections of trial sponsors, clinical investigators and trial sites. If we or any of our clinical research organizations fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials complies with GCP regulations. In addition, our clinical trials must be conducted with product produced under cGMP regulations. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process. We also are required to register ongoing clinical trials and post the results of completed clinical trials on a government-sponsored database, ClinicalTrials.gov, within specified timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions.

The third parties with whom we have contracted to help perform our preclinical studies or clinical trials may also have relationships with other entities, some of which may be our competitors. If these third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our preclinical studies or clinical trials in accordance with regulatory requirements or our stated protocols, we will not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates and will not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates.

If any of our relationships with these third-party contract research organizations or site management organizations terminate, we may not be able to enter into arrangements with alternative contract research organizations or site management organizations or to do so on commercially reasonable terms. Switching or adding additional contract research organizations or site management organizations involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new contract research organization or site management organization commences work. As a result, delays could occur, which could compromise our ability to meet our desired development timelines. Though we carefully manage our relationships with our contract research organizations or site management organizations, there can be no assurance that we will not encounter similar challenges or delays in the future.

We contract with third parties for the manufacture of our product candidates for preclinical and clinical testing and expect to continue to do so for commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or any future product candidate or such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

We do not have any manufacturing facilities or personnel. We rely, and expect to continue to rely, on third parties for the manufacture of our product candidates for preclinical and clinical testing, as well as for commercial manufacture if any of our product candidates receive marketing approval. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or any future product candidate or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.

We also expect to rely on third-party manufacturers or third-party collaborators for the manufacture of commercial supply of any product candidates for which our collaborators or we obtain marketing approval. We may be unable to establish any agreements with third-party manufacturers or to do so on acceptable terms. Even if we are able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- reliance on the third party for regulatory compliance and quality assurance;
- the possible breach of the manufacturing agreement by the third party;
- manufacturing delays if our third-party manufacturers give greater priority to the supply of other products over our product candidates or otherwise do not satisfactorily perform according to the terms of the agreement between us;
- the possible misappropriation of our proprietary information, including our trade secrets and know-how; and
- the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us.

We rely on our third-party manufacturers to produce or purchase from third-party suppliers the materials necessary to produce our product candidates for our pre-clinical and clinical trials. There are a limited number of suppliers for raw materials that we use to manufacture our drugs and there may be a need to assess alternate suppliers to prevent a possible disruption of the manufacture of the materials necessary to produce our product candidates for our pre-clinical and clinical trials, and if approved, ultimately for commercial sale. We do not have any control over the process or timing of the acquisition of these raw materials by our third-party manufacturers. Any significant delay in the supply of a product candidate, or the raw material components thereof, for an ongoing pre-clinical or clinical trial due to the need to replace a third-party manufacturer could considerably delay completion of our pre-clinical or clinical trials, product testing and potential regulatory approval of our product candidates. If our manufacturers or we are unable to purchase these raw materials after regulatory approval has been obtained for our product candidates, the commercial launch of our product candidates would be delayed or there would be a shortage in supply, which would impair our ability to generate revenues from the sale of our product candidates.

The facilities used by our contract manufacturers to manufacture our product candidates must be approved by the FDA pursuant to inspections that will be conducted after we submit an NDA to the FDA. We do not control the manufacturing process of, and are completely dependent on, our contract manufacturers for compliance with cGMP regulations for manufacture of our product candidates. Third-party manufacturers may not be able to comply with the cGMP regulations or similar regulatory requirements outside the United States. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our products.

One or more of the product candidates that we may develop may compete with other product candidates and products for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us. Any performance failure on the part of our existing or future manufacturers could delay clinical development or marketing approval. We do not currently have arrangements in place for redundant supply or a second source for bulk drug substance. If our current contract manufacturers cannot perform as agreed, we may be required to replace such manufacturers. We may incur added costs and delays in identifying and qualifying any replacement manufacturers. The U.S. Drug Enforcement Administration, or DEA, restricts the importation of a controlled substance finished drug product when the same substance is commercially available in the United States, which could reduce the number of potential alternative manufacturers for one or more of our product candidates.

Our current and anticipated future dependence upon others for the manufacture of our product candidates or products may adversely affect our future profit margins and our ability to commercialize any products that receive marketing approval on a timely and competitive basis.

We also expect to rely on other third parties to store and distribute drug supplies for our clinical trials. Any performance failure on the part of our distributors could delay clinical development or marketing approval of our product candidates or commercialization of our products, producing additional losses and depriving us of potential product revenue.

We rely on clinical data and results obtained by third parties that could ultimately prove to be inaccurate or unreliable.

As part of our strategy to mitigate development risk, we seek to develop product candidates with validated mechanisms of action and we utilize biomarkers to assess potential clinical efficacy early in the development process. This strategy necessarily relies upon clinical data and other results obtained by third parties that may ultimately prove to be inaccurate or unreliable. Further, such clinical data and results may be based on products or product candidates that are significantly different from our product candidates or any future product candidate. If the third-party data and results we rely upon prove to be inaccurate, unreliable or not applicable to our product candidates or future product candidate, we could make inaccurate assumptions and conclusions about our product candidates and our research and development efforts could be compromised.

If we breach any of the agreements under which we license rights to one or more of product candidates from others, we could lose the ability to continue to develop and commercialize this product candidate.

Because we have in-licensed the rights to all of our product candidates from third parties, if there is any dispute between us and our licensor regarding our rights under our license agreement, our ability to develop and commercialize these product candidates may be adversely affected. Any uncured, material breach under our license agreement could result in our loss of exclusive rights to our product candidate and may lead to a complete termination of our related product development efforts.

We may not be able to manage our business effectively if we are unable to attract and retain key personnel.

We may not be able to attract or retain qualified management and commercial, scientific and clinical personnel in the future due to the intense competition for qualified personnel among biotechnology, pharmaceutical and other businesses. If we are not able to attract and retain necessary personnel to accomplish our business objectives, we may experience constraints that will significantly impede the achievement of our development objectives, our ability to raise additional capital and our ability to implement our business strategy.

Our employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on our business.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with FDA regulations, provide accurate information to the FDA, comply with manufacturing standards we have established, comply with federal and state health-care fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. The precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and results of operations, including the imposition of significant fines or other sanctions.

We face potential product liability exposure, and if successful claims are brought against us, we may incur substantial liability for one or more of our product candidates or a future product candidate we may license or acquire and may have to limit their commercialization.

The use of one or more of our product candidates and any future product candidate we may license or acquire in clinical trials and the sale of any products for which we obtain marketing approval expose us to the risk of product liability claims. For example, we may be sued if any product we develop allegedly causes injury or is found to be otherwise unsuitable during clinical testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability or a breach of warranties. Product liability claims might be brought against us by consumers, health care providers or others using, administering or selling our products. If we cannot successfully defend ourselves against these claims, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- withdrawal of clinical trial participants;
- termination of clinical trial sites or entire trial programs;
- decreased demand for any product candidates or products that we may develop;
- initiation of investigations by regulators;
- impairment of our business reputation;
- costs of related litigation;
- substantial monetary awards to patients or other claimants;
- loss of revenues;
- reduced resources of our management to pursue our business strategy; and
- the inability to commercialize our product candidate or future product candidates.

We will obtain limited product liability insurance coverage for any and all of our upcoming clinical trials. However, our insurance coverage may not reimburse us or may not be sufficient to reimburse us for any expenses or losses we may suffer. Moreover, insurance coverage is becoming increasingly expensive, and, in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. When needed we intend to expand our insurance coverage to include the sale of commercial products if we obtain marketing approval for one or more of our product candidates in development, but we may be unable to obtain commercially reasonable product liability insurance for any products approved for marketing. On occasion, large judgments have been awarded in class action lawsuits based on drugs that had unanticipated side effects. A successful product liability claim or series of claims brought against us could cause our stock price to fall and, if judgments exceed our insurance coverage, could decrease our cash and adversely affect our business.

Our future growth depends on our ability to identify and acquire or in-license products and if we do not successfully identify and acquire or in-license related product candidates or integrate them into our operations, we may have limited growth opportunities.

An important part of our business strategy is to continue to develop a pipeline of product candidates by acquiring or in-licensing products, businesses or technologies that we believe are a strategic fit with our focus on novel combinations of immuno-oncology antibodies and small molecule kinase inhibitors. Future in-licenses or acquisitions, however, may entail numerous operational and financial risks, including:

- exposure to unknown liabilities;
- disruption of our business and diversion of our management's time and attention to develop acquired products or technologies;
- difficulty or inability to secure financing to fund development activities for such acquired or in-licensed technologies in the current economic environment;
- incurrence of substantial debt or dilutive issuances of securities to pay for acquisitions;
- higher than expected acquisition and integration costs;
- increased amortization expenses;
- difficulty and cost in combining the operations and personnel of any acquired businesses with our operations and personnel;
- impairment of relationships with key suppliers or customers of any acquired businesses due to changes in management and ownership; and
- inability to retain key employees of any acquired businesses.

We have limited resources to identify and execute the acquisition or in-licensing of third-party products, businesses and technologies and integrate them into our current infrastructure. In particular, we may compete with larger pharmaceutical companies and other competitors in our efforts to establish new collaborations and in-licensing opportunities. These competitors likely will have access to greater financial resources than us and may have greater expertise in identifying and evaluating new opportunities. Moreover, we may devote resources to potential acquisitions or in-licensing opportunities that are never completed, or we may fail to realize the anticipated benefits of such efforts.

We may expend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on research programs and product candidates that we identify for specific indications. As a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate.

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could harm our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. Although we believe that the safety procedures for handling and disposing of these materials comply with the standards prescribed by these laws and regulations, we cannot eliminate the risk of accidental contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties for failure to comply with such laws and regulations.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage or disposal of biological, hazardous or radioactive materials.

In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Our failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

Our business and operations would suffer in the event of system failures.

Despite the implementation of security measures, our internal computer systems are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Any system failure, accident or security breach that causes interruptions in our operations could result in a material disruption of our drug development programs. For example, the loss of clinical trial data from completed clinical trials for one or more of our product conducts could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach results in a loss or damage to our data or applications, or inappropriate disclosure of confidential or proprietary information, we may incur liability and the further development of one or more of our product candidates may be delayed.

Risks Related to Intellectual Property

If we are unable to obtain and maintain patent protection for our technology and products or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired.

Our commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection in the United States and other countries with respect to our product candidates or any future product candidate that we may license or acquire and the methods we use to manufacture them, as well as successfully defending these patents and trade secrets against third-party challenges. We seek to protect our proprietary position by filing patent applications in the United States and abroad related to our product candidates. We will only be able to protect our technologies from unauthorized use by third parties to the extent that valid and enforceable patents or trade secrets cover them.

The patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify any patentable aspects of our research and development output, and, if we do, an opportunity to obtain patent protection may have passed. If our licensors or we fail to obtain or maintain patent protection or trade secret protection for one or more of product candidates or any future product candidate we may license or acquire, third parties may be able to access our proprietary information, which could impair our ability to compete in the market and adversely affect our ability to generate revenues and achieve profitability. Moreover, should we enter into other collaborations we may be required to consult with or cede control to collaborators regarding the prosecution, maintenance and enforcement of licensed patents. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. In addition, no consistent policy regarding the breadth of claims allowed in pharmaceutical or biotechnology patents has emerged to date in the U.S. The patent situation outside the U.S. is even more uncertain. The laws of foreign countries may not protect our rights to the same extent as the laws of the United States. For example, European patent law restricts the patentability of methods of treatment of the human body more than United States law does. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after a first filing, if at all. Therefore, we cannot know with certainty whether we or our licensors were the first to make the inventions claimed in patents or pending patent applications that we own or licensed, or that we or our licensors were the first to file for patent protection of such inventions. In the event that a third party has also filed a U.S. patent application relating to our product candidates or a similar invention, depending upon the priority dates claimed by the competing parties, we may have to participate in interference proceedings declared by the U.S. Patent and Trademark Office to determine priority of invention in the U.S. The costs of these proceedings could be substantial and it is possible that our efforts to establish priority of invention would be unsuccessful, resulting in a material adverse effect on our U.S. patent position. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued which protect our technology or products, in whole or in part, or which effectively prevent others from commercializing competitive technologies and products. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection. For example, the federal courts of the United States have taken an increasingly dim view of the patent eligibility of certain subject matter, such as naturally occurring nucleic acid sequences, amino acid sequences and certain methods of utilizing same, which include their detection in a biological sample and diagnostic conclusions arising from their detection. Such subject matter, which had long been a staple of the biotechnology and biopharmaceutical industry to protect their discoveries, is now considered, with few exceptions, ineligible in the first place for protection under the patent laws of the United States. Accordingly, we cannot predict the breadth of claims that may be allowed or enforced in our patents or in those licensed from a third-party.

Recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. On September 16, 2011, the Leahy-Smith America Invents Act, or the Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to United States patent law. These include provisions that affect the way patent applications are prosecuted and may also affect patent litigation. The United States Patent Office recently developed new regulations and procedures to govern administration of the Leahy-Smith Act, and many of the substantive changes to patent law associated with the Leahy-Smith Act, and in particular, the first inventor-to-file provisions, only became effective on March 16, 2013. Accordingly, it is not clear what, if any, impact the Leahy-Smith Act will have on the operation of our business. However, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business and financial condition.

Moreover, we may be subject to a third-party preissuance submission of prior art to the U.S. Patent and Trademark Office, or become involved in opposition, derivation, reexamination, *inter partes* review, post-grant review or interference proceedings challenging our patent rights or the patent rights of others. An adverse determination in any such submission, patent office trial, proceeding or litigation could reduce the scope of, render unenforceable, or invalidate, our patent rights, allow third parties to commercialize our technology or products and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

Even if our patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our owned or licensed patents by developing similar or alternative technologies or products in a non-infringing manner.

The issuance of a patent does not foreclose challenges to its inventorship, scope, validity or enforceability. Therefore, our owned and licensed patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

We depend on our licensors for the maintenance and enforcement of intellectual property covering certain of our product candidates and have limited control, if any, over the amount or timing of resources that our licensors devote on our behalf, or whether any financial difficulties experienced by our licensors could result in their unwillingness or inability to secure, maintain and enforce patents protecting certain of our product candidates.

We depend on our licensors to protect the proprietary rights covering our antibody and small molecule product candidates and we have limited, if any, control over the amount or timing of resources that they devote on our behalf, or the priority they place on, maintaining patent rights and prosecuting patent applications to our advantage.

Our licensors, depending on the patent or application, are responsible for maintaining issued patents and prosecuting patent applications. We cannot be sure that they will perform as required. Should they decide they no longer want to maintain any of the patents licensed to us, they are required to afford us the opportunity to do so at our expense. If our licensors do not perform, and if we do not assume the maintenance of the licensed patents in sufficient time to make required payments or filings with the appropriate governmental agencies, we risk losing the benefit of all or some of those patent rights. Moreover, our licensors may experience serious difficulties related to their overall business or financial stability, and they may be unwilling or unable to continue to expend the financial resources required to maintain and prosecute these patents and patent applications. While we intend to take actions reasonably necessary to enforce our patent rights, we depend, in part, on our licensors to protect a substantial portion of our proprietary rights.

Our licensors may also be notified of alleged infringement and be sued for infringement of third-party patents or other proprietary rights. We may have limited, if any, control or involvement over the defense of these claims, and our licensors could be subject to injunctions and temporary or permanent exclusionary orders in the U.S. or other countries. Our licensors are not obligated to defend or assist in our defense against third-party claims of infringement. We have limited, if any, control over the amount or timing of resources, if any, that our licensors devote on our behalf or the priority they place on defense of such third-party claims of infringement.

Because of the uncertainty inherent in any patent or other litigation involving proprietary rights, we or our licensors may not be successful in defending claims of intellectual property infringement alleged by third parties, which could have a material adverse effect on our results of operations. Regardless of the outcome of any litigation, defending the litigation may be expensive, time-consuming and distracting to management.

Because it is difficult and costly to protect our proprietary rights, we may not be able to ensure their protection.

The degree of future protection for our proprietary rights is uncertain, because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- our licensors might not have been the first to make the inventions covered by each of our pending patent applications and issued patents;
- our licensors might not have been the first to file patent applications for these inventions;
- others may independently develop similar or alternative technologies or duplicate our product candidates or any future product candidate technologies;
- it is possible that none of the pending patent applications licensed to us will result in issued patents;
- the issued patents covering our product candidates or any future product candidate may not provide a basis for market exclusivity for active products, may not provide us with any competitive advantages, or may be challenged by third parties;
- we may not develop additional proprietary technologies that are patentable; or
- patents of others may have an adverse effect on our business

We may become involved in lawsuits to protect or enforce our patents or other intellectual property, which could be expensive, time consuming and unsuccessful.

Competitors may infringe our issued patents or other intellectual property. To counter infringement or unauthorized use, we may be required to file one or more actions for patent infringement, which can be expensive and time consuming. Any claims we assert against accused infringers could provoke these parties to assert counterclaims against us alleging that we infringe their patents. In addition, in a patent infringement proceeding, a court may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent's claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated, rendered unenforceable, or interpreted narrowly.

If we are sued for infringing intellectual property rights of third parties, it will be costly and time consuming, and an unfavorable outcome in any litigation would harm our business.

Our ability to develop, manufacture, market and sell one or more of our product candidates or any future product candidate that we may license or acquire depends upon our ability to avoid infringing the proprietary rights of third parties. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the general fields of fully human immuno-oncology targeted antibodies and cover the use of numerous compounds and formulations in our targeted markets. Because of the uncertainty inherent in any patent or other litigation involving proprietary rights, we and our licensors may not be successful in defending intellectual property claims asserted by third parties, which could have a material adverse effect on our results of operations. Regardless of the outcome of any litigation, defending the litigation may be expensive, time-consuming and distracting to management. In addition, because patent applications can take many years to issue, there may be currently pending applications that are unknown to us, which may later result in issued patents that one or more of our product candidates may infringe. There could also be existing patents of which we are not aware that one or more of our product candidates may infringe, even if only inadvertently.

There is a substantial amount of litigation involving patent and other intellectual property rights in the biotechnology and biopharmaceutical industries generally. If a third party claims that we infringe their patents or misappropriated their technology, we could face a number of issues, including:

- infringement and other intellectual property claims which, with or without merit, can be expensive and time consuming to litigate and can divert management's attention from our core business;
- substantial damages for past infringement which we may have to pay if a court decides that our product infringes a competitor's patent;
- a court prohibiting us from selling or licensing our product unless the patent holder licenses the patent to us, which it would not be required to do;
- if a license is available from a patent holder, we may have to pay substantial royalties or grant cross licenses to our patents; and
- redesigning our processes so they do not infringe, which may not be possible or could require substantial funds and time.

Intellectual property litigation could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses, and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could compromise our ability to compete in the marketplace.

We may need to license certain intellectual property from third parties, and such licenses may not be available or may not be available on commercially reasonable terms.

A third party may hold intellectual property, including patent rights that are important or necessary to the development and commercialization of our products. It may be necessary for us to use the patented or proprietary technology of third parties to commercialize our products, in which case we would be required to obtain a license from these third parties on commercially reasonable terms, or our business could be harmed, possibly materially.

If we fail to comply with our obligations in our intellectual property licenses and funding arrangements with third parties, we could lose rights that are important to our business.

We are currently a party to license agreements with Dana-Farber, NeuPharma, Teva, through its subsidiary, Cephalon, Inc., and Jubilant. In the future, we may become party to licenses that are important for product development and commercialization. If we fail to comply with our obligations under current or future license and funding agreements, our counterparties may have the right to terminate these agreements, in which event we might not be able to develop, manufacture or market any product or utilize any technology that is covered by these agreements or may face other penalties under the agreements. Such an occurrence could materially and adversely affect the value of a product candidate being developed under any such agreement or could restrict our drug discovery activities. Termination of these agreements or reduction or elimination of our rights under these agreements may result in our having to negotiate new or reinstated agreements with less favorable terms, or cause us to lose our rights under these agreements, including our rights to important intellectual property or technology.

We may be subject to claims that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

As is common in the biotechnology and pharmaceutical industry, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although no claims against us are currently pending, we may be subject to claims that we or these employees have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to seeking patent protection for our product candidates or any future product candidate, we also rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position, particularly where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We limit disclosure of such trade secrets where possible but we also seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties who do have access to them, such as our employees, our licensors, corporate collaborators, outside scientific collaborators, contract manufacturers, consultants, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants. Despite these efforts, any of these parties may breach the agreements and may unintentionally or willfully disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. Moreover, if any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position would be harmed.

Risks Related to Our Finances and Capital Requirements

We have incurred significant losses since our inception. We expect to incur losses for the foreseeable future, and may never achieve or maintain profitability.

We are an emerging growth company with a limited operating history. We have focused primarily on in-licensing and developing our product candidates, with the goal of supporting regulatory approval for these product candidates. We have incurred losses since our inception in November 2014, and have an accumulated deficit of $17.5 million as of March 31, 2016. We expect to continue to incur significant operating losses for the foreseeable future. We also do not anticipate that we will achieve profitability for a period of time after generating material revenues, if ever. If we are unable to generate revenues, we will not become profitable and may be unable to continue operations without continued funding. Because of the numerous risks and uncertainties associated with developing pharmaceutical products, we are unable to predict the timing or amount of increased expenses or when or if, we will be able to achieve profitability. Our net losses may fluctuate significantly from quarter to quarter and year to year. We anticipate that our expenses will increase substantially if:

- one or more of our product candidates are approved for commercial sale, due to our ability to establish the necessary commercial infrastructure to launch this product candidate without substantial delays, including hiring sales and marketing personnel and contracting with third parties for warehousing, distribution, cash collection and related commercial activities;
- we are required by the FDA or foreign regulatory authorities, to perform studies in addition to those currently expected;
- there are any delays in completing our clinical trials or the development of any of our product candidates;
- we execute other collaborative, licensing or similar arrangements and the timing of payments we may make or receive under these arrangements;
- there variations in the level of expenses related to our future development programs;
- there are any product liability or intellectual property infringement lawsuits in which we may become involved;

- there are any regulatory developments affecting product candidates of our competitors; and

- one or more of our product candidate receives regulatory approval.

Our ability to become profitable depends upon our ability to generate revenue. To date, we have not generated any revenue from our development stage products, and we do not know when, or if, we will generate any revenue. Our ability to generate revenue depends on a number of factors, including, but not limited to, our ability to:

- obtain regulatory approval for one or more of our product candidates, or any future product candidate that we may license or acquire;

- manufacture commercial quantities of one or more of our product candidates or any future product candidate, if approved, at acceptable cost levels; and

- develop a commercial organization and the supporting infrastructure required to successfully market and sell one or more of our product candidates or any future product candidate, if approved.

Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would depress the value of our company and could impair our ability to raise capital, expand our business, maintain our research and development efforts, diversify our product offerings or even continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment.

Our short operating history makes it difficult to evaluate our business and prospects.

We were incorporated in November 2014 and have only been conducting operations with respect to our product candidates since March 2, 2015. Our operations to date have been limited to preclinical operations and the in-licensing of our product candidates. We have not yet demonstrated an ability to successfully complete clinical trials, obtain regulatory approvals, manufacture a commercial scale product, or arrange for a third party to do so on our behalf, or conduct sales and marketing activities necessary for successful product commercialization. Consequently, any predictions about our future performance may not be as accurate as they could be if we had a history of successfully developing and commercializing pharmaceutical products.

In addition, as a young business, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors. We will need to expand our capabilities to support commercial activities. We may not be successful in adding such capabilities.

We expect our financial condition and operating results to continue to fluctuate significantly from quarter to quarter and year to year due to a variety of factors, many of which are beyond our control. Accordingly, you should not rely upon the results of any past quarterly period as an indication of future operating performance.

We do not have any products that are approved for commercial sale and therefore do not expect to generate any revenues from product sales in the foreseeable future, if ever.

We have not generated any product related revenues to date, and do not expect to generate any such revenues for at least the next several years, if at all. To obtain revenues from sales of our product candidates, we must succeed, either alone or with third parties, in developing, obtaining regulatory approval for, manufacturing and marketing products with commercial potential. We may never succeed in these activities, and we may not generate sufficient revenues to continue our business operations or achieve profitability.

We will require substantial additional funding which may not be available to us on acceptable terms, or at all. If we fail to raise the necessary additional capital, we may be unable to complete the development and commercialization of our product candidates, or continue our development programs.

Our operations have consumed substantial amounts of cash since inception. We expect to significantly increase our spending to advance the preclinical and clinical development of our product candidates and launch and commercialize any product candidates for which we receive regulatory approval, including building our own commercial organizations to address certain markets. We will require additional capital for the further development and commercialization of our product candidates, as well as to fund our other operating expenses and capital expenditures. In December 2015, we closed on gross proceeds of $57.8 million, before commissions and expenses, in a series of private placement financings. Net proceeds from this offering were approximately $51.5 million. We expect to use the net proceeds primarily for general corporate purposes, which may include financing our growth, developing new or existing product candidates, and funding capital expenditures, acquisitions and investments. We currently anticipate that our cash balances at March 31, 2016, are sufficient to fund our anticipated operating cash requirements for approximately the next 24 months.

We cannot be certain that additional funding will be available on acceptable terms, or at all. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us we may have to significantly delay, scale back or discontinue the development or commercialization of one or more of our product candidates. We may also seek collaborators for one or more of our current or future product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available. Any of these events could significantly harm our business, financial condition and prospects.

Our future funding requirements will depend on many factors, including, but not limited to:

- the timing, design and conduct of, and results from, pre-clinical and clinical trials for our product candidates;
- the potential for delays in our efforts to seek regulatory approval for our product candidates, and any costs associated with such delays;
- the costs of establishing a commercial organization to sell, market and distribute our product candidates;
- the rate of progress and costs of our efforts to prepare for the submission of an NDA for any product candidates that we may in-license or acquire in the future, and the potential that we may need to conduct additional clinical trials to support applications for regulatory approval;
- the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights associated with our product candidates, including any such costs we may be required to expend if our licensors are unwilling or unable to do so;
- the cost and timing of securing sufficient supplies of our product candidates from our contract manufacturers for clinical trials and in preparation for commercialization;
- the effect of competing technological and market developments;
- the terms and timing of any collaborative, licensing, co-promotion or other arrangements that we may establish;
- if one or more of our product candidates are approved, the potential that we may be required to file a lawsuit to defend our patent rights or regulatory exclusivities from challenges by companies seeking to market generic versions of one or more of our product candidates; and
- the success of the commercialization of one or more of our product candidates.

Future capital requirements will also depend on the extent to which we acquire or invest in additional complementary businesses, products and technologies, but we currently have no commitments or agreements relating to any of these types of transactions.

In order to carry out our business plan and implement our strategy, we anticipate that we will need to obtain additional financing from time to time and may choose to raise additional funds through strategic collaborations, licensing arrangements, public or private equity or debt financing, bank lines of credit, asset sales, government grants, or other arrangements. We cannot be sure that any additional funding, if needed, will be available on terms favorable to us or at all. Furthermore, any additional equity or equity-related financing may be dilutive to our stockholders, and debt or equity financing, if available, may subject us to restrictive covenants and significant interest costs. If we obtain funding through a strategic collaboration or licensing arrangement, we may be required to relinquish our rights to certain of our product candidates or marketing territories.

Our inability to raise capital when needed would harm our business, financial condition and results of operations, and could cause our stock price to decline or require that we wind down our operations altogether.

Raising additional capital may cause dilution to our existing stockholders, restrict our operations or require us to relinquish proprietary rights.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity offerings, debt financings, grants and license and development agreements in connection with any collaborations. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a stockholder. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends.

If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

We will continue to incur significant increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives.

We intend to become a public company. As a public company, we will incur significant legal, accounting and other expenses under the Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC. These rules impose various requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and appropriate corporate governance practices. Our management and other personnel have devoted and will continue to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations increase our legal and financial compliance costs and make some activities more time-consuming and costly. For example, these rules and regulations make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as executive officers.

The Sarbanes-Oxley Act of 2002 requires, among other things, that we maintain effective internal controls for financial reporting and disclosure controls and procedures. As a result, we are required to periodically perform an evaluation of our internal controls over financial reporting to allow management to report on the effectiveness of those controls, as required by Section 404 of the Sarbanes-Oxley Act. Additionally, our independent auditors are required to perform a similar evaluation and report on the effectiveness of our internal controls over financial reporting. These efforts to comply with Section 404 and related regulations have required, and continue to require, the commitment of significant financial and managerial resources. While we anticipate maintaining the integrity of our internal controls over financial reporting and all other aspects of Section 404, we cannot be certain that a material weakness will not be identified when we test the effectiveness of our control systems in the future. If a material weakness is identified, we could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources, costly litigation or a loss of public confidence in our internal controls, which could have an adverse effect on the market price of our stock.

A target business may not be in compliance with the provisions of the Sarbanes-Oxley Act regarding the adequacy of internal controls. The development of the internal controls of any such entity to achieve compliance with the Sarbanes-Oxley Act may increase the time and costs necessary to complete any such acquisition. Furthermore, any failure to implement required new or improved controls, or difficulties encountered in the implementation of adequate controls over our financial processes and reporting in the future, could harm our operating results or cause us to fail to meet our reporting obligations. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our securities.

We are an "emerging growth company" and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our securities less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act. We will remain an "emerging growth company" for up to five years. However, if our non-convertible debt issued within a three-year period or revenues exceeds $1 billion, or the market value of our ordinary shares that are held by non-affiliates exceeds $700 million on the last day of the second fiscal quarter of any given fiscal year, we would cease to be an emerging growth company as of the following fiscal year. As an emerging growth company, we are not being required to comply with the auditor attestation requirements of section 404 of the Sarbanes-Oxley Act, we have reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and we are exempt from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. We have elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, will not adopt the new or revised standard until the time private companies are required to adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accountant standards used.

Our results of operations and liquidity needs could be materially negatively affected by market fluctuations and economic downturn.

Our results of operations could be materially negatively affected by economic conditions generally, both in the U.S. and elsewhere around the world. Continuing concerns over inflation, energy costs, geopolitical issues, the availability and cost of credit, the U.S. mortgage market and residential real estate market in the U.S. have contributed to increased volatility and diminished expectations for the economy and the markets going forward. These factors, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, have precipitated an economic recession and fears of a possible depression. Domestic and international equity markets continue to experience heightened volatility and turmoil. These events and the continuing market upheavals may have an adverse effect on us. In the event of a continuing market downturn, our results of operations could be adversely affected by those factors in many ways, including making it more difficult for us to raise funds if necessary, and our stock price may further decline.

Risks Relating to Securities Markets and Investment in Our Stock

There is not now and there may not ever be an active market for our common stock. There are restrictions on the transferability of these securities.

There currently is no market for our common stock and, except as otherwise described herein, we have no plans to file any registration statement or otherwise attempt to create a market for the shares. Even if an active market develops for the shares, Rule 144, which provides for an exemption from the registration requirements under the Securities Act under certain conditions, requires, among other conditions, a holding period prior to the resale (in limited amounts) of securities acquired in a non-public offering without having to satisfy the registration requirements under the Securities Act. There can be no assurance that we will fulfill any reporting requirements in the future under the Exchange Act or disseminate to the public any current financial or other information concerning us, as is required by Rule 144 as part of the conditions of its availability.

If we desire, we may require that any request for transfer of our securities is accompanied by an opinion of counsel reasonably satisfactory to us and our counsel that neither the sale nor the proposed transfer results in a violation of the Securities Act or any applicable state securities or “blue sky” laws.

Our stock may be subject to substantial price and volume fluctuations due to a number of factors, many of which are beyond our control and may prevent our stockholders from reselling our common stock at a profit.

The market prices for securities of biotechnology and pharmaceutical companies have historically been highly volatile, and the market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies.

The market price of our common stock is likely to continue to be highly volatile and may fluctuate substantially due to many factors, including:

- announcements concerning the progress of our efforts to obtain regulatory approval for and commercialize our product candidates or any future product candidate, including any requests we receive from the FDA for additional studies or data that result in delays in obtaining regulatory approval or launching these product candidates, if approved;
- market conditions in the pharmaceutical and biotechnology sectors or the economy as a whole;
- price and volume fluctuations in the overall stock market;
- the failure of one or more of our product candidates or any future product candidate, if approved, to achieve commercial success;
- announcements of the introduction of new products by us or our competitors;
- developments concerning product development results or intellectual property rights of others;
- litigation or public concern about the safety of our potential products;
- actual fluctuations in our quarterly operating results, and concerns by investors that such fluctuations may occur in the future;
- deviations in our operating results from the estimates of securities analysts or other analyst comments;
- additions or departures of key personnel;
- health care reform legislation, including measures directed at controlling the pricing of pharmaceutical products, and third-party coverage and reimbursement policies;
- developments concerning current or future strategic collaborations; and
- discussion of us or our stock price by the financial and scientific press and in online investor communities.

Fortress controls a voting majority of our common stock.

Pursuant to the terms of the Class A common stock held by Fortress, Fortress is entitled to cast, for each share of Class A common stock held by Fortress, the number of votes that is equal to one and one-tenth (1.1) times a fraction, the numerator of which is the sum of the shares of outstanding common stock and the denominator of which is the number of shares of outstanding Class A common stock. Accordingly, as long as Fortress owns any shares of Class A common stock, they will be able to control or significantly influence all matters requiring approval by our stockholders, including the election of directors and the approval of mergers or other business combination transactions. The interests of Fortress may not always coincide with the interests of other stockholders, and Fortress may take actions that advance its own interests and are contrary to the desires of our other stockholders. Moreover, this concentration of voting power may delay, prevent or deter a change in control of us even when such a change may be in the best interests of all stockholders, could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of Checkpoint or our assets, and might affect the prevailing market price of our common stock.

Fortress has the right to receive a significant grant of shares of our common stock annually which will result in the dilution of your holdings of common stock upon each grant, which could reduce their value.

Under the terms of the Founders Agreement (See Item 7. Certain Relationships and Related Transactions, and Director Independence), Fortress has the right to receive an annual grant of shares of our common stock equal to 2.5% of the fully-diluted outstanding equity at the time of issuance, on the anniversary of the date of the Founders Agreement, which became effective as of March 17, 2015 and was amended and restated on July 11, 2016. This annual issuance of shares to Fortress will dilute your holdings in our common stock and, if the value of Checkpoint has not grown over the prior year, would result in a reduction in the value of your shares.

We might have received better terms from unaffiliated third parties than the terms we receive in our agreements with Fortress.

The agreements we entered into with Fortress in connection with the separation include an MSA and the Founders Agreement. While we believe the terms of these agreements are reasonable, they might not reflect terms that would have resulted from arm's-length negotiations between unaffiliated third parties. The terms of the agreements relate to, among other things, payment of a royalty on product sales and the provision of employment and transition services. We might have received better terms from third parties because, among other things, third parties might have competed with each other to win our business.

Our Executive Chairman is also the Executive Chairman, Interim President and Chief Executive Officer of TG Therapeutics, Inc. ("TGTX"), with whom we have a Collaboration Agreement, an Option Agreement and a Sublicense Agreement, and as a result during the term of that agreement certain conflicts of interest may arise which will require the attention of our officers and independent directors who are unaffiliated with TGTX.

In connection with our license agreement with Dana-Farber, we entered into a collaboration agreement with TGTX to develop and commercialize the Anti-PD-L1 and Anti-GITR antibody research programs in the field of hematological malignancies. Michael S. Weiss, our Executive Chairman, is also the Executive Chairman, Interim President and Chief Executive Officer of TGTX. As such, as the collaboration agreement proceeds, certain conflicts of interest may arise between us and TGTX. Those conflicts will have to be resolved by our officers and directors who are unaffiliated with TGTX, and also by officers and directors of TGTX who are unaffiliated with us. This may lead to less than desirable complications and costs to both companies, which could harm our results of operations.

In connection with our license agreement with NeuPharma, we entered into an Option Agreement with TGTX granting TGTX the right, but not the obligation to enter into a global collaboration to develop and commercialize NeuPharma's patents to a library of EGFR inhibitors in the field of hematological malignancies. We would retain the right to develop and commercialize the EGFR inhibitors in solid tumors. As such, if the Option Agreement is exercised by TGTX, as the collaboration agreement proceeds, certain conflicts of interest may arise between us and TGTX. Those conflicts will have to be resolved by our officers and directors who are unaffiliated with TGTX, and also by officers and directors of TGTX who are unaffiliated with us. This may lead to less than desirable complications and costs to both companies, which could harm our results of operations.

In connection with our license agreement with Jubilant, we entered into a Sublicense Agreement with TGTX to develop and commercialize the Jubilant family of patents covering compounds that inhibit BRD4, a member of the BET domain for cancer treatment in the field of hematological malignancies. Michael S. Weiss, our Executive Chairman, is also the Executive Chairman, Interim President and Chief Executive Officer of TGTX. As such, as the sublicense agreement proceeds, certain conflicts of interest may arise between us and TGTX. Those conflicts will have to be resolved by our officers and directors who are unaffiliated with TGTX, and also by officers and directors of TGTX who are unaffiliated with us. This may lead to less than desirable complications and costs to both companies, which could harm our results of operations.

The dual roles of our officers and directors who also serve in similar roles with Fortress could create a conflict of interest and will require careful monitoring by our independent directors.

We share some directors with Fortress, and in addition, under the Management Services Agreement, we will also share some officers with Fortress. This could create conflicts of interest between the two companies in the future. While we believe that the Founders Agreement and the Management Services Agreement were negotiated by independent parties on both sides on arm's length terms, and the fiduciary duties of both parties were thereby satisfied, in the future situations may arise under the operation of both agreements that may create a conflict of interest. We will have to be diligent to ensure that any such situation is resolved by independent parties. In particular, under the Management Services Agreement, Fortress and its affiliates are free to pursue opportunities which could potentially be of interest to Checkpoint, and they are not required to notify Checkpoint prior to pursuing the opportunity. Any such conflict of interest or pursuit by Fortress of a corporate opportunity independent of Checkpoint could expose us to claims by our investors and creditors, and could harm our results of operations.

We may become involved in securities class action litigation that could divert management's attention and harm our business.

The stock markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the common stock of biotechnology and pharmaceutical companies. These broad market fluctuations may cause the market price of our stock to decline. In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. This risk is especially relevant for us because biotechnology and biopharmaceutical companies have experienced significant stock price volatility in recent years. We may become involved in this type of litigation in the future. Litigation often is expensive and diverts management's attention and resources, which could adversely affect our business.

Item 2. Financial Information.

Management's Discussion and Analysis of the Results of Operations

Forward-Looking Statements

Statements in the following discussion and throughout this registration statement that are not historical in nature are "forward-looking statements." You can identify forward-looking statements by the use of words such as "expect," "anticipate," "estimate," "may," "will," "should," "intend," "believe," and similar expressions. Although we believe the expectations reflected in these forward-looking statements are reasonable, such statements are inherently subject to risk and we can give no assurances that our expectations will prove to be correct. Actual results could differ from those described in this registration statement because of numerous factors, many of which are beyond our control. These factors include, without limitation, those described under Item 1A "Risk Factors." We undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this registration statement or to reflect actual outcomes. Please see "Forward Looking Statements" at the beginning of this Form 10.

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes thereto and other financial information appearing elsewhere in this Form 10.

Overview

We are an immuno-oncology biopharmaceutical company focused on the acquisition, development and commercialization of novel, non-chemotherapy, immune-enhanced combination treatments for patients with solid tumor cancers. We aim to acquire rights to these technologies by licensing the rights or otherwise acquiring an ownership interest in the technologies, funding their research and development and eventually either out-licensing or bringing the technologies to market. Currently we are developing a portfolio of fully human immuno-oncology targeted antibodies generated in the laboratory of Dr. Wayne Marasco, MD, PhD, a professor in the Department of Cancer Immunology and AIDS at Dana-Farber. The portfolio of antibodies we licensed from Dana-Farber includes antibodies targeting PD-L1, GITR and CAIX (together, the "Dana-Farber Antibodies"). We plan to develop these novel immuno-oncology and checkpoint inhibitor antibodies on their own and in combination with each other, as published literature suggests that combinations of these targets may work synergistically together. We expect to submit IND applications for our anti-PD-L1, anti-GITR and anti-CAIX antibodies in 2017. We have also licensed and are developing three oral, small molecule, targeted anti-cancer agents, consisting of an inhibitor of EGFR mutations, an inhibitor of the BET protein, BRD4, and an inhibitor of PARP. We plan to submit IND applications for our EGFR inhibitor and BET inhibitor in 2016 and 2017, respectively, followed by the commencement of clinical programs. We are currently developing a clinical program for our PARP inhibitor, which we expect to commence in the next six to twelve months. Additionally, we will seek to add additional immuno-oncology drugs as well as other targeted therapies to create wholly-owned proprietary combinations that leverage the immune system and other complimentary mechanisms.

To date, we have not received approval for the sale of any product candidate in any market and, therefore, have not generated any product sales from any product candidates. In addition, we have incurred substantial operating losses since our inception, and expect to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of March 31, 2016, we have an accumulated deficit of $17.5 million.

We are a majority controlled subsidiary of Fortress.

Checkpoint Therapeutics, Inc. was incorporated in Delaware on November 10, 2014 and commenced principal operations in March 2015. Our executive offices are located at 2 Gansevoort Street, 9th Floor, New York, NY 10014. Our telephone number is (781) 652-4500 and our email address is ir@checkpointtx.com.

Critical Accounting Policies and Use of Estimates

Our discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in our financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to accrued expenses and stock-based compensation. We base our estimates on historical experience, known trends and events and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Our significant accounting policies are described in the notes to our consolidated financial statements appearing elsewhere in this Form 10.

Results of Operations

Comparison of the Three Months Ended March 31, 2016 and 2015

Revenue

In connection with our License Agreement with Dana-Farber, we entered into a Global Collaboration Agreement with TGTX, a related party, to develop and commercialize the Anti-PD-L1 and Anti-GITR antibody research programs in the field of hematological malignancies. We retain the right to develop and commercialize these antibodies in solid tumors. For the three months ended March 31, 2016, we generated $17,000 of revenues in connection with this collaboration agreement for the reimbursement of patent costs.

In connection with our License Agreement with Neupharma, we entered into a Sponsored Research Agreement with NeuPharma for certain research and development activities. Effective January 11, 2016, TGTX, a related party, agreed to assume all costs associated with this Sponsored Research Agreement and reimbursed the Company for all amounts paid previously by the Company. For the three months ended March 31, 2016, we generated $260,000 of revenues from TGTX in connection with our Sponsored Research Agreement with NeuPharma.

Research and Development Expenses

Research and development expenses primarily consist of personnel related expenses, including salaries, benefits, travel, and other related expenses, stock-based compensation, payments made to third parties for license and milestone costs related to in-licensed products and technology, payments made to third party contract research organizations for preclinical and clinical studies, investigative sites for clinical trials, consultants, the cost of acquiring and manufacturing clinical trial materials, costs associated with regulatory filings and patents, laboratory costs and other supplies.

For the three months ended March 31, 2016, research and development expenses were $2.4 million, which primarily consisted of $1.5 million of expense related to the pre-clinical development activities for our product candidates and $0.8 million of non-cash expense related to stock compensation for a restricted stock award.

We expect our research and development activities to increase as we develop our existing product candidates and potentially acquire new product candidates, reflecting increasing costs associated with the following:

- employee-related expenses, which include salaries and benefits, and rent expense;
- license fees and milestone payments related to in-licensed products and technology;
- expenses incurred under agreements with contract research organizations, investigative sites and consultants that conduct our clinical trials and our preclinical activities;
- the cost of acquiring and manufacturing clinical trial materials; and
- costs associated with non-clinical activities, and regulatory approvals.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related expenses, including stock-based compensation, for executives and other administrative personnel, recruitment expenses, professional fees and other corporate expenses, including investor relations, legal activities, and facilities-related expenses.

For the three months ended March 31, 2016, general and administrative expenses were $1.2 million, which primarily consisted of stock compensation expense of $0.3 million, $0.2 million related to salary expenses and $0.4 million related to legal fees.

We anticipate general and administrative expenses will increase in future periods, reflecting continued and increasing costs associated with:

- support of our expanded research and development activities;
- stock compensation granted to key employees and non-employees;
- support of business development activities; and
- increased professional fees and other costs associated with the regulatory requirements and increased compliance associated with being a public reporting company.

Year Ended December 31, 2015 and the Period from November 10, 2014 (Inception) to December 31, 2014

Revenue

For the year ended December 31, 2015, we generated $0.6 million of revenues in connection with our collaboration agreement with TGTX. Revenues consisted of $0.5 million representing a reimbursement for TGTX's share of the licensing fee under the Dana Farber license agreement and $0.1 million related to the reimbursement of patent fees in connection with this agreement.

Research and Development Expenses

Research and development expenses primarily consist of personnel related expenses, including salaries, benefits, travel, and other related expenses, stock-based compensation, payments made to third parties for license and milestone costs related to in-licensed products and technology, payments made to third party contract research organizations for preclinical and clinical studies, investigative sites for clinical trials, consultants, the cost of acquiring and manufacturing clinical trial materials, costs associated with regulatory filings and patents, laboratory costs and other supplies.

For the year ended December 31, 2015, research and development expenses were $11.3 million, of which $3.2 million was related to the acquisition of the licenses and rights to the Dana Farber antibodies, the EGFR inhibitor, CK-101, and the PARP inhibitor, CK-102. An additional $2.1 million relates to pre-clinical development activities for our product candidates, $3.0 million relates to the annual fee in connection with the Founders' Agreement and $3.0 million relates to stock compensation expense.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related expenses, including stock-based compensation, for executives and other administrative personnel, recruitment expenses, professional fees and other corporate expenses, including investor relations, legal activities, and facilities-related expenses.

For the year ended December 31, 2015, general and administrative expenses were $2.5 million, which primarily consisted of stock compensation expense of $1.5 million, of which $1.3 million related to fees paid to Fortress in connection with the Founders' Agreement. In addition, of the remaining $1.0 million, $0.5 million relates to legal fees, primarily in connection with the acquisition and maintenance of our licenses.

For the period from November 10, 2014 (inception) to December 31, 2014, there was nominal general and administrative expenses.

Change in Fair Value of Warrant Liabilities

For the year ended December 31, 2015, the change in fair value of warrant liabilities were $0.4 million, which expense was a result of the change in probability from 25% to 100% related to contingently issuable warrants.

Liquidity and Capital Resources

We have incurred substantial operating losses since our inception, and expect to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of March 31, 2016, we had an accumulated deficit of $17.5 million.

In March 2015, Fortress closed a private placement of a promissory note for $10 million through National Securities Corporation (the "NSC Note"). National Securities Corporation ("NSC"), a wholly owned subsidiary of National Holdings, Inc., acted as the sole placement agent for the NSC Note.

Fortress used the proceeds from the NSC Note to acquire medical technologies and products.

The NSC Note allowed Fortress to transfer a portion of the proceeds from the NSC Note to us pursuant to which we executed an identical NSC Note in favor of NSC. Accordingly, we assumed $2,791,831 under the NSC Note and issued NSC 139,592 warrants to purchase our common stock, which was equal to twenty-five percent (25%) of the amount of NSC Note proceeds we received from Fortress divided by the lowest price at which we next sold common stock. The warrant issued has a term of 10 years and an exercise price equal to the par value of our common stock. In February 2016, we paid NSC $2,811,412, representing repayment of the assumed NSC Note principal and accrued interest as of the date of payment.

In September 2015, we launched a private placement of common stock and warrants for common stock the principal purpose of which was to provide us with working capital to continue our development and testing of our product candidates. As of December 31, 2015, we closed on gross proceeds of $57.8 million before offering expenses. Net proceeds from this offering were approximately $51.5 million.

On February 23, 2016, we closed on proceeds of $0.6 million in a private placement of shares and warrants to Opus Point Healthcare Fund GP, LLC, a fund managed by Opus Point Partners Management, LLC, a related party.

We expect to use the net proceeds from the above transactions primarily for general corporate purposes, which may include financing our growth, developing new or existing product candidates, and funding capital expenditures, acquisitions and investments. We currently anticipate that our cash balances at March 31, 2016, are sufficient to fund our anticipated operating cash requirements for approximately the next 24 months.

Operating Activities

Net cash used in operating activities was $1.1 million for the year ended December 31, 2015, primarily related to preliminary research and development activities related to our licenses.

Net cash used in operating activities was $2.2 million for the three-month period ended March 31, 2016, primarily due to $3.6 million in net loss, partially offset by $1.1 million of stock-based compensation expenses and $0.3 million of amortization of debt expenses.

Investing Activities

Net cash used in investing activities was $2.5 million for the year ended December 31, 2015, related to the acquisition costs of the Dana-Farber, NeuPharma and Teva licenses.

There were no investing activities for the three-month period ended March 31, 2016.

Financing Activities

Net cash provided from our third party offering and the NSC note was $51.5 million and $2.6 million, net of fees, respectively, for the year ended December 31, 2015.

Net cash provided by the issuance of common stock was $0.6 million for the three months ended March 31, 2016. In February 2016, we repaid our NSC Debt of $2.8 million, representing repayment of the assumed NSC Note principal and accrued interest as of the date of payment. There were no financing activities for the three months ended March 31, 2015.

Recently Issued Accounting Standards

In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-09, *Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting* ("ASU 2016-09"). The amendment is to simplify several aspects of the accounting for share-based payment transactions including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. For public entities, the amendments in ASU 2016-09 are effective for interim and annual reporting periods beginning after December 15, 2016. We are currently assessing the impact of ASU 2016-09 on our condensed financial statements and related disclosures.

In March 2016, the FASB issued ASU No. 2016-08, "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations" ("ASU 2016-08"). The purpose of ASU 2016-08 is to clarify the implementation of guidance on principal versus agent considerations. The amendments in ASU 2016-08 are effective for interim and annual reporting periods beginning after December 15, 2017. We are currently assessing the impact of ASU 2016-08 on our condensed financial statements and related disclosures.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* which supersedes FASB ASC Topic 840, *Leases (Topic 840)* and provides principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than twelve months regardless of classification. Leases with a term of twelve months or less will be accounted for similar to existing guidance for operating leases. The standard is effective for annual and interim periods beginning after December 15, 2018, with early adoption permitted upon issuance. We are currently evaluating the method of adoption and the impact of adopting ASU 2016-02 on our financial statements. When adopted, we do not expect this guidance to have a material impact on our financial statements.

In November 2015, the FASB issued ASU No. 2015-17, *Balance Sheet Classification of Deferred Taxes* ("ASU 2015-17"). ASU 2015-17 requires that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. ASU 2015-17 is effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. We are currently evaluating the impact that ASU 2015-17 will have on our balance sheet or financial statement disclosures. When adopted, we do not expect this guidance to have a material impact on our financial statements.

In April 2015, the FASB issued ASU No. 2015-03, *Simplifying the Presentation of Debt Issuance Costs*("ASU 2015-03"), which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. ASU 2015-03 is effective for the interim and annual periods ending after December 15, 2015, with early adoption permitted. We adopted ASU 2015-03 and such adoption resulted in debt issuance costs presented as an offset against notes payable, long-term, in the accompanying balance sheet.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements-Going Concern* ("ASU 2014-15"), which defines management's responsibility to assess an entity's ability to continue as a going concern, and to provide related footnote disclosures if there is substantial doubt about its ability to continue as a going concern. ASU 2014-15 is effective for annual reporting periods ending after December 15, 2016, with early adoption permitted. We are currently evaluating the impact of adopting ASU 2014-15 and its related disclosures. When adopted, we do not expect this guidance to have a material impact on our financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), an updated standard on revenue recognition. ASU 2014-09 provides enhancements to the quality and consistency of how revenue is reported by companies while also improving comparability in the financial statements of companies reporting using International Financial Reporting Standards or GAAP. The main purpose of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which a company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements. In July 2015, the FASB voted to approve a one-year deferral of the effective date of ASU 2014-09, which will now be effective for us in the first quarter of fiscal year 2018 and may be applied on a full retrospective or modified retrospective approach. We are evaluating the impact of implementation and transition approach of this standard on our financial statements. When adopted, we do not expect this guidance to have a material impact on our financial statements.

Off-Balance Sheet Arrangements

We are not party to any off-balance sheet transactions. We have no guarantees or obligations other than those which arise out of normal business operations.

Item 3. Properties.

Our corporate and executive office is located at 2 Gansevoort Street, 9th Floor, New York, NY 10014. We are not currently under a lease agreement at 2 Gansevoort Street. We believe that our existing facilities are adequate to meet our current requirements. We do not own any real property.

Item 4. Security Ownership of Certain Beneficial Owners and Management.

The following table sets forth certain information with respect to the beneficial ownership of our common stock, and, as indicated, our Class A common stock and vested warrants, as of May 9, 2016, for:

- each of our named executive officers;
- each of our directors;
- all of our current executive officers and directors as a group; and
- each person, or group of affiliated persons, known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock.

As of July 1, 2016, there were 16,957,876 shares of our common stock outstanding and 7,000,000 shares of our Class A Common Stock outstanding. In order to calculate a stockholder's percentage of beneficial ownership, we include in the calculation those shares underlying options or warrants beneficially owned by that stockholder that are vested or that will vest within 60 days of July 1, 2016. Shares of restricted stock are deemed to be outstanding. Options or warrants held by other stockholders that are not attributed to the named beneficial owner are disregarded in this calculation. Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the shares of our common stock. Except as indicated in footnotes to this table, we believe that the stockholders named in this table will have sole voting and investment power with respect to all shares of common stock shown to be beneficially owned by them, based on information provided to us by such stockholders. Unless otherwise indicated, the address for each director and executive officer listed is: c/o Checkpoint Therapeutics, Inc., 2 Gansevoort Street, 9th Floor, New York, NY 10014.

The following table shows the ownership of the above mentioned group of our Common Stock only, and thus does not represent their percentage ownership of our total common equity as it excludes the Class A Common Stock which is shown separately below.

	Common Stock Beneficially Owned	
Name and Address of Beneficial Owner	**Number of Shares and Nature of Beneficial Ownership**	**Percentage of Total Common Stock**
Michael S. Weiss	500,000(1)	2.9%(1)
James F. Oliviero	1,000,000	5.9%
David J. Horin	0	0.0%
Lindsay A. Rosenwald, M.D.	500,000(1)	2.9%(1)
Neil Herskowitz	0	0.0%
Barry Salzman	50,000	0.3%
Scott Boilen	79,999(2)	0.5%
All executive officers and directors as a group	1,129,999(3)	6.7%(3)
5% or Greater Stockholders:		
Fortress Biotech, Inc.	1,981,006(4)	11.7%
Dr. Wayne Marasco, MD, PhD	1,500,000	8.8%

* Less than 1% of outstanding common stock.

(1) Includes 500,000 warrants issued by Fortress to each of Mr. Weiss and Dr. Rosenwald that cover shares of our common stock that are owned by Fortress. These do not represent equity compensation by us to either Mr. Weiss or Dr. Rosenwald.

(2) Includes 7,777 vested warrants exercisable at $7.00 per share.

(3) Includes 7,777 vested warrants held by Mr. Boilen exercisable at $7.00 per share. The total calculation for all executive officers and directors as a group does not include Mr. Weiss' and Dr. Rosenwald's warrants, which have not yet been exercised. The shares underlying the warrants are currently held by Fortress and are included in the 1,981,006 shares of common stock shown as held by Fortress.

(4) Includes 1,000,000 shares of common stock underlying the warrants granted by Fortress to Mr. Weiss and Dr. Rosenwald.

	Class A Common Stock Beneficially Owned	
Name and Address of Beneficial Owner	**Number of Shares and Nature of Beneficial Ownership**	**Percentage of Total Class A Common Stock**
Fortress Biotech, Inc.	7,000,000	100.0%

Item 5. Directors and Executive Officers.

The following table sets forth certain information about our directors and executive officers as of the date of this registration statement.

Name	Age	Position
Michael S. Weiss	50	Executive Chairman of the Board of Directors
James F. Oliviero, III	40	Chief Executive Officer and President
David J. Horin	47	Interim Chief Financial Officer
Lindsay A. Rosenwald, M.D.	60	Director
Neil Herskowitz	59	Director
Barry Salzman	54	Director
Scott Boilen	49	Director

None of the events listed in Item 401(f) of Regulation S-K has occurred during the past ten years and that is material to the evaluation of the ability or integrity of any of our directors, director nominees or executive officers.

The following is a brief account of the business experience during the past five years (and, in some instances, for prior years) of each executive officer and non-executive director of our company.

Executive Officers

Michael S. Weiss – Executive Chairman of the Board of Directors

Mr. Weiss has served as Executive Chairman of our Board of Directors since March 2015. He also served as Interim Chief Executive Officer and President from August 2015 until October 2015. Mr. Weiss has served in several capacities at Fortress, most recently as Executive Vice Chairman since February 2014. He has also been Co-Chairman of the Board of Directors of CB Pharma Acquisition Corp. since 2014. Mr. Weiss is currently Co-Portfolio Manager and Partner of Opus Point Partners, LLC, which he co-founded in 2009. He has also served as Executive Chairman, Interim Chief Executive Officer and President of TG Therapeutics, Inc., a company he founded in 2011. From 2002 to 2009, Mr. Weiss was the Chairman and Chief Executive Officer of Keryx Biopharmaceuticals, Inc., where he helped the company acquire and develop its lead drug, Auryxia, as well as executed a strategic alliance for Auryxia with Japan Tobacco, Inc. and Torii Pharmaceutical Co., Ltd. worth more than $100 million. Mr. Weiss served as Chairman of the board of directors of National Holdings Corporation from 2011 to 2012. Mr. Weiss began his professional career as a lawyer with Cravath, Swaine & Moore LLP. He earned his J.D. from Columbia Law School and his B.S. in Finance from The University at Albany.

James F. Oliviero, III – Chief Executive Officer and President

James F. Oliviero, III, CFA, has been our Chief Executive Officer and President since October 13, 2015. Mr. Oliviero has over fifteen years of operational experience in the biotechnology industry. From May 2003 to September 2015, Mr. Oliviero served in a variety of leadership capacities at Keryx Biopharmaceuticals, Inc., a publicly-traded biotechnology company, most recently as its Chief Financial Officer since April 2009, where he was instrumental in the growth of the company to a market capitalization over $1 billion. During his tenure at Keryx, Mr. Oliviero oversaw all finance, accounting, investor relations, corporate governance, business development and legal matters, as well as a leading member of the design of several clinical studies and the regulatory oversight of Keryx's new drug application for Auryxia™, which successfully obtained FDA marketing approval in 2014 and recently gained EMA marketing approval. Also while at Keryx, Mr. Oliviero completed over $500 million in various public financings for the company. Prior to Keryx, from August 1999 to May 2003, Mr. Oliviero was Director of Finance for ACCESS Oncology, Inc., a privately-held biotechnology company. Mr. Oliviero began his professional career as an investment banker at ING Barings Furman Selz in New York City. Mr. Oliviero is a CFA charterholder and holds a B.B.A. in Finance with Highest Distinction from Emory University's Goizueta Business School.

David J. Horin – Interim Chief Financial Officer

Mr. Horin has served, on a part-time basis, as our Interim Chief Financial Officer under our agreement with Chord Advisors, LLC ("Chord") since August 31, 2015. Pursuant to such agreement, we pay Chord $7,500 per month for its back office accounting support and accounting policy and financial reporting services that it provides to us, including the services of Mr. Horin. We do not have information, nor any influence over Mr. Horin's direct compensation from Chord. Mr. Horin has been a Managing Partner of Chord since June 2012. Chord provides accounting advisory services, SEC reporting advisory services, and IPO-readiness services. While at Chord, Mr. Horin has gained extensive experience in financial accounting and SEC reporting for complex business transactions and issues arising from the application of existing or proposed financial accounting guidance. Mr. Horin also serves as interim Chief Financial Officer for our affiliate, Avenue Therapeutics, Inc. From March 2008 to June 2012, Mr. Horin was the Chief Financial Officer of Rodman & Renshaw Capital Group, Inc., a full-service investment bank dedicated to providing corporate finance, strategic advisory, sales and trading and related services to public and private companies across multiple sectors and regions. From March 2003 through March 2008, Mr. Horin was the Chief Accounting Officer at Jefferies Group, Inc., a full-service global investment bank and institutional securities firm focused on growth and middle-market companies and their investors. Prior to his employment at Jefferies Group, Inc., from 2000 to 2003, Mr. Horin was a Senior Manager in KPMG's Department of Professional Practice in New York, where he advised firm members and clients on technical accounting and risk management matters for a variety of public, international and early growth stage entities. Mr. Horin has a Bachelor of Science degree in Accounting from Baruch College, City University of New York. Mr. Horin is also a Certified Public Accountant.

Non-Executive Directors

Lindsay A. Rosenwald, M.D.

Dr. Rosenwald has served as a member of our Board of Directors since inception. From November 2014 to August 2015, he also was our Chief Executive Officer and President. Dr. Rosenwald has been a member of the Board of Directors of Fortress since October 2009 and has served as its Chairman, President and Chief Executive Officer since December 2013. Dr. Rosenwald is also Co-Chairman of the Board of Directors and Chief Executive Officer of CB Pharma Acquisition Corp., which he joined in 2014. Dr. Rosenwald also is Co-Portfolio Manager and Partner of Opus Point Partners Management, LLC, an asset management firm in the life sciences industry, which he co-founded in 2009. Prior to that, from 1991 to 2008, he served as the Chairman of Paramount BioCapital, Inc. Over the last 23 years, Dr. Rosenwald has acted as a biotechnology entrepreneur and has been involved in the founding and recapitalization of numerous public and private biotechnology and life sciences companies. Dr. Rosenwald received his B.S. in finance from Pennsylvania State University and his M.D. from Temple University School of Medicine. Based on Dr. Rosenwald's biotechnology and pharmaceutical industry experience and in-depth understanding of our business, the Board of Directors believes that Dr. Rosenwald has the appropriate set of skills to serve as a member of the Board in light of our business and structure.

Neil Herskowitz

Mr. Herskowitz joined our Board of Directors in August 2015. Mr. Herskowitz has served as the managing member of the ReGen Group of companies, located in New York, since 1998, which include ReGen Capital Investments LLC and Riverside Claims Investments LLC. He has also served as the President of its affiliate, Riverside Claims LLC, since June 2004. Mr. Herskowitz currently serves as director of CB Pharma Acquisition Corp, along with being the Chairman of its Audit Committee. He also serves as Chairman of the board of directors of Starting Point Services for Children, a not-for-profit corporation. Mr. Herskowitz received a B.B.A. in Finance from Bernard M. Baruch College in 1978.

Barry Salzman

Mr. Salzman joined our Board of Directors in January 2016. Mr. Salzman is currently a Managing Director for Compass Partners LLC, a merchant banking and financial advisory firm that specializes in middle market companies and corporate restructuring. Mr. Salzman joined Compass Partners LLC in July 2007, the same time at which he became a Board Member and Principal owner of BP Gamma Medical Supply Company, a regional Mid-Atlantic durable medical equipment and respiratory therapy distribution company based in Frederick, Maryland. Prior to July 2007, Mr. Salzman served as Board Chairman, President and Principal owner of Becker-Parkin Dental Supply Company. After 20 years at Becker-Parkin, Mr. Salzman sold the company, then recognized as one of the largest dental supply and equipment distribution companies in the United States, to Henry Schein Inc. (NASDAQ: HSIC). Five months after selling Becker-Parkin, Mr. Salzman served as President of Surgery Works, LLC, formed by Compass Partners LLC to provide financial management services for two of the largest Ambulatory Surgery Centers in the United States, for five years until the centers sold a controlling interest to Amsurg (NASDAQ: AMSG). Mr. Salzman has maintained a Board seat at both Surgery Works, LLC centers and continues to work in a consulting and advisory role to Amsurg. In 2014, Mr. Salzman founded and became President of Practice Management Works LLC, a financial management service provider for large dental group practices in the Northeast United States. During that same year, Mr. Salzman also accepted a board seat at Vivex Corporation, a private research driven Biologicals Company dedicated to new standards in patient care through technologies and diverse product offerings. Mr. Salzman is a 1987 graduate of Brooklyn Law School and is a member in good standing of the New York Bar Association.

Scott Boilen

Scott Boilen joined our Board of Directors in April 2016. Mr. Boilen has served as the Chief Executive Officer of Allstar Products Group since 1999. He also served on the Board of Directors for the Electronic Retailing Association from 2010 to 2012 and the Board of Directors for the Food Bank for Westchester (New York) since 2009. Boilen holds a degree in Business Administration from the State University of New York at Albany and a Master's Degree in Business Administration from Fordham University.

Family Relationships

There is no family relationship between any director, executive officer or person nominated to become a director or executive officer.

Composition of our Board of Directors

Our bylaws provide that our Board shall consist of between one and nine directors, and such number of directors within this range may be determined from time to time by resolution of our board of directors or our stockholders. Currently, we have four directors.

Our bylaws also provide that our directors may be removed with or without cause by the affirmative vote of the holders of at least a majority of the votes that all our stockholders would be entitled to cast in an annual election of directors. An election of our directors by our stockholders will be determined by a plurality of the votes cast by the stockholders entitled to vote on the election.

Our current and future executive officers and significant employees serve at the discretion of our board of directors. Our board of directors may also choose to form certain committees, such as a compensation and an audit committee.

Communicating with the Board of Directors

Our Board has established a process by which stockholders can send communications to the Board. You may communicate with the Board as a group, or to specific directors, by writing to Robyn Hunter, our Corporate Secretary, at our offices located at 2 Gansevoort Street, 9 th Floor, New York, NY 10014. The Corporate Secretary will review all such correspondence and regularly forward to our Board a summary of all correspondence and copies of all correspondence that, in the opinion of the Corporate Secretary, deals with the functions of the Board or committees thereof or that he otherwise determines requires their attention. Directors may at any time review a log of all correspondence we receive that is addressed to members of our Board and request copies of any such correspondence. Concerns relating to accounting, internal controls, or auditing matters may be communicated in this manner, or may be submitted on an anonymous basis via e-mail at BOD@checkpointtx.com. These concerns will be immediately brought to the attention of our Board and handled in accordance with procedures established by our Board.

Code of Ethics

We adopted a Code of Ethics that applies to all directors, officers and employees. Our Code of Ethics is available on our website at www.checkpointtx.com. A copy of our Code of Ethics will also be provided to any person without charge, upon written request sent to us at our offices located at 2 Gansevoort Street, 9th Floor, New York, NY 10014.

Item 6. Executive Compensation.

As an emerging growth company, we are required to disclose the compensation earned by or paid to our named executive officers during 2014 and 2015. During the fiscal years ended December 31, 2014 and 2015, Mr. Weiss and Dr. Rosenwald did not earn or receive any compensation for their respective services to us either from us or Fortress. During the fiscal year ended December 31, 2015, we received the services of Mr. Horin pursuant to the terms of our agreement with Chord for accounting support and accounting policy and financial reporting, as described below.

The following table sets forth the compensation earned by our Chief Executive Officer and President, our sole executive officer that received compensation from us since inception and our Interim Chief Financial Officer, provided to us under our agreement with Chord.

Name and Principal Position	Year	Salary ($)	Non-Equity Incentive Plan Compensation ($)	Stock Awards ($)[1]	Total ($)
James F. Oliviero III[2] Chief Executive Officer and President	2015	86,986	43,288	264,809	395,083
David J. Horin Interim Chief Financial Officer	2015	22,500(3)	—	—	22,500

(1) Reflects the aggregate grant date fair value of restricted stock granted during the fiscal year calculated in accordance with FASB ASC Topic 718. See Note 8 to our audited financial statements for the year ended December 31, 2015, included elsewhere in this Form 10 for a discussion of the assumptions made by us in determining the grant date fair value of our equity awards.

(2) Mr. Oliviero's employment with us commenced on October 13, 2015. The amount reported represents the pro rata portion of Mr. Oliviero's annual salary from commencement of employment through December 31, 2015.

(3) This represents the amount paid to Chord during 2015, for services rendered, including those of Mr. Horin. We do not have information, nor any influence over Mr. Horin's direct compensation from Chord.

Compensation Arrangements for Executive Officers

There is currently only an employment agreement in place with Mr. Oliviero, our Chief Executive Officer and President. Mr. Weiss serves as Executive Chairman, but was not compensated through December 31, 2015. Beginning in January 2016, Mr. Weiss will be compensated $5,000 per month pursuant to the terms of a consulting agreement. Mr. Horin serves as Interim Chief Financial Officer, pursuant to the terms of our agreement with Chord. Pursuant to such agreement, we pay Chord $7,500 per month for its back office accounting support and accounting policy and financial reporting services that it provides to us, including the services of Mr. Horin.

Employment Agreement, CEO

On October 13, 2015, we entered into an at-will employment agreement with our newly appointed CEO, James Oliviero (the "Employment Agreement"). Pursuant to the Employment Agreement, Mr. Oliviero receives an annualized salary of $395,000, paid in equal installments in accordance with our normal payroll practices. The Employment Agreement further provides for an incentive bonus linked to the realization of certain corporate milestones, to be established annually by agreement between Mr. Oliviero and our Executive Chairman. The achievement of these milestones (as determined by the Executive Chairman) may result in a target annual award of up to fifty percent (50%) of Mr. Oliviero's annual salary, with a maximum annual award of up to seventy-five percent (75%). Mr. Oliviero will also receive a cash bonus of $100,000 upon the completion of the first public offering of our company's stock resulting in our receipt of gross proceeds of at least $20,000,000.

Upon the execution of the Employment Agreement, Mr. Oliviero received 1,000,000 restricted shares of our common stock (the "Shares"), subject to a repurchase right in favor of us. The Shares are subject to the vesting schedule described in the Employment Agreement.

Employee Benefit and Incentive Plans

We do not maintain any deferred compensation, retirement, pension or profit sharing plans. Our board of directors has adopted an incentive plan, the material terms of which are described below, allowing for the grant of equity and cash-based awards to our employees and directors.

2014 and 2015 Director Compensation

None of our directors received any compensation for their services as a director for the years ended December 31, 2014 and 2015.

2016 Director Compensation Program

In January 2016, our directors adopted a Non-Employee Directors Compensation Plan for our non-employee directors pursuant to our 2015 Incentive Plan. Our non-employee directors will receive the following compensation:

Cash Compensation:

- $50,000 annual retainer; and
- $10,000 additional annual retainer for the Audit Committee Chair.

Equity Compensation:

- Initial Equity Grant: 50,000 shares of restricted stock, which shares shall vest and become non-forfeitable in equal annual installments over three years, beginning on the third (3rd) anniversary of the grant date, subject to the director's continued service on the board of directors on such date.
- Re-Election Equity Grant: The greater of (i) a number of shares of restricted stock having a fair market value on the grant date of $50,000, or (ii) 10,000 shares of restricted stock, which shares shall vest and become non-forfeitable on the third (3rd) anniversary of the grant date, subject to the director's continued service on the board of directors on such date.

In addition, each non-employee director receives reimbursement for reasonable travel expenses incurred in attending meetings of our board of directors and meetings of committees of our board of directors.

Compensation Committee Interlocks and Insider Participation

We do not currently have a compensation committee and, for the year ended December 31, 2015, the compensation, if any, of our executive officers was recommended by our Chief Executive Officer and Chairman and such recommendations were approved by our board of directors. None of our executive officers currently serves as a member of the compensation committee or as a director with compensation duties of any entity that has executive officers serving on our board of directors. None of our executive officers has served in such capacity in the past 12 months.

Equity Incentive Plan

2015 Incentive Plan

Our board of directors adopted the Checkpoint Therapeutics, Inc. 2015 Incentive Plan (the "2015 Plan"). The material terms of the 2015 Plan are described below.

Purpose. The purpose of the 2015 Plan is to promote our success by linking the personal interests of our employees, officers, directors and consultants to those of our stockholders, and by providing participants with an incentive for outstanding performance.

Permissible Awards. The 2015 Plan authorizes the board of directors (or the Compensation Committee upon establishment by the board of directors) to grant awards in any of the following forms:

- options to purchase shares of our common stock, which may be nonstatutory stock options or incentive stock options under the Internal Revenue Code. The exercise price of an option granted under the 2015 Plan may not be less than the fair market value of our common stock on the date of grant. Stock options granted under the 2015 Plan may not have a term longer than ten (10) years;
- stock appreciation rights, or SARs, which give the holder the right to receive the excess, if any, of the fair market value of one (1) share of our common stock on the date of exercise, over the base price of the stock appreciation right. The base price of a SAR may not be less than the fair market value of our common stock on the date of grant. SARs granted under the 2015 Plan may not have a term longer than ten years;
- restricted stock, which is subject to restrictions on transferability and subject to forfeiture on terms set by the Compensation Committee;
- restricted stock units, which represent the right to receive shares of our common stock (or an equivalent value in cash or other property) in the future, based upon the attainment of stated vesting or performance goals set by the Compensation Committee;
- deferred stock units, which represent the right to receive shares of our common stock (or an equivalent value in cash or other property) in the future, generally without any vesting or performance restrictions;
- other stock-based awards in the discretion of the Compensation Committee, including unrestricted stock grants; and
- cash-based awards in the discretion of the Compensation Committee, including cash-based performance awards.

All awards will be evidenced by a written award certificate between us and the participant, which will include such provisions as may be specified by the Compensation Committee, or, if not yet established, all of the independent members of our board of directors (the "Compensation Committee"). Dividend equivalent rights, which entitle the participant to payments in cash or property calculated by reference to the amount of dividends paid on the shares of stock underlying an award, may be granted with respect to awards other than options or SARs.

Awards to Non-Employee Directors. Awards granted under the 2015 Plan to our non-employee directors will be made only in accordance with the terms, conditions and parameters of a plan, program or policy for the compensation of non-employee directors as in effect from time to time. The Compensation Committee may not make discretionary grants under the 2015 Plan to non-employee directors. The maximum aggregate number of shares associated with any award granted under the 2015 Plan in any calendar year to any one non-employee director is 100,000.

Shares Available for Awards; Adjustments. Subject to adjustment as provided in the 2015 Plan, the aggregate number of shares of our common stock reserved and available for issuance pursuant to awards granted under the 2015 Plan is 2,000,000. Shares subject to awards that are canceled, terminated, forfeited, settled in cash, withheld to satisfy exercise prices or tax withholding obligations or otherwise not issued for any reason, including by reason of failure to achieve maximum performance goals, will again be available for awards under the 2015 Plan. In the event of a nonreciprocal transaction between us and our stockholders that causes the per share value of our common stock to change (including, without limitation, any stock dividend, stock split, spin-off, rights offering, or large nonrecurring cash dividend), the share authorization limits under the 2015 Plan will be adjusted proportionately, and the Compensation Committee must make such adjustments to the 2015 Plan and awards as it deems necessary, in its sole discretion, to prevent dilution or enlargement of rights immediately resulting from such transaction.

Administration. The 2015 Plan will be administered by the Compensation Committee. The Compensation Committee will have the authority to grant awards; designate participants; determine the type or types of awards to be granted to each participant and the number of awards to be granted and the number of shares or dollar amount to which an award will relate and the terms and conditions thereof; prescribe the form of award; establish, adopt or revise any rules and regulations as it may deem advisable to administer the 2015 Plan; make all other decisions and determinations that may be required under the 2015 Plan and amend the 2015 Plan. Our Board of Directors may at any time administer the 2015 Plan. If it does so, it will have all the powers of the Compensation Committee under the 2015 Plan. In addition, our Board of Directors or Compensation Committee may expressly delegate to a special committee some or all of the Compensation Committee's authority, within specified parameters, to grant awards to eligible participants who, at the time of grant, are not executive officers or directors.

Limitations on Transfer; Beneficiaries. No award will be assignable or transferable by a participant other than by will or the laws of descent and distribution; provided, however, that nonstatutory stock options may be transferred without consideration to members of a participant's immediate family, to trusts in which such immediate family members have more than fifty percent (50%) of the beneficial interest, to foundations in which such immediate family members (or the participant) control the management of assets, and to any other entity (including limited partnerships and limited liability companies) in which the immediate family members (or the participant) own more than fifty percent (50%) of the voting interest; and provided, further, that the Compensation Committee may permit other transfers (other than transfers for value) where the Compensation Committee concludes that such transferability does not result in accelerated taxation, does not cause any option intended to be an incentive stock option to fail to qualify as such, and is otherwise appropriate and desirable, taking into account any factors deemed relevant, including without limitation, any state or federal tax or securities laws or regulations applicable to transferable awards. A participant may, in the manner determined by the Compensation Committee, designate a beneficiary to exercise the rights of the participant and to receive any distribution with respect to any award upon the participant's death.

Treatment of Awards upon a Change in Control. Unless otherwise provided in an award certificate or any special plan document governing an award, upon the occurrence of a change in control of our company, (i) all outstanding options, SARs and other awards in the nature of rights that may be exercised will become fully exercisable, (ii) all time-based vesting restrictions on outstanding awards will lapse; and (iii) the payout opportunities attainable under all outstanding performance-based awards will vest based on target performance and the awards will pay out on a pro rata basis, based on the time elapsed prior to the change in control.

Discretionary Acceleration. The Compensation Committee may, in its discretion, accelerate the vesting and/or payment of any awards for any reason, subject to certain limitations under Section 409A of the Internal Revenue Code. The Compensation Committee may discriminate among participants or among awards in exercising such discretion.

Certain Transactions. Upon the occurrence or in anticipation of certain corporate events or extraordinary transactions, the Compensation Committee may also make discretionary adjustments to awards, including settling awards for cash, providing that awards will become fully vested and exercisable, providing for awards to be assumed or substituted, or modifying performance targets or periods for awards.

Termination and Amendment. The 2015 Plan will terminate on the tenth (10^{th}) anniversary of its adoption, or, if the stockholders approve an amendment to the 2015 Plan that increases the number of shares subject to the 2015 Plan, the tenth (10^{th}) anniversary of the date of such approval, unless earlier terminated by our Board of Directors or Compensation Committee. Our Board or Compensation Committee may, at any time and from time to time, terminate or amend the 2015 Plan, but if an amendment to the 2015 Plan would constitute a material amendment requiring stockholder approval under applicable listing requirements, laws, policies or regulations, then such amendment will be subject to stockholder approval. No termination or amendment of the 2015 Plan may adversely affect any award previously granted under the 2015 Plan without the written consent of the participant. Without the prior approval of our stockholders, and except as otherwise permitted by the anti-dilution provisions of the 2015 Plan, the 2015 Plan may not be amended to permit us to directly or indirectly reprice, replace or repurchase "underwater" options or SARs.

The Compensation Committee may amend or terminate outstanding awards. However, such amendments may require the consent of the participant and, unless approved by the stockholders or otherwise permitted by the anti-dilution provisions of the 2015 Plan, (i) the exercise price or base price of an option or SAR may not be reduced, directly or indirectly, (ii) an option or SAR may not be cancelled in exchange for cash, other awards, or options or SARS with an exercise price or base price that is less than the exercise price or base price of the original option or SAR, or otherwise, (iii) we may not repurchase an option or SAR for value (in cash or otherwise) from a participant if the current fair market value of the shares of our common stock underlying the option or SAR is lower than the exercise price or base price per share of the option or SAR, and (iv) the original term of an option or SAR may not be extended.

Prohibition on Repricing. As indicated above under "Termination and Amendment," outstanding stock options and SARs cannot be repriced, directly or indirectly, without the prior consent of our stockholders. The exchange of an "underwater" option or stock appreciation right (i.e., an option or stock appreciation right having an exercise price or base price in excess of the current market value of the underlying stock) for cash or for another award would be considered an indirect repricing and would, therefore, require the prior consent of our stockholders.

Certain Federal Tax Effects

The following discussion is limited to a summary of the U.S. federal income tax provisions relating to the grant, exercise and vesting of awards under the 2015 Plan and the subsequent sale of common stock acquired under the 2015 Plan. The tax consequences of awards may vary depending upon the particular circumstances, and it should be noted that the income tax laws, regulations and interpretations thereof change frequently. Participants should rely upon their own tax advisors for advice concerning the specific tax consequences applicable to them, including the applicability and effect of state, local, and foreign tax laws.

Nonstatutory Stock Options. There typically will be no federal income tax consequences to the optionee or to us upon the grant of a nonstatutory stock option under the 2015 Plan. When the optionee exercises a nonstatutory option, however, he or she will recognize ordinary income in an amount equal to the excess of the fair market value of our common stock received upon exercise of the option at the time of exercise over the exercise price, and we will typically be allowed a corresponding deduction. Any gain that the optionee realizes when he or she later sells or disposes of the option shares will be short-term or long-term capital gain, depending on how long the shares were held.

Incentive Stock Options. There typically will be no federal income tax consequences to the optionee or to us upon the grant or exercise of an incentive stock option. If the optionee holds the option shares for the required holding period of at least two (2) years after the date the option was granted or one (1) year after exercise, the difference between the exercise price and the amount realized upon sale or disposition of the option shares will be long-term capital gain or loss, and we will not be entitled to a federal income tax deduction. If the optionee disposes of the option shares in a sale, exchange, or other disqualifying disposition before the required holding period ends, he or she will recognize taxable ordinary income in an amount equal to the excess of the fair market value of the option shares at the time of exercise (or, if less, the amount realized on the disposition of the shares) over the exercise price, and we would typically be allowed a federal income tax deduction equal to such amount. While the exercise of an incentive stock option does not result in current taxable income, the excess of the fair market value of the option shares at the time of exercise over the exercise price will be an item of adjustment for purposes of determining the optionee's alternative minimum taxable income.

Stock Appreciation Rights. A participant receiving a stock appreciation right typically will not recognize income, and we will not be allowed a tax deduction, at the time the award is granted. When the participant exercises the stock appreciation right, the amount of cash and the fair market value of any shares of our common stock received will be ordinary income to the participant and we will typically be allowed as a corresponding federal income tax deduction at that time.

Restricted Stock. Unless a participant makes an election to accelerate recognition of income to the date of grant as described below, the participant will not recognize income, and we will not be allowed a tax deduction, at the time a restricted stock award is granted, provided that the award is subject to restrictions on transfer and is subject to a substantial risk of forfeiture. When the restrictions lapse, the participant will recognize ordinary income equal to the fair market value of our common stock as of that date (less any amount he or she paid for the stock), and we will typically be allowed a corresponding federal income tax deduction at that time, subject to limitations in certain circumstances. If the participant files an election under Code Section 83(b) within thirty (30) days after the date of grant of the restricted stock, he or she will recognize ordinary income as of the date of grant equal to the fair market value of the stock as of that date (less any amount paid for the stock), and we will typically be allowed a corresponding federal income tax deduction, subject to limitations in certain circumstances at that time. Any future appreciation in the stock will be taxable to the participant at capital gains rates. However, if the stock is later forfeited, the participant will not be able to recover the tax previously paid pursuant to the Section 83(b) election. To the extent unrestricted dividends are paid during the restricted period under the applicable award agreement, any such dividends will be taxable to the participant at ordinary income tax rates and will be deductible by us unless the participant has made a Section 83(b) election, in which case the dividends will thereafter be taxable to the participant as dividends and will not be deductible by us.

Stock Units. A participant typically will not recognize income, and we will not be allowed a tax deduction, at the time a stock unit award is granted. Upon receipt of shares of our common stock (or the equivalent value in cash) in settlement of a stock unit award, a participant will recognize ordinary income equal to the fair market value of our common stock or other property as of that date, and we will typically be allowed a corresponding federal income tax deduction at that time, subject to limitations in certain circumstances.

Cash-Based Performance Awards. A participant will not recognize income, and we will not be allowed a tax deduction, at the time a cash-based performance award is granted (for example, when the performance goals are established). Upon receipt of cash in settlement of the award, the participant will recognize ordinary income equal to the cash received, and we will typically be allowed a corresponding federal income tax deduction at that time, subject to limitations in certain circumstances.

Item 7. Certain Relationships and Related Transactions, and Director Independence.

The following is a summary of each transaction or series of similar transactions since the inception of Checkpoint to which it was or is a party and that:

- the amount involved exceeded or exceeds $120,000 or is greater than 1% of our total assets; and
- any of our directors or executive officers, any holder of 5% of our capital stock or any member of their immediate family had or will have a direct or indirect material interest.

Effective March 17, 2015, we entered into a Founders Agreement with Fortress, which was amended and restated on July 11, 2016 (the "Founders Agreement"). The Founders Agreements provides, that in exchange for the time and capital expended in the formation of the Company and the identification of specific assets the acquisition of which result in the formation of a viable emerging growth life science company, we assumed $2.8 million in debt that Fortress accumulated under the NSC Note for expenses and costs of forming Checkpoint, and we shall also: (i) issue annually to Fortress, on the anniversary date of the Founders Agreement, shares of common stock equal to 2.5% of the fully-diluted outstanding equity of Checkpoint at the time of issuance; (ii) pay an equity fee in shares of common stock, payable within five (5) business days of the closing of any equity or debt financing for Checkpoint or any of its respective subsidiaries that occurs after the effective date of the Founders Agreement and ending on the date when Fortress no longer has majority voting control in Checkpoint's voting equity, equal to 2.5% of the gross amount of any such equity or debt financing; and (iii) pay a cash fee equal to 4.5% of our annual net sales, payable on an annual basis, within ninety (90) days of the end of each calendar year. In the event of a change in control (as it is defined in the Founders Agreement), we will pay a one-time change in control fee equal to five (5x) times the product of (i) monthly net sales for the twelve (12) months immediately preceding the change in control and (ii) four and one-half percent (4.5%). The Founders Agreement has a term of fifteen years, after which it automatically renews for one year periods unless Fortress gives the Company notice of termination. The Founders Agreement also will automatically terminate upon a change of control.

Effective March 17, 2015, we entered into a Management Services Agreement (the "MSA") with Fortress. Pursuant to the terms of the MSA, for a period of five (5) years, Fortress will render advisory and consulting services to us. Services provided under the MSA may include, without limitation, (i) advice and assistance concerning any and all aspects of our operations, clinical trials, financial planning and strategic transactions and financings and (ii) conducting relations on behalf of our Company with accountants, attorneys, financial advisors and other professionals (collectively, the "Services"). We are obligated to utilize clinical research services, medical education, communication and marketing services and investor relations/public relation services of companies or individuals designated by Fortress, provided those services are offered at market prices. However, we are not obligated to take or act upon any advice rendered to us from Fortress and Fortress shall not be liable for any of our actions or inactions based upon their advice. Fortress and its affiliates, including all members of our Board of Directors, have been contractually exempt from their fiduciary duties to our Company relating to corporate opportunities. In consideration for the Services, we will pay Fortress an annual consulting fee of five hundred thousand dollars ($500,000) (the "Annual Consulting Fee"), payable in advance in equal quarterly installments on the first business day of each calendar quarter in each year, provided, however, that such Annual Consulting Fee shall be increased to one million dollars ($1,000,000) for each calendar year in which we have net assets in excess of one hundred million dollars ($100,000,000) at the beginning of the calendar year.

Michael S. Weiss, our Executive Chairman of the Board of Directors, is currently Executive Vice Chairman of Fortress. The MSA and Founders Agreements were negotiated with Fortress.

On August 17, 2015, we entered into a full service consulting agreement with Chord to provide advisory accounting services to us. Under the terms of the agreement, we pay Chord $7,500 per month to perform back office accounting functions, accounting analysis and financial reporting. Either party upon 30-days written notice can terminate the agreement. In addition to these services, Mr. Horin, a Managing Partner of Chord, will serve as our Interim Chief Financial Officer. Chord also provides advisory accounting services to Fortress under a separate agreement.

In connection with the license agreement with Dana-Farber, we entered into a collaboration agreement with TGTX to develop and commercialize the Anti-PD-L1 and Anti-GITR antibody research programs in the field of hematological malignancies. Michael Weiss, our Executive Chairman of the Board of Directors and Fortress' Executive Vice Chairman, Strategic Development, is also Co-Portfolio Manager and a Partner of Opus Point Partners Management, LLC ("OPPM") with Dr. Rosenwald, Fortress's Chairman and Chief Executive Officer. Further, Michael Weiss is the Executive Chairman, Interim President and Chief Executive Officer and a stockholder of TGTX. Checkpoint retains the right to develop and commercialize these antibodies in the field of solid tumors. Both programs are currently in pre-clinical development. Under the terms of the Global Collaboration Agreement, TGTX paid us $500,000, representing a reimbursement for their share of the licensing fee, and will make additional development and sales-based milestone payments and royalties on net sales. For the year ended December 31, 2015, we recognized $590,000 in revenue from our collaboration agreement with TGTX in our Statements of Operations.

In connection with the license agreement with NeuPharma, Inc., we entered into an Option Agreement with TGTX granting TGTX the right, but not the obligation to enter into a global collaboration to develop and commercialize NeuPharma's patents to a library of EGFR inhibitors in the field of hematological malignancies. We would retain the right to develop and commercialize the EGFR inhibitors in solid tumors. Under the terms of the Option Agreement, TGTX paid us $25,000, representing consideration for granting the option. If the option is exercised, we are eligible to receive up to an aggregate of approximately $14.5 million upon TGTX's successful achievement of certain clinical development and regulatory milestones under a collaboration agreement. In addition, we are eligible to receive up to an aggregate of $40.0 million upon TGTX's successful achievement of certain sales milestones based on aggregate net sales by TGTX, in addition to royalty payments based on a tiered mid to high-single digit percentage of net sales by TGTX. The Option Agreement will expire on December 31, 2016, unless both parties agree to extend the option period.

Also in connection with the license agreement with Neupharma, we entered into a Sponsored Research Agreement with NeuPharma for certain research and development activities. Effective January 11, 2016, TGTX agreed to assume all costs associated with this Sponsored Research Agreement and reimbursed the Company for all amounts paid previously by the Company. Accordingly, TGTX reimbursed us $260,000 in the three months ended March 31, 2016.

On February 23, 2016, we closed on proceeds of $0.6 million in a private placement of shares and warrants to Opus Point Healthcare Fund GP, LLC, a fund managed by OPPM, a related party. The financing involved the sale of units, each consisting of 10,000 shares of common stock and a warrant exercisable for 3,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $45,000 per unit. The warrants have a five-year term and are only exercisable for cash. Due to the absence of a placement agent in this transaction, the net proceeds to, and warrants issued by, us were consistent with terms of the December 2015 third-party financing which included the payment of fees and issuance of warrants to a placement agent.

In connection with the license agreement with Jubilant, we entered into a Sublicense Agreement with TGTX to develop and commercialize the Jubilant family of patents covering compounds that inhibit BRD4, a member of the BET domain for cancer treatment in the field of hematological malignancies. We retain the right to develop and commercialize the BET inhibitors in solid tumors. Under the terms of the Sublicense Agreement, TGTX will pay us $1.0 million, representing a reimbursement for their share of the licensing fee, and we are eligible to receive up to an aggregate of approximately $177.0 million upon TGTX's successful achievement of certain preclinical, clinical development, and regulatory milestones, including commercial milestones. In addition, we are eligible to receive royalty payments based on a mid-single digit percentage of net sales by TGTX.

Fortress Financing Arrangements Affecting our Company

On February 27, 2015, Fortress executed a Note Purchase Agreement (the "Fortress Note Purchase Agreement") with NSC Biotech Venture Fund I LLC ("Investor") and issued the NSC Note in favor of the Investor. In connection with the Founders Agreement, we assumed $2,791,831 under the NSC Note and issued 139,592 warrants to purchase our common stock, which was equal to twenty-five percent (25%) of the amount of NSC Note proceeds we received from Fortress divided by the lowest price at which we next sold common stock. In February 2016, we paid NSC $2,811,412, representing repayment of the assumed NSC Note principal and accrued interest as of the date of payment.

Further, until June 18, 2017, upon any proposed issuance by us of capital stock or debt, including common stock or similar forms of capital stock, as well as securities that may be convertible into or exercisable or exchangeable for such capital stock (including convertible and non-convertible debt), in a private financing, other than equity or convertible debt securities, units or other combinations or securities that include equity or convertible debt securities issued in connection with a strategic partnership, acquisition of another company or a merger and/or acquisition of substantially all of our or Fortress's assets (a "Subsequent Financing"), NSC shall have the right, but not the obligation, to participate for twenty percent (20%) of the Subsequent Fortress Financing on the same terms, conditions and price provided for in the Subsequent Financing. We must provide NSC reasonable written notice of our intention to affect a Subsequent Financing which must include the terms and conditions of such Subsequent Financing. NSC then has five (5) business days to respond to our written notice with NSC's election to participate in the Subsequent Financing.

Director Independence

Though not a listed company, we intend to adhere to the corporate governance standards adopted by NASDAQ. NASDAQ rules require our Board to make an affirmative determination as to the independence of each director. Consistent with these rules, our Board conducted its annual review of director independence. During the review, our Board considered relationships and transactions since incorporation between each director or any member of his immediate family, on the one hand, and us and our subsidiaries and affiliates, on the other hand. The purpose of this review was to determine whether any such relationships or transactions were inconsistent with a determination that the director is independent. Based on this review, our Board determined that of the current members of our Board, three directors, Neil Herskowitz, Barry Salzman and Scott Boilen are independent directors under the criteria established by NASDAQ and by our Board.

Our board of directors has a chairman, Michael S. Weiss, who has authority, among other things, to call and preside over board meetings, to set meeting agendas and to determine materials to be distributed to the board of directors. Accordingly, the chairman has substantial ability to shape the work of the board of directors.

Item 8. Legal Proceedings.

We are not involved in any litigation that we believe could have a material adverse effect on our financial position or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of our executive officers, threatened against or affecting our company or our officers or directors in their capacities as such.

Item 9. Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters.

Market information

There is no established public trading market in our common stock. Our securities are not listed for trading on any national securities exchange nor are bid or asked quotations reported in any over-the-counter quotation service.

Equity Compensation Plans

We expect that in the future we will file a registration statement on Form S-8 under the Securities Act registering the common stock issued, issuable or reserved for issuance under our 2015 Plan. That registration statement will become effective immediately upon filing, and shares covered by that registration statement will thereupon be eligible for sale in the public markets, subject to grant of the underlying awards, vesting provisions and Rule 144 limitations applicable to our affiliates.

Holders

As of March 31, 2016, there were approximately 16.9 million shares of common stock outstanding held by 566 record stockholders and 7.0 million shares of Class A common stock outstanding held by one record stockholder.

Dividends

We have never paid cash dividends on any of our capital stock and currently intend to retain our future earnings, if any, to fund the development and growth of our business.

Stock Not Registered Under the Securities Act; Rule 144 Eligibility

Our common stock has not been registered under the Securities Act. Accordingly, the shares of common stock issued and outstanding may not be resold absent registration under the Securities Act and applicable state securities laws or an available exemption thereunder.

Rule 144

Shares of our common stock that are restricted securities will be eligible for resale in compliance with Rule 144 ("Rule 144") or Rule 701 ("Rule 701") of the Securities Act, subject to the requirements described below. "Restricted Securities," as defined under Rule 144, were issued and sold by us in reliance on exemptions from the registration requirements of the Securities Act. These shares may be sold in the public market only if registered or if they qualify for an exemption from registration, such as Rule 144 or Rule 701. Below is a summary of the requirements for sales of our common stock pursuant to Rule 144, as in effect on the date of this Form 10, after the effectiveness of this Form 10.

Affiliates

Affiliates will be able to sell their shares under Rule 144 beginning 90 days after the effectiveness of this Form 10, subject to all other requirements of Rule 144. In general, under Rule 144, an affiliate would be entitled to sell within any three-month period a number of shares that does not exceed one percent of the number of shares of our common stock then outstanding. Sales under Rule 144 are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Persons who may be deemed to be our affiliates generally include individuals or entities that control, or are controlled by, or are under common control with, us and may include our directors and officers, as well as our significant stockholders.

Non-Affiliates

For a person who has not been deemed to have been one of our affiliates at any time during the 90 days preceding a sale, sales of our shares of common stock held longer than six months, but less than one year, will be subject only to the current public information requirement and can be sold under Rule 144 beginning 90 days after the effectiveness of this Form 10. A person who is not deemed to have been one of our affiliates at any time during the 90 days preceding a sale, and who has beneficially owned the shares proposed to be sold for at least one year, is entitled to sell the shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144 upon the effectiveness of this Form 10.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this Form 10, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Most of our employees, executive officers, directors or consultants who purchased shares under a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the effective date of this Form 10 before selling their shares under Rule 701.

Securities Authorized for Issuance under Equity Compensation Plans

Subject to adjustment as provided in the 2015 Plan, the aggregate number of shares of our common stock reserved and available for issuance pursuant to awards granted under the 2015 Plan is 2,000,000.

Item 10. Recent Sales of Unregistered Securities.

In December 2015, we closed on gross proceeds of $57.8 million, before commissions and expenses, in a series of private placement financings. Net proceeds from this offering were approximately $51.5 million. The financing involved the sale of units, each consisting of 10,000 shares of common stock and a warrant exercisable for 2,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $50,000 per unit. The warrants have a five-year term and are only exercisable for cash.

In February 2016, we closed on proceeds of $0.6 million in a private placement of shares and warrants to Opus Point Healthcare Fund GP, LLC, a related party. The financing involved the sale of units, each consisting of 10,000 shares of common stock and a warrant exercisable for 3,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $45,000 per unit. The warrants have a five-year term and are only exercisable for cash. Due to the absence of a placement agent in this transaction, the net proceeds to, and warrants issued by, us were consistent with terms of the December 2015 third-party financing, noted above, which included the payment of fees and issuance of warrants to a placement agent.

We expect to use the net proceeds from the above transactions primarily for general corporate purposes, which may include financing our growth, developing new or existing product candidates, and funding capital expenditures, acquisitions and investments. We currently anticipate that our cash balances at March 31, 2016, are sufficient to fund our anticipated operating cash requirements for approximately the next 24 months.

All of the above transactions were conducted pursuant to the exemption provided by Regulation D under the Securities Act.

Item 11. Description of Registrant's Securities to be Registered.

The following description summarizes the material terms of Checkpoint capital stock as of the date of this registration statement. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description of our capital stock, you should refer to our certificate of incorporation, our bylaws and to the provisions of applicable Delaware law.

The authorized capital stock of Checkpoint consists of 50,000,000 shares of common stock, of which 7,000,000 shares have been designated as Class A common stock. Only our 43,000,000 shares of common stock are being registered hereby. The description of our Class A Common Stock in this item is for information purposes only. All of the Class A common stock has been issued to Fortress. Class A common stock is identical to common stock other than as to voting rights, the election of directors for a definite period, and conversion rights. On any matter presented to our stockholders for their action or consideration at any meeting of our stockholders (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Class A common stock will be entitled to cast for each share of Class A common stock held by such holder as of the record date for determining stockholders entitled to vote on such matter, the number of votes that is equal to one and one-tenth (1.1) times a fraction, the numerator of which is the sum of the shares of outstanding common stock and the denominator of which is the number of shares of outstanding Class A common stock. Thus, the Class A common stock will at all times constitute a voting majority. For a period of ten (10) years from the date of the first issuance of shares of Class A common stock (the "Class A Director Period"), the holders of record of the shares of Class A common stock (or other capital stock or securities issued upon conversion of or in exchange for the Class A common stock), exclusively and as a separate class, will be entitled to appoint or elect the majority of the directors of Checkpoint (the "Class A Directors"). Finally, each share of Class A common stock is convertible, at the option of the holder, into one fully paid and nonassessable share of common stock (the "Conversion Ratio"), subject to certain adjustments.

If Checkpoint at any time effects a subdivision of the outstanding common stock (or other capital stock or securities at the time issuable upon conversion of the Class A common stock) by any stock split, stock dividend, recapitalization or otherwise, the applicable Conversion Ratio in effect immediately before that subdivision will be proportionately decreased so that the number of shares of common stock (or other capital stock or securities at the time issuable upon conversion of the Class A common stock) issuable on conversion of each share of Class A common stock will be increased in proportion to such increase in the aggregate number of shares of common stock (or other capital stock or securities at the time issuable upon conversion of the Class A common stock) outstanding. If Checkpoint at any time combines the outstanding shares of common stock, the applicable Conversion Ratio in effect immediately before the combination will be proportionately increased so that the number of shares of common stock (or other capital stock or securities at the time issuable upon conversion of the Class A common stock) issuable on conversion of each share of Class A common stock will be decreased in proportion to such decrease in the aggregate number of shares of common stock (or other capital stock or securities at the time issuable upon conversion of the Class A common stock) outstanding. Additionally, if any reorganization, recapitalization, reclassification, consolidation or merger involving Checkpoint occurs in which the common stock (but not the Class A common stock) is converted into or exchanged for securities, cash or other property (other than a transaction involving the subdivision or combination of the common stock), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Class A common stock becomes convertible into the kind and amount of securities, cash or other property which such Class A Stockholder would have been entitled to receive had he or she converted the Class A Shares immediately before said transaction. In such case, appropriate adjustment (as determined in good faith by the Board of Directors of Checkpoint) will be made in the application of the provisions of Checkpoint's Amended and Restated Certificate of Incorporation relating the subdivision or combination of the common stock with respect to the rights and interests thereafter of the holders of the Class A common stock, such that the provisions set forth in of Checkpoint's Amended and Restated Certificate of Incorporation relating to the subdivision or combination of the common stock (including the provisions with respect to changes in and other adjustments of the applicable Conversion Ratio) will thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Class A common stock. Checkpoint is not authorized to issue preferred stock.

Other features of our common stock include:

- *Dividend Rights*. The holders of outstanding shares of our common stock, including Class A common stock, are entitled to receive dividends out of funds legally available at the times and in the amounts that our board of directors may determine. All dividends are non-cumulative.

- *Voting Rights*. The holders of our common stock are entitled to one vote for each share of common stock held on all matters submitted to a vote of the stockholders, including the election of directors, except as to the Class A Directors during the Class A Director Period. Our certificate of incorporation and bylaws do not provide for cumulative voting rights.

- *No Preemptive or Similar Rights.* The holders of our common stock have no preemptive, conversion, or subscription rights, and there are no redemption or sinking fund provisions applicable to our common stock.

- *Right to Receive Liquidation Distributions.* Upon our liquidation, dissolution, or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock, including Class A common stock, outstanding at that time after payment of other claims of creditors, if any.

— *Fully Paid and Non-Assessable.* All of the outstanding shares of our common stock, including Class A common stock, are, and the shares of our common stock to be issued pursuant to this offering will be, duly issued, fully paid and non-assessable.

Item 12. Indemnification of Directors and Officers.

We have adopted provisions in our certificate of incorporation that limit the liability of our directors for monetary damages for breach of their fiduciary duties, except for liability that cannot be eliminated under the Delaware General Corporation Law ("DGCL"). Delaware law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except liability for any of the following:

- any breach of their duty of loyalty to the corporation or the stockholder;
- acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the DGCL; or
- any transaction from which the director derived an improper personal benefit.

This limitation of liability does not apply to liabilities arising under the federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our certificate of incorporation and our bylaws also provide that we will indemnify our directors and executive officers and may indemnify our other officers and employees and other agents to the fullest extent permitted by law. We believe that indemnification under our bylaws covers at least negligence and gross negligence on the part of indemnified parties. Our bylaws also permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in this capacity, regardless of whether our bylaws would permit indemnification. We have secured such insurance.

We have entered into separate indemnification agreements with our directors and executive officers, in addition to indemnification provided for in our charter documents. These agreements, among other things, provide for indemnification of our directors and executive officers for expenses, judgments, fines and settlement amounts incurred by each of these persons in any action or proceeding arising out of his or her services as a director or executive officer or at our request. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and executive officers.

Item 13. Financial Statements and Supplementary Data.

The information required by this item may be found beginning on page F-1 of this Form 10.

Item 14. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

We engaged EisnerAmper LLP to audit our initial financial statements on August 17, 2015. There have been no changes since or any disagreements with EisnerAmper regarding any accounting or financial disclosure matter.

Item 15. Financial Statements and Exhibits

(a) Financial Statements.

The following financial statements are filed as part of this registration statement:

(b) Exhibits.

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of Checkpoint Therapeutics, Inc.
3.2	Certificate of Amendment to Certificate of Incorporation of Checkpoint Therapeutics, Inc.
3.3	Bylaws of Checkpoint Therapeutics, Inc.
4.1	Specimen certificate evidencing shares of common stock.
4.2	Form of warrant agreement.
10.1	Founders Agreement between Fortress Biotech, Inc. and Checkpoint Therapeutics, Inc. dated March 17, 2015.
10.2	Amended and Restated Founders Agreement between Fortress Biotech, Inc. and Checkpoint Therapeutics, Inc. dated July 11, 2016 and effective as of March 17, 2015.
10.3	Management Services Agreement between Fortress Biotech, Inc. and Checkpoint Therapeutics, Inc. dated March 17, 2015.
10.4	Promissory Note to NSC Biotech Venture Fund I, LLC dated February 27, 2015.
10.5	Common Stock Warrant issued by Checkpoint Therapeutics, Inc. to NSC Biotech Venture Fund I, LLC dated July 30, 2015.
10.6	License Agreement by and between Checkpoint Therapeutics, Inc. and Dana-Farber Cancer Institute, Inc. dated March 2, 2015.*
10.7	Amendment 1 to License Agreement by and between Checkpoint Therapeutics, Inc. and Dana-Farber Cancer Institute dated October 5, 2015.*
10.8	License Agreement by and between NeuPharma Inc. and Coronado Biosciences, Inc. (Fortress' predecessor) dated March 17, 2015 (assigned to Checkpoint Therapeutics, Inc. under the Founders Agreement).*
10.9	Collaboration Agreement by and between Checkpoint Therapeutics, Inc. and TG Therapeutics, Inc. dated March 3, 2015.*
10.10	Checkpoint Therapeutics, Inc. Amended and Restated 2015 Incentive Plan.
10.11	Executive Employment Agreement by and between James F. Oliviero III and Checkpoint Therapeutics, Inc. dated October 13, 2015.
10.12	License Agreement by and between Cephalon, Inc. and Fortress Biotech, Inc. dated December 18, 2015 (assigned to Checkpoint Therapeutics, Inc. under the Founders Agreement).*
10.13	Non-Employee Directors Compensation Plan
10.14	Option Agreement by and between Fortress Biotech, Inc. and TG Therapeutics, Inc., dated March 17, 2015 (assigned to Checkpoint, Inc. under the Founders Agreement); extended as of September 11, 2015; extended as of December 15, 2015; extended as of January 11, 2016; extended as of July 8, 2016.*
10.15	Research Agreement by and between Fortress Biotech, Inc. and NeuPharma, Inc., dated September 15, 2015 (assigned to Checkpoint, Inc. under the Assignment and Assumption Agreement by and between Fortress Biotech, Inc. and Checkpoint Therapeutics, Inc. dated September 15, 2015).
10.16	Assignment and Assumption Agreement by and between Fortress Biotech, Inc. and Checkpoint Therapeutics, Inc. dated September 15, 2015.
10.17	Assignment and Assumption Agreement by and between Fortress Biotech, Inc. and Checkpoint Therapeutics, Inc. dated December 18, 2015.
10.18	License Agreement by and between Jubilant Biosys Limited and Checkpoint Therapeutics, Inc., dated May 26, 2016.*
10.19	Sublicense Agreement by and between TG Therapeutics, Inc. and Checkpoint Therapeutics, Inc., dated May 26, 2016.*

* Subject to a request for confidential treatment.

INDEX TO FINANCIAL STATEMENTS

Checkpoint Therapeutics, Inc.
Condensed Balance Sheets
(in thousands, except share and per share amounts)

	March 31, 2016 (As Restated) (Unaudited)	December 31, 2015 (As Restated)
ASSETS		
Current Assets:		
Cash	$ 45,969	$ 50,418
Prepaid expenses	4	171
Other receivables	82	65
Total current assets	46,055	50,654
Total Assets	**$ 46,055**	**$ 50,654**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,402	$ 1,288
Accrued expenses - related party	190	502
Total current liabilities	1,592	1,790
Note payable, long-term (net of debt discount of $0 and $324 at March 31, 2016 and December 31, 2015, respectively)	-	2,468
Total Liabilities	**1,592**	**4,258**
Commitments and Contingencies		
Stockholders' Equity		
Common Stock ($0.0001 par value), 50,000,000 shares authorized		
Class A common shares, 7,000,000 shares issued and outstanding as of March 31, 2016 and December 31, 2015, respectively	1	1
Common shares, 16,907,876 shares and 15,989,315 shares issued and outstanding as of March 31, 2016 and December 31, 2015, respectively	2	1
Common shares issuable, 0 and 688,755 shares as of March 31, 2016 and December 31, 2015, respectively	-	3,024
Additional paid-in capital	61,957	57,262
Accumulated deficit	(17,497)	(13,892)
Total Stockholders' Equity	44,463	46,396
Total Liabilities and Stockholders' Equity	**$ 46,055**	**$ 50,654**

The accompanying notes are an integral part of these financial statements.

Checkpoint Therapeutics, Inc.
Condensed Statements of Operations
(in thousands, except share and per share amounts)
(Unaudited)

	For the Three Months Ended March 31,	
	2016	**2015**
Revenue - related party	$ 277	$ 500
Operating expenses:		
Research and development	2,365	2,035
General and administrative	1,184	82
Total operating expenses	3,549	2,117
Loss from operations	(3,272)	(1,617)
Interest expense and amortization of debt discount	333	-
Net Loss	**$ (3,605)**	**$ (1,617)**
Loss per Share:		
Net loss per common share outstanding, basic and diluted	$ (0.17)	$ (0.20)
Weighted average number of common shares outstanding, basic and diluted	20,775,130	8,000,000

The accompanying notes are an integral part of these financial statements.

Checkpoint Therapeutics, Inc.
Condensed Statement of Stockholders' Equity
(in thousands, except share amounts)
(Unaudited)
(As restated)

	Class A Common Shares		Common Shares		Common Shares Issuable	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balances at December 31, 2015 (As restated)	**7,000,000**	**$ 1**	**15,989,315**	**$ 1**	$ 3,024	**$ 57,262**	**$ (13,892)**	**$ 46,396**
Issuance of common shares for cash	-	-	126,640	-	-	570	-	570
Stock-based compensation expenses	-	-	100,000	-	-	1,088	-	1,088
Issuance of common shares - Founders Agreement (see Note 5) (as restated)	-	-	691,921	1	(3,024)	3,037	-	14
Net loss	-	-	-	-	-	-	(3,605)	(3,605)
Balances at March 31, 2016 (As restated)	**7,000,000**	**$ 1**	**16,907,876**	**$ 2**	**$ -**	**$ 61,957**	**$ (17,497)**	**$ 44,463**

The accompanying notes are an integral part of these financial statements.

Checkpoint Therapeutics, Inc.
Condensed Statements of Cash Flows
(Dollars in thousands)
(Unaudited)

	For the Three Months Ended March 31,	
	2016	**2015**
Cash flows from operating activities:		
Net loss	$ (3,605)	$ (1,617)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation expenses	1,088	-
Issuance of common shares - Founders Agreement	14	-
Issuance of restricted stock and warrants for services	-	3
Amortization of debt discount	324	-
Research and development-licenses acquired, expensed	-	2,000
Changes in operating assets and liabilities:		
Prepaid expenses	167	-
Other receivables	(17)	-
Accounts payable and accrued expenses	(198)	1,664
Net cash (used in) provided by operating activities	(2,227)	2,050
Cash Flows from Investing Activities:		
Purchase of research and development licenses	-	(2,000)
Net cash used in investing activities	-	(2,000)
Cash flows from financing activities:		
Payment of NSC debt	(2,792)	-
Proceeds from issuance of common stock	570	-
Net cash used in financing activities	(2,222)	-
Net change in cash	(4,449)	50
Cash, beginning of period	50,418	-
Cash, end of period	**$ 45,969**	**$ 50**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 20	$ -

The accompanying notes are an integral part of these financial statements.

Note 1 — Organization and Description of Business Operations

Checkpoint Therapeutics, Inc. (the "Company" or "Checkpoint") was incorporated in Delaware on November 10, 2014, as a wholly owned subsidiary of Fortress Biotech, Inc. ("Fortress" or "Parent") and commenced its principal operations in March 2015. Checkpoint is an immuno-oncology biopharmaceutical company focused on the acquisition, development and commercialization of novel, non-chemotherapy, immune-enhanced combination treatments for patients with solid tumor cancers. The Company may acquire rights to these technologies by licensing the rights or otherwise acquiring an ownership interest in the technologies, funding their research and development and eventually either out-licensing or bringing the technologies to market.

Liquidity and Capital Resources

The Company has incurred substantial operating losses since its inception, and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of March 31, 2016, the Company had an accumulated deficit of $17.5 million.

On February 23, 2016, the Company closed on proceeds of $0.6 million in a private placement of shares and warrants to Opus Point Healthcare Fund GP, LLC, a fund managed by Opus Point Partners Management, LLC, a related party. The financing involved the sale of units, each consisting of 10,000 shares of common stock and a warrant exercisable for 3,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $45,000 per unit. The warrants have a five-year term and are only exercisable for cash. Due to the absence of a placement agent in this transaction, the net proceeds to, and warrants issued by, the Company were consistent with terms of the December 2015 third-party financing, which included the payment of fees and issuance of warrants to a placement agent.

The Company expects to use the net proceeds from the above transaction primarily for general corporate purposes, which may include financing the Company's growth, developing new or existing product candidates, and funding capital expenditures, acquisitions and investments. The Company currently anticipates that its cash balances at March 31, 2016, are sufficient to fund its anticipated operating cash requirements for approximately the next 24 months.

Note 2 — Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying unaudited interim condensed financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the unaudited interim condensed financial statements reflect all adjustments, which include only normal recurring adjustments necessary for the fair statement of the balances and results for the periods presented. Certain information and footnote disclosures normally included in the Company's annual financial statements prepared in accordance with GAAP have been condensed or omitted. These condensed financial statement results are not necessarily indicative of results to be expected for the full fiscal year or any future period.

The unaudited condensed financial statements and related disclosures have been prepared with the presumption that users of the unaudited condensed financial statements have read or have access to the audited financial statements for the preceding fiscal year. Accordingly, these unaudited condensed financial statements should be read in conjunction with the Company's audited financial statements for the preceding fiscal year, from which the Company derived the balance sheet data at December 31, 2015.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents at March 31, 2016 and December 31, 2015.

Research and Development Costs

Research and development costs are expensed as incurred. Advance payments for goods and services that will be used in future research and development activities are expensed when the activity has been performed or when the goods have been received rather than when the payment is made. Upfront and milestone payments due to third parties that perform research and development services on the Company's behalf will be expensed as services are rendered or when the milestone is achieved.

Research and development costs primarily consist of personnel related expenses, including salaries, benefits, travel, and other related expenses, stock-based compensation, payments made to third parties for license and milestone costs related to in-licensed products and technology, payments made to third party contract research organizations for preclinical and clinical studies, investigative sites for clinical trials, consultants, the cost of acquiring and manufacturing clinical trial materials, costs associated with regulatory filings, laboratory costs and other supplies.

In accordance with Accounting Standards Codification ("ASC") 730-10-25-1,*Research and Development*, costs incurred in obtaining technology licenses are charged to research and development expense if the technology licensed has not reached commercial feasibility and has no alternative future use. Such licenses purchased by the Company require substantial completion of research and development, regulatory and marketing approval efforts in order to reach commercial feasibility and has no alternative future use.

Annual Equity Fee

Under the Founder's Agreement with Checkpoint dated March 17, 2015, Fortress is entitled to an annual fee on each anniversary of the Agreement equal to 2.5% of fully diluted outstanding equity, payable in Checkpoint common shares ("Annual Equity Fee"). The Annual Equity Fee was part of the consideration payable for formation of the Company, identification of certain assets, including the license contributed to Checkpoint by Fortress.

The Company recorded the Annual Equity Fee in connection with the Founders Agreement with Fortress as contingent consideration. Contingent consideration is recorded when probable and reasonably estimable. The Company's future share prices and shares outstanding cannot be estimated prior to the issuance of the Annual Equity Fee due to the nature of its assets and the Company's stage of development. Due to these uncertainties, the Company concluded that it could not reasonably estimate the contingent consideration until shares were actually issued on March 17, 2016. Because the issuance of shares on March 17, 2016 occurred prior to the issuance of the December 31, 2015 financial statements, the Company recorded $3.0 million in research and development expense and a credit to Common shares issuable - Founders Agreement during the year ended December 31, 2015.

Stock-Based Compensation Expenses

The Company expenses stock-based compensation to employees over the requisite service period based on the estimated grant-date fair value of the awards and forfeiture rates. For stock-based compensation awards to non-employees, the Company re-measures the fair value of the non-employee awards at each reporting period prior to vesting and finally at the vesting date of the award. Changes in the estimated fair value of these non-employee awards are recognized as stock-based compensation expense in the period of change.

Fair Value Measurement

The Company follows the accounting guidance in ASC 820 for its fair value measurements of financial assets and liabilities measured at fair value on a recurring basis. Under this accounting guidance, fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability.

The accounting guidance requires fair value measurements be classified and disclosed in one of the following three categories:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, for similar assets or liabilities that are directly or indirectly observable in the marketplace.

Level 3: Unobservable inputs which are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Revenue Recognition

Reimbursement Arrangements and Collaborative Arrangements

The Company is reimbursed by TG Therapeutics, Inc. ("TGTX"), a related party, for their share of the cost of the license and future milestone payments that are payable to Dana-Farber Cancer Institute pursuant to the license agreement (see Note 4). The Company is also reimbursed by TGTX for the Sponsored Research Agreement between the Company and NeuPharma (see Note 4). The gross amount of these reimbursed costs are reported as revenue in the accompanying Statements of Operations. The Company acts as a principal, bears credit risk and may perform part of the services required in the transactions. Consistent with ASC 605-45-15 these reimbursements are treated as revenue to the Company. The actual expenses creating the reimbursements are reflected as research and development expenses.

The Company recognizes revenue for the performance of services or the shipment of products when each of the following four criteria is met: (i) persuasive evidence of an arrangement exists; (ii) products are delivered or as services are rendered; (iii) the sales price is fixed or determinable; and (iv) collectability is reasonably assured.

The Company follows ASC 605-25, *Revenue Recognition - Multiple-Element Arrangements* and ASC 808, *Collaborative Arrangements*, if applicable, to determine the recognition of revenue under our collaborative research, development and commercialization agreements. The terms of these agreements generally contain multiple elements, or deliverables, which may include (i) grants of licenses, or options to obtain licenses, to our intellectual property, (ii) research and development services, (iii) drug product manufacturing, and/or (iv) participation on joint research and/or joint development committees. The payments we may receive under these arrangements typically include one or more of the following: non-refundable, up-front license fees; option exercise fees; funding of research and/or development efforts; amounts due upon the achievement of specified objectives; and/or royalties on future product sales.

ASC 605-25 provides guidance relating to the separability of deliverables included in an arrangement into different units of accounting and the allocation of arrangement consideration to the units of accounting. The evaluation of multiple-element arrangements requires management to make judgments about (i) the identification of deliverables, (ii) whether such deliverables are separable from the other aspects of the contractual relationship, (iii) the estimated selling price of each deliverable, and (iv) the expected period of performance for each deliverable.

To determine the units of accounting under a multiple-element arrangement, management evaluates certain separation criteria, including whether the deliverables have stand-alone value, based on the relevant facts and circumstances for each arrangement. Management then estimates the selling price for each unit of accounting and allocates the arrangement consideration to each unit utilizing the relative selling price method. The allocated consideration for each unit of accounting is recognized over the related obligation period in accordance with the applicable revenue recognition criteria.

If there are deliverables in an arrangement that are not separable from other aspects of the contractual relationship, they are treated as a combined unit of accounting, with the allocated revenue for the combined unit recognized in a manner consistent with the revenue recognition applicable to the final deliverable in the combined unit. Payments received prior to satisfying the relevant revenue recognition criteria are recorded as deferred revenue in the Balance Sheet and recognized as revenue in the Statements of Operations when the related revenue recognition criteria are met. See Note 4 for a description of the collaborative arrangement.

Income Taxes

For purposes of these financial statements, the Company's income tax expense and deferred tax balances have been recorded as if it filed tax returns on a stand-alone basis separate from Fortress.

Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities measured at the enacted tax rates in effect for the year in which these items are expected to reverse. Deferred tax assets are reduced by valuation allowances if, based on the consideration of all available evidence, it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Net Loss per Share

Net loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Since dividends are declared, paid and set aside among the holders of shares of common stock and Class A common stock pro-rata on an as-if-converted basis, the two-class method of computing net loss per share is not required. Diluted net loss per share does not reflect the effect of shares of common stock to be issued upon the exercise of warrants, as their inclusion would be anti-dilutive. There are 2,225,000 shares of unvested restricted stock and 4,331,106 warrants outstanding as of March 31, 2016, which are not included in the computation of net loss per share.

Recently Issued Accounting Standards

In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-09, *Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting* ("ASU 2016-09"). The amendment is to simplify several aspects of the accounting for share-based payment transactions including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. For public entities, the amendments in ASU 2016-09 are effective for interim and annual reporting periods beginning after December 15, 2016. The Company is currently assessing the impact of ASU 2016-09 on its condensed financial statements and related disclosures.

In March 2016, the FASB issued ASU No. 2016-08, "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations" ("ASU 2016-08"). The purpose of ASU 2016-08 is to clarify the implementation of guidance on principal versus agent considerations. The amendments in ASU 2016-08 are effective for interim and annual reporting periods beginning after December 15, 2017. The Company is currently assessing the impact of ASU 2016-08 on the condensed financial statements and related disclosures.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* which supersedes FASB ASC Topic 840, *Leases (Topic 840)* and provides principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than twelve months regardless of classification. Leases with a term of twelve months or less will be accounted for similar to existing guidance for operating leases. The standard is effective for annual and interim periods beginning after December 15, 2018, with early adoption permitted upon issuance. The Company is currently evaluating the method of adoption and the impact of adopting ASU 2016-02 on our financial statements. When adopted, the Company does not expect this guidance to have a material impact on our condensed financial statements.

Note 3 – Restatement of Previously Issued Financial Statements

Under the Founder's Agreement with Checkpoint dated March 17, 2015, Fortress is entitled to an Annual Equity. The Annual Equity Fee was part of the consideration payable for formation of the Company, identification of certain assets, including the license contributed to Checkpoint by Fortress.

On June 16, 2016, management concluded it had incorrectly recorded the Annual Equity Fee as a dividend to Fortress rather than contingent consideration as part of the transfer of the license contributed to the Company by Fortress. The Company inadvertently believed that the Annual Equity Fee was not a payment for the license but rather was akin to a dividend.

The impact of the change increased accumulated deficit and additional paid in capital by approximately $3.0 million as of March 31, 2016.

The restated Condensed Balance Sheet as of March 31, 2016 is presented below:

Checkpoint Therapeutics, Inc.
Condensed Balance Sheets
(in thousands, except share and per share amounts)
(Unaudited)

	As Previously Reported on Form 10 (Unaudited)	Adjustment	As Restated (Unaudited)
ASSETS			
Current Assets:			
Cash	$ 45,969	$ -	$ 45,969
Prepaid expenses	4	-	4
Other receivables	82	-	82
Total current assets	46,055	-	46,055
Total Assets	**$ 46,055**	**$ -**	**$ 46,055**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
Accounts payable and accrued expenses	$ 1,402	$ -	$ 1,402
Accrued expenses - related party	190	-	190
Total current liabilities	1,592	-	1,592
Note payable, long-term (net of debt discount of $324)	-	-	-
Total Liabilities	**1,592**	**-**	**1,592**
Commitments and Contingencies			
Stockholders' Equity			
Common Stock ($0.0001 par value), 50,000,000 shares authorized			
Class A common shares, 7,000,000 shares issued and outstanding as of March 31, 2016 and December 31, 2015, respectively	1	-	1
Common shares, 16,907,876 shares and 15,989,315 shares issued and outstanding as of March 31, 2016 and December 31, 2015, respectively	2	-	2
Common shares issuable, 0 and 688,755 shares as of March 31, 2016 and December 31, 2015, respectively	-	-	-
Additional paid-in capital	58,933	3,024	61,957
Accumulated deficit	(14,473)	(3,024)	(17,497)
Total Stockholders' Equity	44,463	-	44,463
Total Liabilities and Stockholders' Equity	**$ 46,055**	**$ -**	**$ 46,055**

Note 4 – License Agreements

Dana-Farber Cancer Institute

In March 2015, the Company entered into an exclusive license agreement with Dana-Farber to develop a portfolio of fully human immuno-oncology targeted antibodies. Under the terms of the agreement, the Company paid Dana-Farber an up-front licensing fee of $1.0 million in 2015 and, on May 11, 2015, granted Dana-Farber 500,000 shares, valued at $32,500 or $0.065 per share. Dana-Farber is eligible to receive payments of up to an aggregate of approximately $21.5 million for each licensed product upon the Company's successful achievement of certain clinical development, regulatory and first commercial sale milestones. In addition, Dana-Farber is eligible to receive up to an aggregate of $60.0 million upon the Company's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered low to mid-single digit percentage of net sales. Following the second anniversary of the effective date of the license agreement, Dana-Farber will receive an annual license maintenance fee, which is creditable against milestone payments or royalties due Dana-Farber. The portfolio of antibodies licensed from Dana-Farber include antibodies targeting PD-L1, GITR and CAIX.

In connection with the license agreement with Dana-Farber, the Company entered into a collaboration agreement with TGTX, a related party, to develop and commercialize the Anti-PD-L1 and Anti-GITR antibody research programs in the field of hematological malignancies, while the Company retains the right to develop and commercialize these antibodies in the field of solid tumors. Michael Weiss, Executive Chairman of the Board of Directors of Checkpoint and Fortress' Executive Vice Chairman, Strategic Development, is also the Executive Chairman, Interim President and Chief Executive Officer and a stockholder of TGTX. Under the terms of the Global Collaboration Agreement, TGTX paid the Company $0.5 million, representing a reimbursement for their share of the licensing fee, and the Company is eligible to receive up to an aggregate of approximately $21.5 million for each product upon TGTX's successful achievement of certain clinical development, regulatory and first commercial sale milestones. In addition, the Company is eligible to receive up to an aggregate of $60.0 million upon TGTX's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered high single digit percentage of net sales. Following the second anniversary of the effective date of the agreement, the Company will receive an annual license maintenance fee, which is creditable against milestone payments or royalties due to the Company. For the three months ended March 31, 2016, the Company recognized $17,000 in revenue related to the reimbursement of patent fees in connection with this collaboration agreement with TGTX in the Condensed Statements of Operations.

NeuPharma, Inc.

In March 2015, Fortress entered into an exclusive license agreement with NeuPharma to develop and commercialize novel irreversible, 3rd generation EGFR inhibitors, including CK-101, on a worldwide basis other than certain Asian countries. On the same date, Fortress and the Company entered into a Founders Agreement pursuant to which Fortress assigned all of its right and interest in the EGFR inhibitors to the Company in exchange for certain consideration (see Note 5). Under the terms of the agreement, the Company paid NeuPharma an up-front licensing fee of $1.0 million in 2015, and NeuPharma is eligible to receive payments of up to an aggregate of approximately $40.0 million per licensed product upon the Company's successful achievement of certain clinical development and regulatory milestones in up to three indications, of which $22.5 million are due upon various regulatory approvals to commercialize the products. In addition, NeuPharma is eligible to receive payments of up to an aggregate of $40.0 million upon the Company's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered mid to high-single digit percentage of net sales.

In connection with the license agreement with NeuPharma, in March 2015 the Company entered into an option agreement with TGTX, a related party, for a global collaboration with the future development of the certain compounds licensed. The option was extended on July 8, 2016 for an additional 176 days, to December 31, 2016.

Also in connection with the license agreement with Neupharma, the Company entered into a Sponsored Research Agreement with NeuPharma for certain research and development activities. Effective January 11, 2016, TGTX, a related party, agreed to assume all costs associated with this Sponsored Research Agreement and reimbursed the Company for all amounts paid previously by the Company. For the three months ended March 31, 2016, the Company recognized $260,000 in revenue in connection with the reimbursement of costs related to the Sponsored Research Agreement in the Condensed Statements of Operations.

Teva Pharmaceutical Industries Ltd. (through its subsidiary, Cephalon, Inc.)

In December 2015, Fortress entered into a license agreement with Teva Pharmaceutical Industries Ltd. through its subsidiary, Cephalon, Inc. ("Cephalon"), which agreement was assigned to the Company by Fortress on the same date pursuant to the Founders Agreement (see Note 5). Under the terms of the license agreement, Checkpoint obtained an exclusive, worldwide license to Cephalon's patents relating to CEP-8983 and its small molecule prodrug, CEP-9722, a PARP inhibitor, which the Company now refers to as CK-102. The Company paid Cephalon an up-front licensing fee of $0.5 million. Cephalon is eligible to receive milestone payments of up to an aggregate of approximately $220.0 million upon the Company's successful achievement of certain clinical development, regulatory approval and product sales milestones, of which approximately $206.5 million are due on or following regulatory approvals to commercialize the product. In addition, Cephalon is eligible to receive royalty payments based on a tiered low double digit percentage of net sales.

Jubilant Biosys Limited

In May 2016, the Company entered into a License Agreement with Jubilant Biosys Limited ("Jubilant"), whereby the Company obtained an exclusive, worldwide license to Jubilant's family of patents covering compounds that inhibit BRD4, a member of the BET domain for cancer treatment, which the Company refers to as CK-103. Under the terms of the agreement, the Company paid Jubilant an up-front licensing fee of $2.0 million, and Jubilant is eligible to receive payments up to an aggregate of approximately $89.0 million upon the Company's successful achievement of certain preclinical, clinical development, and regulatory milestones, of which $59.5 million are due upon various regulatory approvals to commercialize the products. In addition, Jubilant is eligible to receive payments up to an aggregate of $89.0 million upon the Company's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered low to mid-single digit percentage of net sales.

In connection with the license agreement with Jubilant, the Company entered into a sublicense agreement with TGTX, a related party, to develop and commercialize the compounds licensed in the field of hematological malignancies, while the Company retains the right to develop and commercialize these compounds in the field of solid tumors. Michael Weiss, Executive Chairman of the Board of Directors of Checkpoint and Fortress' Executive Vice Chairman, Strategic Development, is also the Executive Chairman, Interim President and Chief Executive Officer and a stockholder of TGTX. Under the terms of the Sublicense Agreement, TGTX will pay the Company $1.0 million, representing a reimbursement for their share of the licensing fee, and the Company is eligible to receive up to an aggregate of approximately $177.0 million upon TGTX's successful achievement of certain preclinical, clinical development, and regulatory milestones, including commercial milestones. In addition, the Company is eligible to receive royalty payments based on a mid-single digit percentage of net sales by TGTX.

Note 5 – Related Party Agreements

Founders Agreement and Management Services Agreement with Fortress

Effective March 17, 2015, the Company entered into a Founders Agreement with Fortress, which was amended and restated on July 11, 2016 (the "Founders Agreement"). The Founders Agreements provides, that in exchange for the time and capital expended in the formation of Checkpoint and the identification of specific assets the acquisition of which result in the formation of a viable emerging growth life science company, the Company assumed $2.8 million in debt that Fortress accumulated under the NSC Note for expenses and costs of forming Checkpoint, and the Company shall also: (i) issue annually to Fortress, on the anniversary date of the Founders Agreement, shares of common stock equal to 2.5% of the fully-diluted outstanding equity of Checkpoint at the time of issuance; (ii) pay an equity fee in shares of common stock, payable within five (5) business days of the closing of any equity or debt financing for Checkpoint or any of its respective subsidiaries that occurs after the effective date of the Founders Agreement and ending on the date when Fortress no longer has majority voting control in Checkpoint's voting equity, equal to 2.5% of the gross amount of any such equity or debt financing; and (iii) pay a cash fee equal to 4.5% of our annual net sales, payable on an annual basis, within ninety (90) days of the end of each calendar year. In the event of a change in control (as it is defined in the Founders Agreement), The Company will pay a one-time change in control fee equal to five (5x) times the product of (i) monthly net sales for the twelve (12) months immediately preceding the change in control and (ii) four and one-half percent (4.5%). The Founders Agreement has a term of fifteen years, after which it automatically renews for one year periods unless Fortress gives the Company notice of termination. The Founders Agreement also will automatically terminate upon a change of control.

Effective March 17, 2015, the Company entered into a Management Services Agreement (the "MSA") with Fortress. Pursuant to the terms of the MSA, for a period of five (5) years, Fortress will render advisory and consulting services to the Company. Services provided under the MSA may include, without limitation, (i) advice and assistance concerning any and all aspects of Checkpoint's operations, clinical trials, financial planning and strategic transactions and financings and (ii) conducting relations on behalf of our Company with accountants, attorneys, financial advisors and other professionals (collectively, the "Services"). The Company is obligated to utilize clinical research services, medical education, communication and marketing services and investor relations/public relation services of companies or individuals designated by Fortress, provided those services are offered at market prices. However, the Company is not obligated to take or act upon any advice rendered from Fortress and Fortress shall not be liable for any of our actions or inactions based upon their advice. Fortress and its affiliates, including all members of the Company's Board of Directors, have been contractually exempt from fiduciary duties to the Company relating to corporate opportunities. In consideration for the Services, the Company will pay Fortress an annual consulting fee of $0.5 million (the "Annual Consulting Fee"), payable in advance in equal quarterly installments on the first business day of each calendar quarter in each year, provided, however, that such Annual Consulting Fee shall be increased to $1.0 million for each calendar year in which the Company has net assets in excess of $100 million at the beginning of the calendar year. For the three months ended March 31, 2016, the Company recognized approximately $125,000 in expense in its Statements of Operations related to the MSA.

Note 6 – NSC Note

In March 2015, Fortress closed the private placement of a promissory note for $10 million through National Securities Corporation (the "NSC Note") and used the proceeds to acquire medical technologies and products. National Securities Corporation ("NSC"), a wholly owned subsidiary of National Holdings, Inc., acted as the sole placement agent for the NSC Note. The NSC Note allowed Fortress to transfer a portion of the proceeds from the NSC Note to us pursuant to which we executed an identical NSC Note in favor of NSC. Accordingly, we assumed $2.8 million under the NSC Note as part of the Founders Agreement (see Note 5) and issued NSC 139,592 warrants to purchase our common stock, which was equal to twenty-five percent (25%) of the amount of NSC Note proceeds we received from Fortress divided by the lowest price at which we next sold common stock. The warrant issued has a term of 10 years and an exercise price equal to the par value of our common stock. In February 2016, we paid NSC $2.8 million representing repayment of the assumed NSC Note principal and accrued interest as of the date of payment. Approximately $0.3 million of unamortized debt discount was accelerated into interest expense upon payment.

The NSC Note had a maturity of 36 months, provided that during the first 24 months the maturity date could be extended by six months. No principal amount was due for the first 24 months (or the first 30 months if the maturity date was extended). Thereafter, the NSC Note would have been repaid at the rate of 1/12 of the principal amount per month for a period of 12 months. Interest on the note was 8% payable quarterly during the first 24 months (or the first 30 months if the note was extended) and payable monthly during the last 12 months.

As of March 31, 2016, the Company's portion of the NSC Note was $0. For the three months ended March 31, 2016, the Company recorded costs of approximately $0.3 million related to the amortization of the debt discount and $20,000 of interest expense at 8%, both recorded in interest expense in the Condensed Statements of Operations.

The following table summarizes the Company's Amended NSC Note activities as of March 31, 2016 ($ in thousands).

	NSC Note Payable	Discount	NSC Note Payable, Net
December 31, 2015 balance	$ 2,792	$ (324)	$ 2,468
Payment of NSC debt	(2,792)	-	(2,792)
Amortization of debt discount	-	324	324
March 31, 2016 balance	$ -	$ -	$ -

Note 7 — Stockholders' Equity

Common Stock

The Company is authorized to issue 50,000,000 common shares with a par value of $0.0001 per share, of which 15,000,000 shares are designated as "Class A common stock". As of March 31, 2016, there were 7,000,000 shares of Class A common stock issued and outstanding to Fortress. Dividends are to be distributed pro-rata to the Class A and common stock holders. The holders of common stock are entitled to one vote per share of common stock held. The Class A common stock holders are entitled to a number of votes per share equal to 1.1 times a fraction the numerator of which is the sum of the shares of outstanding common stock and the denominator of which is the number of shares of Class A common stock. Accordingly, the holder of shares of Class A common stock will be able to control or significantly influence all matters requiring approval by our stockholders, including the election of directors and the approval of mergers or other business combination transactions. Each share of Class A common stock is convertible, at the option of the holder thereof, into one (1) fully paid and non-assessable share of common stock subject to adjustment for stock splits and combinations.

Offerings and Issuances of Common Stock and Warrants

On February 23, 2016, the Company closed on proceeds of $0.6 million in a private placement of shares and warrants to Opus Point Healthcare Fund GP, LLC, a fund managed by Opus Point Partners Management, LLC, a related party. The financing involved the sale of units, each consisting of 10,000 shares of common stock and a warrant exercisable for 3,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $45,000 per unit. The warrants have a five-year term and are only exercisable for cash. The Company issued 126,640 unregistered shares of common stock and 44,324 warrants in connection with this transaction. Due to the absence of a placement agent in this transaction, the net proceeds to, and warrants issued by, the Company were consistent with terms of the December 2015 third-party financing, which included the payment of fees and issuance of warrants to a placement agent.

Pursuant to the Founders Agreement, the Company issued 3,166 shares to Fortress, representing 2.5% of the aggregate number of shares of common stock issued in the offering noted above and recorded stock based compensation of $14,000 during the three months ended March 31, 2016, which is included in general and administrative expenses in the Company's Condensed Statements of Operations. Also pursuant to the Founders Agreement, on March 17, 2016 the Company issued 688,755 shares of common stock to Fortress, which equaled 2.5% of the fully-diluted outstanding equity of Checkpoint at the time of issuance for the Annual Equity Fee (see Note 5).

Restricted Stock

In March 2015, the Company issued a restricted stock grant to Dr. Marasco for services in connection with its Scientific Advisory Board. Dr. Marasco was issued a grant for 1.5 million shares of common stock, which vested 25% on the first anniversary of the grant date and monthly thereafter for 48 months. The Company valued the restricted stock utilizing a discounted cash flow model to determine the weighted market value of invested capital, discounted by a lack of marketability of 44.8% and a weighted average cost of capital of 30%, resulting in a value of $0.065 per share on grant date. At December 31, 2015, the Company re-measured this non-employee restricted stock utilizing a market approach, based upon a third party financing. Such valuation resulted in a value of $4.39 per share utilizing a volatility of 83%, a risk free rate of return of 1.5% and a term of five years. At March 31, 2016, in connection with this grant, the Company re-measured this non-employee grant and recorded expense of $0.8 million for the three months ended March 31, 2016, based upon a fair value of $4.39 in research and development expenses on the Company’s Condensed Statements of Operations.

Certain employees and directors have been awarded restricted stock under our 2015 Incentive Plan. The Company incurred approximately $0.3 million related to stock-based compensation expense for the three months ended March 31, 2016, which is included in general and administrative expenses on the Company’s Condensed Statements of Operations.

The following table summarizes restricted stock award activity for the three months ended March 31, 2016.

	Number of Units	Weighted Average Grant Date Fair Value
Nonvested at December 31, 2015	2,500,000	$ 1.73
Granted	100,000	4.39
Vested	(375,000)	0.07
Nonvested at March 31, 2016	2,225,000	$ 2.13

The remaining weighted-average life of unvested restricted stock was 2.19 years.

Total shares available for the issuance of stock-based awards under the Company's 2015 Incentive Plan was 900,000 shares at March 31, 2016.

Warrants

A summary of warrant activities for three months ended March 31, 2016 is presented below:

	Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)
Outstanding as of December 31, 2015	4,286,782	$ 6.61	5.68
Granted	44,324	7.00	4.90
Outstanding as of March 31, 2016	4,331,106	$ 6.62	5.42

Upon the exercise of warrants, the Company will issue new shares of its common stock.

Stock-Based Compensation

The following table summarizes stock-based compensation expense for the three months ended March 31, 2016 (in thousands).

	Research and Development	General and Administrative	Total
Employee awards	$ -	$ 321	$ 321
Non-employee awards	767	-	767
Fortress - Founders Agreement (see Note 5)	-	14	14
Total stock-based compensation expense	$ 767	$ 335	$ 1,102

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Checkpoint Therapeutics, Inc.

We have audited the accompanying balance sheets of Checkpoint Therapeutics, Inc. (the "Company") as of December 31, 2015 and 2014 and the related statements of operations, stockholders' equity, and cash flows for the year ended December 31, 2015 and for the period from November 10, 2014 (inception) to December 31, 2014. The financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Checkpoint Therapeutics, Inc. as of December 31, 2015, and the results of its operations and its cash flows for the year ended December 31, 2015 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3, the Company has restated its financial statements as of December 31, 2015 to correct the annual equity fee to Fortress and the calculation of the basic earnings per share and weighted average number of common shares outstanding.

/s/ EisnerAmper LLP

New York, New York
March 23, 2016, except for Note 6 as to which the date is April 26, 2016 and Note 3 and Note 9 as to which the date is July 11, 2016.

Checkpoint Therapeutics, Inc.
Balance Sheets
(in thousands, except share and per share amounts)

	As of December 31,	
	2015	**2014**
	(As restated)	
ASSETS		
Current Assets:		
Cash	$ 50,418	$ -
Prepaid expenses	171	-
Other receivables	65	-
Total current assets	50,654	-
Total Assets	**$ 50,654**	**$ -**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,288	$ -
Accrued expenses - related party	502	-
Total current liabilities	1,790	-
Note payable, long-term (net of debt discount of $324)	2,468	-
Total Liabilities	**4,258**	**-**
Commitments and Contingencies		
Stockholders' Equity		
Common Stock ($0.0001 par value), 50,000,000 shares authorized		
Class A common shares, 7,000,000 shares issued and outstanding as of December 31, 2015 and December 31, 2014, respectively	1	1
Common shares, 15,989,315 shares and 1,000,000 shares issued and outstanding as of December 31, 2015 and December 31, 2014, respectively	1	-
Common shares issuable, 688,755 and 0 shares as of December 31, 2015 and December 31, 2014, respectively	3,024	-
Additional paid-in capital	57,262	(1)
Accumulated deficit	(13,892)	-
Total Stockholders' Equity	46,396	-
Total Liabilities and Stockholders' Equity	**$ 50,654**	**$ -**

The accompanying notes are an integral part of these financial statements.

Checkpoint Therapeutics, Inc.
Statements of Operations
(in thousands, except share and per share amounts)

	For the year ended December 31, 2015 (As restated)	For the period from November 10, 2014 (inception) to December 31, 2014
Revenue - related party	$ 590	$ -
Operating expenses:		
Research and development	11,323	-
General and administrative	2,488	-
Total operating expenses	13,811	-
Loss from operations	(13,221)	-
Change in fair value of warrant liabilities	438	-
Interest expense and amortization of debt discount	233	-
Net Loss	**$ (13,892)**	**$ -**
Loss per Share:		
Net loss per common share outstanding, basic and diluted	**$ (1.41)**	**$ -**
Weighted average number of common shares outstanding, basic and diluted	**9,855,668**	**8,000,000**

The accompanying notes are an integral part of these financial statements.

Checkpoint Therapeutics, Inc.
Statements of Stockholders' Equity
(in thousands, except share amounts)
(As restated)

	Class A Common Shares		Common Shares		Common Shares	Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Issuable	Capital	Deficit	Equity
Issuance of Class A common shares to Fortress on November 10, 2014	7,000,000	$ 1	-	$ -	$ -	$ (1)	$ -	$ -
Issuance of common shares to Fortress on November 10, 2014	-	-	1,000,000	-	-	-	-	-
Balances at December 31, 2014	**7,000,000**	**1**	**1,000,000**	**-**	**-**	**(1)**	**-**	**-**
Cash received for issuance of founder shares	-	-	-	-	-	1	-	1
Issuance of common shares for cash	-	-	11,563,400	1	-	57,816	-	57,817
Offering costs	-	-	-	-	-	(6,321)	-	(6,321)
Stock-based compensation expenses	-	-	1,000,000	-	-	265	-	265
Issuance of common shares - Founders Agreement (see Note 5)	-	-	289,085	-	-	1,269	-	1,269
Common shares issuable - Founders Agreement (as restated)	-	-	-	-	3,024	-	-	3,024
Issuance of restricted stock and warrants for services	-	-	1,500,000	-	-	2,987	-	2,987
Issuance of common shares for license expenses	-	-	636,830	-	-	633	-	633
Issuance of warrants	-	-	-	-	-	613	-	613
Net loss (as restated)	-	-	-	-	-	-	(13,892)	(13,892)
Balances at December 31, 2015 (as restated)	**7,000,000**	**$ 1**	**15,989,315**	**$ 1**	**$ 3,024**	**$ 57,262**	**$ (13,892)**	**$ 46,396**

The accompanying notes are an integral part of these financial statements.

Checkpoint Therapeutics, Inc.
Statements of Cash Flows
(in thousands)

	For the year ended December 31, 2015 (As restated)	For the period from November 10, 2014 (inception) to December 31, 2014
Cash flows from operating activities:		
Net loss	$ (13,892)	$ -
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation expenses	265	-
Change in fair value of warrant liabilities	438	-
Issuance of common shares - Founders Agreement	1,269	-
Common shares issuable - Founders Agreement	3,024	-
Issuance of restricted stock and warrants for services	2,987	-
Research and development-licenses acquired, expensed	2,525	-
Issuance of common shares for license expenses	633	-
Amortization of debt discount	89	-
Changes in operating assets and liabilities:		
Prepaid expenses	(171)	-
Other receivables	(65)	-
Accounts payable and accrued expenses	1,790	-
Net cash used in operating activities	(1,108)	-
Cash Flows from Investing Activities:		
Purchase of research and development licenses	(2,525)	-
Net cash used in investing activities	(2,525)	-
Cash flows from financing activities:		
Proceeds from note payable, net of debt discount	2,554	-
Proceeds from issuance of common stock	57,817	-
Payment of costs related to offering	(6,321)	-
Cash received for issuance of founder shares	1	-
Net cash provided by financing activities	54,051	-
Net change in cash	50,418	-
Cash, beginning of year	-	-
Cash, end of year	**$ 50,418**	**$ -**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 56	$ -
Supplemental disclosure of noncash investing and financing activities:		
Debt discount associated with derivative warrant liabilities	$ 175	$ -
Issuance of founder shares to Fortress on November 10, 2014	$ -	$ 1

The accompanying notes are an integral part of these financial statements.

Note 1 — Organization and Description of Business Operations

Checkpoint Therapeutics, Inc. (the "Company" or "Checkpoint") was incorporated in Delaware on November 10, 2014, as a wholly owned subsidiary of Fortress Biotech, Inc. ("Fortress" or "Parent") and commenced its principal operations in March 2015. Checkpoint is an immuno-oncology biopharmaceutical company focused on the acquisition, development and commercialization of novel, non-chemotherapy, immune-enhanced combination treatments for patients with solid tumor cancers. The Company may acquire rights to these technologies by licensing the rights or otherwise acquiring an ownership interest in the technologies, funding their research and development and eventually either out-licensing or bringing the technologies to market.

Portfolio of Immuno-Oncology and Anti-Cancer Agents

In March 2015, Checkpoint entered into a license agreement with Dana-Farber Cancer Institute ("Dana-Farber") for an exclusive, worldwide license to a portfolio of antibodies targeting programmed-death ligand 1 ("PD-L1"), glucocorticoid-induced TNFR-related protein ("GITR") and carbonic anhydrase IX ("CAIX"). These antibodies are currently in pre-clinical development. Checkpoint plans to develop these novel immuno-oncology and checkpoint inhibitor antibodies on their own and in combination with each other, as published literature suggests that combinations of these targets can work synergistically together. The Company expects to submit investigational new drug ("IND") applications for its anti-PD-L1, anti-GITR and anti-CAIX antibodies in 2017 (see Note 4).

In connection with the license agreement with Dana-Farber dated March 3, 2015, Checkpoint entered into a Global Collaboration Agreement with TG Therapeutics, Inc. ("TGTX"), a related party, to develop and commercialize the Anti-PD-L1 and Anti-GITR antibody research programs in the field of hematological malignancies, while Checkpoint retains the right to develop and commercialize these antibodies in the field of solid tumors (see Note 4).

In March 2015, Fortress entered into an exclusive license agreement with NeuPharma, Inc. ("NeuPharma") to develop and commercialize novel irreversible, 3rd generation EGFR inhibitors, including CK-101, on a worldwide basis other than certain Asian countries. This license was assigned by Fortress to the Company effective March 17, 2015 pursuant to the terms of an Assignment and Assumption Agreement. The program is currently in pre-clinical development and the Company plans to submit an IND application to the FDA during the first half of 2016 (see Note 4 and Note 5).

In December 2015, Fortress licensed the exclusive worldwide rights to develop and commercialize CK-102 (formerly CEP-9722), a poly (ADP-ribose) polymerase ("PARP") inhibitor, from Teva Pharmaceutical Industries Ltd., through its subsidiary, Cephalon, Inc. CK-102 is an oral, small molecule selective inhibitor of PARP-1 and PARP-2 enzymes in early clinical development for solid tumors. This license was assigned by Fortress to the Company effective December 18, 2015 pursuant to the terms of an Assignment and Assumption Agreement. The Company plans to develop CK-102 as both a monotherapy and in combination with other anti-cancer agents, including the Company's novel immuno-oncology and Checkpoint inhibitor antibodies currently in development (see Note 4 and Note 5).

Liquidity and Capital Resources

The Company has incurred substantial operating losses since its inception, and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of December 31, 2015, the Company had an accumulated deficit of $13.9 million.

On September 18, 2015, the Company entered into a placement agency agreement (the "Placement Agency Agreement") with National Securities Corporation (the "Placement Agent") relating to the Company's offering, issuance and sale (the "Offering") to select institutional investors (the "Investors") of units consisting of 10,000 shares of the Company's common stock, $0.0001 par value per share (the "Common Stock"), and warrants (the "Warrants") exercisable for 2,500 shares of Common Stock at an exercise price of $7.00 per share, for a purchase price of $50,000 per unit. The warrants have a five-year term and are only exercisable for cash. The Offering closed on December 18, 2015 (see Note 8). The net proceeds to the Company from the Offering, after deducting Placement Agent fees and the Company's offering expenses, were approximately $51.5 million.

On February 23, 2016, the Company closed on gross proceeds of $0.6 million, before expenses, in a private placement of shares and warrants to Opus Point Healthcare Fund GP, LLC, a fund managed by Opus Point Partners Management, LLC, a related party. The financing involved the sale of units, each consisting of 10,000 shares of common stock and a warrant exercisable for 3,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $45,000 per unit. The warrants have a five-year term and are only exercisable for cash. Due to the absence of a placement agent in this transaction, the net proceeds to, and warrants issued by, the Company were consistent with terms of the December 2015 third-party financing, noted above, which included the payment of fees and issuance of warrants to a placement agent.

The Company expects to use the net proceeds from the above transactions primarily for general corporate purposes, which may include financing the Company's growth, developing new or existing product candidates, and funding capital expenditures, acquisitions and investments. The Company currently anticipates that its cash balances at December 31, 2015, are sufficient to fund its anticipated operating cash requirements for at least the next 24 months.

Note 2 — Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The Company's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The Company has no subsidiaries.

The financial statements may not be indicative of future performance and may not reflect what the Company's results of operations, financial position, and cash flows would have been had Checkpoint operated as an independent entity. Certain estimates, including allocations from Fortress, have been made to provide financial statements for stand-alone reporting purposes. All inter-company transactions between Fortress and Checkpoint are classified as accrued expenses – related party in the financial statements. The Company believes that the assumptions underlying the financial statements are reasonable.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents at December 31, 2015.

Research and Development Costs

Research and development costs are expensed as incurred. Advance payments for goods and services that will be used in future research and development activities are expensed when the activity has been performed or when the goods have been received rather than when the payment is made. Upfront and milestone payments due to third parties that perform research and development services on the Company's behalf will be expensed as services are rendered or when the milestone is achieved.

Research and development costs primarily consist of personnel related expenses, including salaries, benefits, travel, and other related expenses, stock-based compensation, payments made to third parties for license and milestone costs related to in-licensed products and technology, payments made to third party contract research organizations for preclinical and clinical studies, investigative sites for clinical trials, consultants, the cost of acquiring and manufacturing clinical trial materials, costs associated with regulatory filings, laboratory costs and other supplies.

Costs incurred in obtaining technology licenses are charged to research and development expense if the technology licensed has not reached commercial feasibility and has no alternative future use. The licenses purchased by the Company require substantial completion of research and development, regulatory and marketing approval efforts in order to reach commercial feasibility and has no alternative future use. Accordingly, the total purchase price for the licenses acquired during the period was reflected as research and development expenses in the Company's Statements of Operations for the year ended December 31, 2015.

Annual Equity Fee

Under the Founder's Agreement with Checkpoint dated March 17, 2015, Fortress is entitled to an annual fee on each anniversary of the Agreement equal to 2.5% of fully diluted outstanding equity, payable in Checkpoint common shares ("Annual Equity Fee"). The Annual Equity Fee was part of the consideration payable for formation of the Company, identification of certain assets, including the license contributed to Checkpoint by Fortress.

The Company recorded the Annual Equity Fee in connection with the Founders Agreement with Fortress as contingent consideration. Contingent consideration is recorded when probable and reasonably estimable. The Company's future share prices and shares outstanding cannot be estimated prior to the issuance of the Annual Equity Fee due to the nature of its assets and the Company's stage of development. Due to these uncertainties, the Company concluded that it could not reasonably estimate the contingent consideration until shares were actually issued on March 17, 2016. Because the issuance of shares on March 17, 2016 occurred prior to the issuance of the December 31, 2015 financial statements, the Company recorded $3.0 million in research and development expense and a credit to Common shares issuable - Founders Agreement during the year ended December 31, 2015.

Stock-Based Compensation Expenses

The Company expenses stock-based compensation to employees over the requisite service period based on the estimated grant-date fair value of the awards and forfeiture rates. For stock-based compensation awards to non-employees, the Company re-measures the fair value of the non-employee awards at each reporting period prior to vesting and finally at the vesting date of the award. Changes in the estimated fair value of these non-employee awards are recognized as stock-based compensation expense in the period of change.

Fair Value Measurement

The Company follows the accounting guidance in ASC 820 for its fair value measurements of financial assets and liabilities measured at fair value on a recurring basis. Under this accounting guidance, fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability.

The accounting guidance requires fair value measurements be classified and disclosed in one of the following three categories:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, for similar assets or liabilities that are directly or indirectly observable in the marketplace.

Level 3: Unobservable inputs which are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Revenue Recognition

Reimbursement Arrangements and Collaborative Arrangements

The Company is reimbursed by TGTX, a related party, for their share of the cost of the license and future milestone payments that are payable to Dana-Farber pursuant to the license agreement (see Note 1). The gross amount of these reimbursed costs are reported as revenue in the accompanying Statements of Operations. The Company acts as a principal (as the Company is responsible for designing the future clinical development pathway), bears credit risk and may perform part of the services required in the transactions. Consistent with ASC 605-45-15 these reimbursements are treated as revenue to the Company. The actual expenses creating the reimbursements are reflected as research and development expenses.

The Company recognizes revenue for the performance of services or the shipment of products when each of the following four criteria is met: (i) persuasive evidence of an arrangement exists; (ii) products are delivered or as services are rendered; (iii) the sales price is fixed or determinable; and (iv) collectability is reasonably assured.

The Company follows ASC 605-25, *Revenue Recognition - Multiple-Element Arrangements* and ASC 808, *Collaborative Arrangements*, if applicable, to determine the recognition of revenue under the Company's collaborative research, options to enter into collaborative research agreements and development and commercialization agreements. The terms of these agreements generally contain multiple elements, or deliverables, which may include (i) grants of licenses, or options to obtain licenses, to the Company's intellectual property, (ii) research and development services, (iii) drug product manufacturing, and/or (iv) participation on joint research and/or joint development committees. The payments we may receive under these arrangements typically include one or more of the following: non-refundable, up-front license fees; option exercise fees; funding of research and/or development efforts; amounts due upon the achievement of specified objectives; and/or royalties on future product sales.

ASC 605-25 provides guidance relating to the separability of deliverables included in an arrangement into different units of accounting and the allocation of arrangement consideration to the units of accounting. The evaluation of multiple-element arrangements requires management to make judgments about (i) the identification of deliverables, (ii) whether such deliverables are separable from the other aspects of the contractual relationship, (iii) the estimated selling price of each deliverable, and (iv) the expected period of performance for each deliverable.

To determine the units of accounting under a multiple-element arrangement, management evaluates certain separation criteria, including whether the deliverables have stand-alone value, based on the relevant facts and circumstances for each arrangement. Management then estimates the selling price for each unit of accounting and allocates the arrangement consideration to each unit utilizing the relative selling price method. The allocated consideration for each unit of accounting is recognized over the related obligation period in accordance with the applicable revenue recognition criteria.

If there are deliverables in an arrangement that are not separable from other aspects of the contractual relationship, they are treated as a combined unit of accounting, with the allocated revenue for the combined unit recognized in a manner consistent with the revenue recognition applicable to the final deliverable in the combined unit. Payments received prior to satisfying the relevant revenue recognition criteria are recorded as deferred revenue in the Balance Sheet and recognized as revenue in the Statements of Operations when the related revenue recognition criteria are met. See Note 4 for a description of the collaborative arrangement.

Income Taxes

For purposes of these financial statements, the Company's income tax expense and deferred tax balances have been recorded as if it filed tax returns on a stand-alone basis separate from Fortress.

Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities measured at the enacted tax rates in effect for the year in which these items are expected to reverse. Deferred tax assets are reduced by valuation allowances if, based on the consideration of all available evidence, it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Valuation of Warrant Related to NSC Note

In accordance with ASC 815, the Company classified the fair value of the warrant ("Contingently Issuable Warrants") that may have been granted in connection with the NSC Note transferred to the Company in various traches from March 19, 2015 to August 31, 2015 as a derivative liability as there was a potential that the Company would not have a sufficient number of authorized common shares available to settle this instrument. The Company valued these Contingently Issuable Warrants using an option pricing model (which approximates intrinsic value) with estimates for an expected dividend yield, a risk-free interest rate, and expected volatility together with management's estimate of the probability of issuance of the Contingently Issuable Warrants. At each reporting period, as long as the Contingently Issuable Warrants were potentially issuable and there was a potential for an insufficient number of authorized shares available to settle the Contingently Issuable Warrants, the Contingently Issuable Warrants should be revalued and any difference from the previous valuation date would be recognized as a change in fair value in the Company's Statement of Operations.

Net Loss per Share

Net loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Since dividends are declared, paid and set aside among the holders of shares of common stock and Class A common stock pro-rata on an as-if-converted basis, the two-class method of computing net loss per share is not required. Diluted net loss per share does not reflect the effect of shares of common stock to be issued upon the exercise of warrants, as their inclusion would be anti-dilutive. There are 2,500,000 shares of unvested restricted stock and 4,286,782 warrants outstanding as of December 31, 2015, which are not included in the computation of net loss per share.

For the year ended December 31, 2015, the Company had a net loss of $1.41 per share and 9,855,668 weighted average common shares outstanding.

Recently Issued Accounting Standards

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)* which supersedes FASB ASC Topic 840, *Leases (Topic 840)* and provides principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than twelve months regardless of classification. Leases with a term of twelve months or less will be accounted for similar to existing guidance for operating leases. The standard is effective for annual and interim periods beginning after December 15, 2018, with early adoption permitted upon issuance. The Company is currently evaluating the method of adoption and the impact of adopting ASU 2016-02 on its financial statements. When adopted, the Company does not expect this guidance to have a material impact on its financial statements.

In January 2016, the FASB issued ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities* ("ASU 2016-01"). ASU 2016-01 requires equity investments to be measured at fair value with changes in fair value recognized in net income; simplifies the impairment assessment of equity investments without readily determinable fair values by requiring a qualitative assessment to identify impairment; eliminates the requirement for public business entities to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost on the balance sheet; requires public business entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes; requires an entity to present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk when the entity has elected to measure the liability at fair value in accordance with the fair value option for financial instruments; requires separate presentation of financial assets and financial liabilities by measurement category and form of financial assets on the balance sheet or the accompanying notes to the financial statements and clarifies that an entity should evaluate the need for a valuation allowance on a deferred tax asset related to available-for-sale securities in combination with the entity's other deferred tax assets. ASU 2016-01 is effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Company is currently evaluating the impact that ASU 2016-01 will have on its balance sheet or financial statement disclosures. When adopted, the Company does not expect this guidance to have a material impact on its financial statements.

In November 2015, the FASB issued ASU No. 2015-17, *Balance Sheet Classification of Deferred Taxes* ("ASU 2015-17"). ASU 2015-17 requires that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. ASU 2015-17 is effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. The Company is currently evaluating the impact that ASU 2015-17 will have on its balance sheet or financial statement disclosures. When adopted, the Company does not expect this guidance to have a material impact on its financial statements.

In April 2015, the FASB issued ASU No. 2015-03, *Simplifying the Presentation of Debt Issuance Costs*("ASU 2015-03"), which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. ASU 2015-03 is effective for the interim and annual periods ending after December 15, 2015, with early adoption permitted. The Company adopted ASU 2015-03 and such adoption resulted in debt issuance costs presented as an offset against notes payable, long-term, in the accompanying balance sheet.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements-Going Concern* ("ASU 2014-15"), which defines management's responsibility to assess an entity's ability to continue as a going concern, and to provide related footnote disclosures if there is substantial doubt about its ability to continue as a going concern. ASU 2014-15 is effective for annual reporting periods ending after December 15, 2016, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2014-15 and its related disclosures. When adopted, the Company does not expect this guidance to have a material impact on its financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), an updated standard on revenue recognition. ASU 2014-09 provides enhancements to the quality and consistency of how revenue is reported by companies while also improving comparability in the financial statements of companies reporting using International Financial Reporting Standards or GAAP. The main purpose of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which a company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements. In July 2015, the FASB voted to approve a one-year deferral of the effective date of ASU 2014-09, which will now be effective for the Company in the first quarter of fiscal year 2018 and may be applied on a full retrospective or modified retrospective approach. The Company is evaluating the impact of implementation and transition approach of this standard on its financial statements. When adopted, the Company does not expect this guidance to have a material impact on its financial statements.

Note 3 – Restatement of Previously Issued Financial Statements

The Company has restated its financial statements as of and for the fiscal year ended December 31, 2015.

Under the Founder's Agreement with Checkpoint dated March 17, 2015, Fortress is entitled to an Annual Equity Fee. The Annual Equity Fee was part of the consideration payable for formation of the Company, identification of certain assets, including the license contributed to Checkpoint by Fortress.

On June 16, 2016, management concluded it had incorrectly recorded the Annual Equity Fee as a dividend to Fortress rather than contingent consideration as part of the transfer of the license contributed to the Company by Fortress.

The impact of the change has increased research and development expense by 3.0 million for the year ended December 31, 2015 and increase common shares issuable and accumulated deficit by $3.0 million as of December 31, 2015.

In connection with the restatement process, the Company also noted it had incorrectly included unvested restricted stock in the calculation of basic earnings per share and weighted average number of common shares outstanding. As a result, net loss per common share outstanding, basic and diluted, and weighted average number of common shares outstanding were misstated by 1.5 million shares or $0.14 per share (prior to calculating the impact of the Annual Equity Fee) for the year ended December 31, 2015.

As part of the restatement process, the Company also corrected its tables with respect to income taxes. The financial effects of correcting these tables were not significant, however were included as part of the restatement.

The restated Balance Sheet as of December 31, 2015, and the restated Statements of Operations and Statements of Cash Flows for the year ended December 31, 2015 are presented below:

Checkpoint Therapeutics, Inc.
Balance Sheets
(in thousands, except share and per share amounts)

	As Previously Reported on Form 10	Adjustment	As Restated
ASSETS			
Current Assets:			
Cash	$ 50,418	$ -	$ 50,418
Prepaid expenses	171	-	171
Other receivables	65	-	65
Total current assets	50,654	-	50,654
Total Assets	$ 50,654	$ -	$ 50,654
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
Accounts payable and accrued expenses	$ 1,288	$ -	$ 1,288
Accrued expenses - related party	502	-	502
Total current liabilities	1,790	-	1,790
Note payable, long-term (net of debt discount of $324)	2,468	-	2,468
Total Liabilities	4,258	-	4,258
Commitments and Contingencies			
Stockholders' Equity			
Common Stock ($0.0001 par value), 50,000,000 shares authorized			
Class A common shares, 7,000,000 shares issued and outstanding as of December 31, 2015 and December 31, 2014, respectively	1	-	1
Common shares, 15,989,315 shares and 1,000,000 shares issued and outstanding as of December 31, 2015 and December 31, 2014, Respectively	1	-	1
Common shares issuable, 688,755 and 0 shares as of December 31, 2015 and December 31, 2014, respectively	-	3,024	3,024
Additional paid-in capital	57,262	-	57,262
Accumulated deficit	(10,868)	(3,024)	(13,892)
Total Stockholders' Equity	46,396	-	46,396
Total Liabilities and Stockholders' Equity	$ 50,654	$ -	$ 50,654

Checkpoint Therapeutics, Inc.
Statements of Operations
(in thousands, except share and per share amounts)

	As Previously Reported on Form 10	Adjustment	As Restated
Revenue - related party	$ 590	$ -	$ 590
Operating expenses:			
Research and development	8,299	3,024	11,323
General and administrative	2,488	-	2,488
Total operating expenses	10,787	3,024	13,811
Loss from operations	(10,197)	(3,024)	(13,221)
Change in fair value of warrant liabilities	438	-	438
Interest expense	233	-	233
Net Loss	**$ (10,868)**	**$ (3,024)**	**$ (13,892)**
Loss per Share:			
Net loss per common share outstanding, basic and diluted	**$ (0.96)**	**$ (0.31)[1]**	**$ (1.41)**
Weighted average number of common shares outstanding, basic and diluted	**11,324,506**	**1,468,838**	**9,855,668**

[1] This number will not recalculate as the number is based on the restated weighted average number of common shares outstanding.

Checkpoint Therapeutics, Inc.
Statements of Cash Flows
(in thousands)

	As Previously Reported on Form 10	Adjustment	As Restated
Cash flows from operating activities:			
Net loss	$ (10,868)	$ (3,024)	$ (13,892)
Adjustments to reconcile net loss to net cash used in operating activities:			-
Stock-based compensation expenses	265	-	265
Issuance of common shares - Founders Agreement	1,269	-	1,269
Common shares issuable - Founders Agreement	-	3,024	3,024
Issuance of restricted stock and warrants for services	2,987	-	2,987
Issuance of common shares for license expenses	633	-	633
Research and development-licenses acquired, expensed	2,525	-	2,525
Change in fair value of warrant liabilities	438	-	438
Amortization of debt discount	89	-	89
Changes in operating assets and liabilities:		-	-
Prepaid expenses	(171)	-	(171)
Other receivables	(65)	-	(65)
Accounts payable and accrued expenses	1,790	-	1,790
Net cash used in operating activities	(1,108)	-	(1,108)
Cash Flows from Investing Activities:			
Purchase of research and development licenses	(2,525)	-	(2,525)
Net cash used in investing activities	(2,525)	-	(2,525)
Cash flows from financing activities:			
Proceeds from note payable, net of debt discount	2,554	-	2,554
Proceeds from issuance of common stock, net of offering costs $6,321	51,496	-	51,496
Cash received for issuance of founder shares	1	-	1
Net cash provided by financing activities	54,051	-	54,051
Net change in cash	50,418	-	50,418
Cash, beginning of year	-	-	-
Cash, end of year	**$ 50,418**	**$ -**	**$ 50,418**
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 56	$ -	$ 56
Supplemental disclosure of noncash investing and financing activities:			
Issuance of founder shares to Fortress on November 10, 2014	$ -	$ -	$ -
Debt discount associated with derivative warrant liabilities	$ 175	$ -	$ 175

Note 4 – License Agreements

Dana-Farber Cancer Institute

In March 2015, Checkpoint entered into an exclusive license agreement with Dana-Farber to develop a portfolio of fully human immuno-oncology targeted antibodies. Under the terms of the agreement, Checkpoint paid Dana-Farber an up-front licensing fee of $1.0 million and, on May 11, 2015, Checkpoint granted Dana-Farber 500,000 shares, valued at $32,500 or $0.065 per share, both of which have been included in research and development expenses on the Company's Statements of Operations. Dana-Farber is eligible to receive payments of up to an aggregate of approximately $21.5 million for each licensed product upon the Company's successful achievement of certain clinical development, regulatory and first commercial sale milestones. In addition, Dana-Farber is eligible to receive up to an aggregate of $60.0 million upon the Company's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered low to mid-single digit percentage of net sales. Following the second anniversary of the effective date of the license agreement, Dana-Farber will receive an annual license maintenance fee, which is creditable against milestone payments or royalties due Dana-Farber. The portfolio of antibodies licensed from Dana-Farber include antibodies targeting PD-L1, GITR and CAIX.

In connection with the license agreement with Dana-Farber, Checkpoint entered into a collaboration agreement with TGTX, a related party, to develop and commercialize the Anti-PD-L1 and Anti-GITR antibody research programs in the field of hematological malignancies, while Checkpoint retains the right to develop and commercialize these antibodies in the field of solid tumors. Michael Weiss, Executive Chairman of the Board of Directors of Checkpoint and Fortress' Executive Vice Chairman, Strategic Development, is also Co-Portfolio Manager and a Partner of Opus Point Partners Management, LLC ("OPPM") with Dr. Rosenwald, Director of Checkpoint, Fortress's Chairman and Chief Executive Officer. Further, Michael Weiss is the Executive Chairman, Interim President and Chief Executive Officer and a stockholder of TGTX. Under the terms of the Global Collaboration Agreement, TGTX paid the Company $0.5 million, representing a reimbursement for their share of the licensing fee, and the Company is eligible to receive up to an aggregate of approximately $21.5 million for each product upon TGTX's successful achievement of certain clinical development, regulatory and first commercial sale milestones. In addition, the Company is eligible to receive up to an aggregate of $60.0 million upon TGTX's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered high single digit percentage of net sales. Following the second anniversary of the effective date of the agreement, the Company will receive an annual license maintenance fee, which is creditable against milestone payments or royalties due to the Company. For the year ended December 31, 2015, the Company recognized $0.5 million in revenue in connection with this collaboration agreement with TGTX in the Statements of Operations.

NeuPharma, Inc.

In March 2015, Fortress entered into an exclusive license agreement with NeuPharma to develop and commercialize novel irreversible, 3rd generation EGFR inhibitors, including CK-101, on a worldwide basis other than certain Asian countries. On the same date, Fortress and the Company entered into a Founders Agreement pursuant to which Fortress assigned all of its right and interest in the EGFR inhibitors to the Company in exchange for certain consideration (see Note 5). Under the terms of the agreement, the Company paid NeuPharma an up-front licensing fee of $1.0 million, included in research and development expenses on the Company's Statement of Operations, and NeuPharma is eligible to receive payments of up to an aggregate of approximately $40.0 million per licensed product upon the Company's successful achievement of certain clinical development and regulatory milestones in up to three indications, of which $22.5 million are due upon various regulatory approvals to commercialize the products. In addition, NeuPharma is eligible to receive payments of up to an aggregate of $40.0 million upon the Company's successful achievement of certain sales milestones based on aggregate net sales, in addition to royalty payments based on a tiered mid to high-single digit percentage of net sales.

Teva Pharmaceutical Industries Ltd. (through its subsidiary, Cephalon, Inc.)

In December 2015, Fortress entered into a license agreement with Teva Pharmaceutical Industries Ltd. through its subsidiary, Cephalon, Inc. ("Cephalon"), which agreement was assigned to the Company by Fortress on the same date pursuant to the Founders Agreement (see Note 5). Under the terms of the license agreement, Checkpoint obtained an exclusive, worldwide license to Cephalon's patents relating to CEP-8983 and its small molecule prodrug, CEP-9722, a PARP inhibitor, which the Company now refers to as CK-102. The Company paid Cephalon an up-front licensing fee of $0.5 million, included in research and development expenses on the Statement of Operations. Cephalon is eligible to receive milestone payments of up to an aggregate of approximately $220.0 million upon the Company's successful achievement of certain clinical development, regulatory approval and product sales milestones, of which approximately $206.5 million are due on or following regulatory approvals to commercialize the product. In addition, Cephalon is eligible to receive royalty payments based on a tiered low double digit percentage of net sales.

Note 5 – Related Party Agreements

Founders Agreement and Management Services Agreement with Fortress

Effective March 17, 2015, the Company entered into a Founders Agreement with Fortress, which was amended and restated on July 11, 2016 (the "Founders Agreement"). The Founders Agreements provides, that in exchange for the time and capital expended in the formation of Checkpoint and the identification of specific assets the acquisition of which result in the formation of a viable emerging growth life science company, the Company assumed $2.8 million in debt that Fortress accumulated under the NSC Note for expenses and costs of forming Checkpoint, and the Company shall also: (i) issue annually to Fortress, on the anniversary date of the Founders Agreement, shares of common stock equal to 2.5% of the fully-diluted outstanding equity of Checkpoint at the time of issuance; (ii) pay an equity fee in shares of common stock, payable within five (5) business days of the closing of any equity or debt financing for Checkpoint or any of its respective subsidiaries that occurs after the effective date of the Founders Agreement and ending on the date when Fortress no longer has majority voting control in Checkpoint's voting equity, equal to 2.5% of the gross amount of any such equity or debt financing; and (iii) pay a cash fee equal to 4.5% of our annual net sales, payable on an annual basis, within ninety (90) days of the end of each calendar year. In the event of a change in control (as it is defined in the Founders Agreement), The Company will pay a one-time change in control fee equal to five (5x) times the product of (i) monthly net sales for the twelve (12) months immediately preceding the change in control and (ii) four and one-half percent (4.5%). The Founders Agreement has a term of fifteen years, after which it automatically renews for one year periods unless Fortress gives the Company notice of termination. The Founders Agreement also will automatically terminate upon a change of control.

Effective March 17, 2015, the Company entered into a Management Services Agreement (the "MSA") with Fortress. Pursuant to the terms of the MSA, for a period of five (5) years, Fortress will render advisory and consulting services to the Company. Services provided under the MSA may include, without limitation, (i) advice and assistance concerning any and all aspects of Checkpoint's operations, clinical trials, financial planning and strategic transactions and financings and (ii) conducting relations on behalf of the Company with accountants, attorneys, financial advisors and other professionals (collectively, the "Services"). The Company is obligated to utilize clinical research services, medical education, communication and marketing services and investor relations/public relation services of companies or individuals designated by Fortress, provided those services are offered at market prices. However, the Company is not obligated to take or act upon any advice rendered from Fortress and Fortress shall not be liable for any of the Company's actions or inactions based upon their advice. Fortress and its affiliates, including all members of the Company's Board of Directors, have been contractually exempt from fiduciary duties to the Company relating to corporate opportunities. In consideration for the Services, the Company will pay Fortress an annual consulting fee of $0.5 million (the "Annual Consulting Fee"), payable in advance in equal quarterly installments on the first business day of each calendar quarter in each year, provided, however, that such Annual Consulting Fee shall be increased to $1.0 million for each calendar year in which the Company has net assets in excess of $100 million at the beginning of the calendar year. For the year ended December 31, 2015, the Company recognized approximately $0.4 million in expense in its Statements of Operations related to the MSA.

Note 6 – NSC Note

In March 2015, Fortress closed the private placement of a promissory note for $10 million through National Securities Corporation (the "NSC Note"). Fortress used the proceeds from the NSC Note to acquire medical technologies and products. The NSC Note matures in 36 months, provided that during the first 24 months Fortress can extend the maturity date by six months. No principal amount will be due for the first 24 months (or the first 30 months if the maturity date is extended). Thereafter, the NSC Note will be repaid at the rate of 1/12 of the principal amount per month for a period of 12 months. Interest on the note is 8% payable quarterly during the first 24 months (or the first 30 months if the note is extended) and payable monthly during the last 12 months. National Securities Corporation ("NSC"), a wholly owned subsidiary of National Holdings, Inc., acted as the sole placement agent for the NSC Note.

The NSC Note, was amended and restated on July 29, 2015, to provide that any time a Fortress subsidiary receives from Fortress any proceeds from the NSC Note, Fortress may, in its sole discretion, cause the Fortress subsidiary to issue to NSC Biotech Venture Fund I LLC a new promissory note (the "Amended NSC Note") on identical terms as the NSC Note (giving effect to the passage of time with respect to maturity). The Amended NSC Note will equal the dollar amount of the Fortress subsidiary's share of the NSC Note and reduce Fortress' obligations under the NSC Note by such amount. Fortress will guarantee the Amended NSC Note until the company either completes an initial public offering of its securities or raises sufficient equity capital so that it has cash equal to five times the Amended NSC Note.

If the Fortress subsidiary has an initial public offering or raises sufficient equity capital so that it has cash equal to five times the amount of the portion of the proceeds of the NSC Note transferred to it, then NSC will receive a warrant to purchase the company's stock equal to 25% of the amount of NSC Note proceeds the company receives from Fortress divided by the lowest price at which the company next sells common stock. The warrants issued will have a term of 10 years and an exercise price equal to the par value of the company's common stock. On October 30, 2015, Checkpoint granted 139,592 warrants to NSC after an initial closing of the Offering on September 30, 2015. The warrant was valued at approximately $0.6 million by using an option pricing model (see Note 10).

As of December 31, 2015, the Company's Amended NSC Note totaled $2.8 million, including a debt discount related to the Company's pro rata share of Fortress' debt issuance costs of approximately $0.2 million. For the year ended December 31, 2015, the Company recorded costs of approximately $89,000 related to the amortization of the debt discount and $0.1 million of interest expense at 8%, both recorded in interest expense in the Statements of Operations. The effective interest rate of the NSC Note approximates 14.09%. The following table summarizes the Company's Amended NSC Note activities as of December 31, 2015 ($ in thousands).

	NSC Note Payable	Discount	NSC Note Payable, Net
January 1, 2015 balance	$ -	$ -	$ -
Proceeds from issuance of Amended NSC Note	2,792	(238)	2,554
Derivative warrant liabilities	-	(175)	(175)
Amortization of debt discount	-	89	89
December 31, 2015 balance	$ 2,792	$ (324)	$ 2,468

In February 2016, the Company paid NSC $2.8 million, representing repayment of the assumed NSC Note principal and accrued interest as of the date of payment.

Note 7 – Commitments and Contingencies

Leases

The Company is not a party to any leases for office space or equipment.

NeuPharma Sponsored Research Agreement

In connection with a Sponsored Research Agreement, the Company entered into a work order approximating $1.6 million, which shall be expensed over the next 12 months as work is incurred, unless earlier terminated by the Company.

Effective January 11, 2016, TGTX agreed to assume all costs associated with this Sponsored Research Agreement and reimbursed the Company for all amounts paid previously by the Company.

License Agreements

The Company has undertaken to make contingent milestone payments to the licensors of its portfolio of drug candidates. In addition, the Company shall pay royalties to such licensors based on a percentage of net sales of each drug candidate following regulatory marketing approval (See Note 4).

Litigation

The Company recognizes a liability for a contingency when it is probable that liability has been incurred and when the amount of loss can be reasonably estimated. When a range of probable loss can be estimated, the Company accrues the most likely amount of such loss, and if such amount is not determinable, then the Company accrues the minimum of the range of probable loss. As of December 31, 2015, there was no litigation against the Company.

Note 8 — Stockholders' Equity

Common Stock

The Company is authorized to issue 50,000,000 common shares with a par value of $0.0001 per share, of which 7,000,000 shares were designated as "Class A common stock". On November 10, 2014, Fortress subscribed for 7,000,000 shares of the Class A common stock and 1 million shares of the Company's common stock. Fortress paid the par value in November 2015. The fair value of the Company's common shares approximated par value as no licenses had been transferred at that time. Dividends are to be distributed pro-rata to the Class A and common stock holders. The holders of common stock are entitled to one vote per share of common stock held. The Class A common stock holders are entitled to a number of votes per share equal to 1.1 times a fraction the numerator of which is the sum of the shares of outstanding common stock and the denominator of which is the number of shares of Class A common stock. Each share of Class A common stock shall be convertible, at the option of the holder thereof, into one (1) fully paid and non-assessable share of common stock subject to adjustment for stock splits and combinations.

Offerings of Common Stock and Warrants

On September 18, 2015, the Company entered into a Placement Agency Agreement with the Placement Agent relating to the Company's Offering. Pursuant to the Placement Agency Agreement, the Company agreed to pay the Placement Agent a cash fee of 10.0% of the gross proceeds from the Offering and granted a warrant exercisable for shares of Common Stock equal to 10% of the aggregate number of shares of Common Stock sold in the Offering (the "Placement Agent Warrants"). In addition, the Company and the Investors entered into a unit purchase agreement (the "Unit Purchase Agreement") relating to the issuance and sale of the Common Stock and the Warrants in five separate closings during the third and fourth quarter of 2015. The Common Stock and Warrants were sold in units, with each unit consisting of 10,000 shares of the Company's Common Stock, and Warrants exercisable for 2,500 shares of Common Stock at an exercise price of $7.00 per share. The purchase price was $50,000 per Unit. The warrants have a five-year term and are only exercisable for cash. The Offering's final closing was held on December 18, 2015. The Company issued 11,563,400 unregistered shares of Common Stock and 2,890,850 Warrants in this Offering. The Placement Agent received 1,156,340 Placement Agent Warrants. For the year ended December 2015, the Company closed on gross proceeds of $57.8 million, before commissions and expenses of $6.3 million, in the Offering.

On February 23, 2016, the Company closed on gross proceeds of $0.6 million, before expenses, in a private placement of shares and warrants to Opus Point Healthcare Fund GP, LLC, a fund managed by Opus Point Partners Management, LLC, a related party. The financing involved the sale of units, each consisting of 10,000 shares of common stock and a warrant exercisable for 3,500 shares of common stock at an exercise price of $7.00 per share, for a purchase price of $45,000 per unit. The warrants have a five-year term and are only exercisable for cash. The Company issued 126,640 unregistered shares of common stock and 44,324 warrants in connection with this transaction. Due to the absence of a placement agent in this transaction, the net proceeds to, and warrants issued by, the Company were consistent with terms of the December 2015 third-party financing, noted above, which included the payment of fees and issuance of warrants to a placement agent.

Pursuant to the Founders Agreement, the Company issued to Fortress 2.5% of the aggregate number of shares of common stock issued in the offerings noted above. Accordingly, for the year ended December 31, 2015, the Company issued 289,085 shares to Fortress and recorded expense of approximately $1.3 million related to this stock grant, which is included in general and administrative expenses in the Company's Statements of Operations.

In connection with the Founders Agreement (see Note 6), the Company issued 688,755 common shares to Fortress, representing 2.5% of the fully diluted outstanding shares of Checkpoint, on March 17, 2016. The Company recorded the Annual Equity Fee in connection with the Founders Agreement with Fortress as contingent consideration. Contingent consideration is recorded when probable and reasonably estimable. The Company's future share prices and shares outstanding cannot be estimated prior to the issuance of the Annual Equity Fee due to the nature of its assets and the Company's stage of development. Due to these uncertainties, the Company concluded that it could not reasonably estimate the contingent consideration until shares were actually issued on March 17, 2016. Because the issuance of shares on March 17, 2016 occurred prior to the issuance of the December 31, 2015 financial statements, the Company recorded $3.0 million in research and development expense and a credit to Common shares issuable - Founders Agreement during the year ended December 31, 2015.

Subsequent to December 31, 2015, the Company issued an additional 3,166 shares to Fortress associated with the February 2016 offering.

Restricted Stock

On March 3, 2015, the Company granted Dr. Marasco 1,500,000 shares of restricted stock for his services. The Company valued the restricted stock granted to Dr. Marasco utilizing a discounted cash flow model to determine the weighted market value of invested capital, discounted by a lack of marketability of 44.8% and a weighted average cost of capital of 30%, resulting in a value of $0.065 per share. Under the terms of the stock grant, the shares vest 25% on the first anniversary of the grant date and monthly thereafter for 48 months. The Company re-measured this non-employee restricted stock based upon a fair value of $4.39 per share at December 31, 2015, and recorded non-cash expenses of approximately $3.0 million, which is included in research and development expenses in the Statements of Operations.

The 500,000 shares Checkpoint granted to Dana-Farber in May 2015 vested immediately and included an anti-dilution clause that maintained Dana-Farber's ownership of the Company at 5%, until such time that the Company raised $10 million in cash in exchange for common shares. The shares were valued by the Company utilizing a discounted cash flow model to determine the weighted market value of invested capital, discounted by a lack of marketability of 44.8% and a weighted average cost of capital of 30%, net of debt utilized resulting in a value of $0.065 per share for which the Company recorded non-cash expense of $32,500. Additionally, pursuant to the license agreement, on September 30, 2015, Checkpoint granted to Dana-Farber an additional 136,830 shares of common stock that vested immediately. The Company recorded non-cash expense of approximately $0.6 million related to this stock grant based upon a value of $4.39 per share, which is included in research and development expenses in the Company's Statements of Operations.

On October 13, 2015, pursuant to his employment agreement, the Company granted Mr. Oliviero, President and Chief Executive Officer, 1,000,000 shares of restricted stock under the Company's 2015 Incentive Plan. One-third of the shares will vest in four equal annual installments beginning on October 13, 2016. The shares were valued by the Company utilizing traditional techniques including market income and cost valuation approaches. This yielded a price per share of $4.39 utilizing a risk free rate of return of 1.5% and expected volatility of 83%. One-third of the shares will vest in three equal annual installments based on the Company's achievement of fully-diluted market capitalizations of $250 million, $500 million and $750 million, respectively. The Company estimated the date of achievement and implied values per common share utilizing Monte Carlo model, which yielded implied values per restricted share of $4.26, $3.89 and $3.64, and the achievement dates of November 28, 2017, March 3, 2019 and November 2, 2019. The final third vests upon the achievement of certain milestones. For the year ended December 31, 2015, the Company recorded stock-based compensation expense of approximately $265,000 related to this stock grant, which is included in general and administrative expenses in the Company's Statements of Operations.

The following table summarizes restricted stock award activity for the year ended December 31, 2015.

	Number of Units	Weighted Average Grant Date Fair Value
Nonvested at January 1, 2015	-	$ -
Granted	3,136,830	1.58
Vested	(636,830)	0.99
Nonvested at December 31, 2015	2,500,000	$ 1.73

The remaining weighted-average life of unvested restricted stock was 1.73 years.

Total shares available for the issuance of stock-based awards under the Company's 2015 Incentive Plan was 1,000,000 shares at December 31, 2015.

Warrants

On August 31, 2015, the Company granted warrants on 100,000 shares of common stock to a Fortress employee for consulting services provided to the Company. The Company valued the warrants utilizing a discounted cash flow model to determine the weighted market value of invested capital, discounted by a lack of marketability of 44.3% and a weighted average cost of capital of 30%, resulting in a value of $0.129 per warrant. The warrants are immediately vested, and are exercisable at $0.129 per share. The Company recorded stock-based compensation expense of approximately $13,000 related to this warrant, which is included in research and development expenses in the Statements of Operations.

On October 30, 2015, the Company granted 139,592 warrants to NSC after an initial closing of the Offering on September 30, 2015. The warrants are immediately vested with a ten-year term, and are exercisable at $0.0001 per share. The Company valued these warrants using an option pricing model and estimates for an expected dividend yield, a risk-free interest rate, and expected volatility (see Note 10).

A summary of warrant activities for year ended December 31, 2015 is presented below:

	Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)
Outstanding as of January 1, 2015	-	$ -	-
Granted	4,286,782	6.61	5.68
Outstanding as of December 31, 2015	4,286,782	$ 6.61	5.68

Upon the exercise of warrants, the Company will issue new shares of its common stock.

Stock-Based Compensation

The following table summarizes stock-based compensation expense for the year ended December 31, 2015 (in thousands).

	Research and Development	General and Administrative	Total
Employee awards	$ -	$ 265	$ 265
Non-employee awards	2,987	-	2,987
Fortress - Founders Agreement (see Note 5)	-	1,269	1,269
Total stock-based compensation expense	$ 2,987	$ 1,534	$ 4,521

Note 9 – Income Taxes

For financial reporting purposes, the Company calculated income tax provision and deferred income tax balances as if it was a separate entity and had filed its own separate tax return under Sub-chapter C of the Internal Revenue Code.

A reconciliation of the statutory U.S. federal rate to the Company's effective tax rate is as follows:

	As of December 31, 2015
Statutory federal income tax rate	35%
State taxes, net of federal tax benefit	5%
Annual equity fee	(9)%
Credits	1%
Change in valuation allowance	(32)%
Income tax provision (benefit)	0.0%

The components of the net deferred tax asset as of December 31, 2015 are the following (in thousands):

	As of December 31, 2015
Deferred tax assets:	
Net operating loss carryovers	$ 1,657
Stock based compensation and other	1,299
Change in fair value of warrant liabilities	175
In process research and development	1,210
Tax credits	115
Total deferred tax assets	4,456
Valuation allowance	(4,456)
Deferred tax asset, net of allowance	-

The Company has determined, based upon available evidence, that it is more likely than not that the net deferred tax asset will not be realized and, accordingly, has provided a full valuation allowance against it. The Company recorded a valuation allowance of approximately $4.5 million for the year ended December 31, 2015.

As of December 31, 2015, the Company had federal and state net operating loss carryforwards of approximately $4.1 million and $3.9 million, respectively. The federal and state net operating loss carryforwards will expire, if not utilized, by 2035 and 2025, respectively. Utilization of the net operating loss carryforward may be subject to an annual limitation due to the ownership change limitations provided by Section 382 of the Internal Revenue Code of 1986. In December 2015, the company experienced an ownership change as a result of an issuance of its common stock. Utilization of the company's net operating loss may be subject to substantial limitation.

There are no significant matters determined to be unrecognized tax benefits taken or expected to be taken in a tax return, in accordance with 740 “Income Taxes” (“ASC 740”), which clarifies the accounting for uncertainty in income taxes recognized in the financial statements, that have been recorded on the Company’s financial statements for the year ended December 31, 2015. The Company does not anticipate a material change to unrecognized tax benefits in the next twelve months.

Additionally, ASC 740 provides guidance on the recognition of interest and penalties related to income taxes. There were no interest or penalties related to income taxes that have been accrued or recognized as of and for the year ended December 31, 2015.

The federal and state tax returns for the year ended December 31, 2015 are currently open for examination under the applicable federal and state income tax statues of limitations.

Note 10 – Fair Value Measurement

Financial instruments measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The following table sets forth the changes in the estimated fair value for Level 3 classified derivative contingently issuable warrant liability (in thousands):

	Contingently Issuable Warrants
Fair value at the beginning of period:	$ -
Additions	175
Change in fair value	438
Issuance of Warrants (October 30, 2015)	(613)
Fair value at end of period:	$ -

The fair value of the Contingently Issuable Warrants was determined at various issuance dates from March 19, 2015 to August 31, 2015 (“Issuance Dates”) for $0.2 million and on October 30, 2015 for $0.6 million by applying management’s estimate of the probability of issuance of the Contingently Issuable Warrants together with an option pricing model with the following key assumptions:

	Issuance Dates	October 30, 2015
Risk-free interest rate	2.26%	2.16%
Expected dividend yield	-	-
Expected term in years	10.00	10.00
Expected volatility	83%	100.86%
Probability of issuance of the warrant	25%	100%

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Checkpoint Therapeutics, Inc.

By: /s/ James F. Oliviero
Name: James F. Oliviero
Title: Chief Executive Officer and President

July 11, 2016

Pursuant to the requirements of the Securities Exchange Act of 1934, this registration statement has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Michael S. Weiss Michael S. Weiss	Executive Chairman of the Board	July 11, 2016
/s/ James F. Oliviero James F. Oliviero	Chief Executive Officer and President	July 11, 2016
/s/ David J. Horin David J. Horin	Interim Chief Financial Officer	July 11, 2016
/s/ Lindsay A. Rosenwald Lindsay A. Rosenwald, M.D.	Director	July 11, 2016
/s/ Neil Herskowitz Neil Herskowitz	Director	July 11, 2016
/s/ Barry Salzman Barry Salzman	Director	July 11, 2016
/s/ Scott Boilen Scott Boilen	Director	July 11, 2016

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF CHECKPOINT THERAPEUTICS, INC.

This Amended and Restated Certificate of Incorporation amends and restates the corporation's certificate of incorporation under the name Checkpoint Therapeutics, Inc. originally filed November 10, 2014 with the Secretary of State of Delaware and has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law by the Corporation's directors and stockholders.

ARTICLE I

The name of the corporation is Checkpoint Therapeutics, Inc. (the "***Corporation***").

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is 3500 South DuPont Highway, in the City of Dover, Kent County, Delaware 19901. The name of its registered agent at such address is Incorporating Services, Ltd.

ARTICLE III

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation law (the "***DGCL***"), and to possess and exercise all of the powers and privileges granted by such law and any other law of the State of Delaware.

ARTICLE IV

1. Common Stock. The total number of shares of capital stock that the Corporation shall have authority to issue is fifty million (50,000,000) shares of Common Stock, with $0.0001 par value, of which 7,000,000 shares are designated as "Class A Common Stock" (the "***Class A Common Stock***"). The powers, preferences and relative participating, optional and other special rights of the respective classes of the Corporation's capital stock or the holders thereof and the qualifications, limitations and restrictions thereof are as follows:

2. Dividends. The Corporation shall declare, pay and set aside dividends among the holders of the shares of Common Stock and the Class A Common Stock, pro rata based on the number of shares of Common Stock held by each such holder, treating for this purpose all such shares of Class A Common Stock as if they had been converted to Common Stock pursuant to the terms of the Certificate of Incorporation immediately prior to such declaration, payment or setting aside of dividends.

3. Voting.

3.1 General.

3.1.1 Subject to Subsection IV.3.2.1, the holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

3.1.2 [Reserved].

3.1.3 Subject to Subsection IV.3.2.1, on any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Class A Common Stock shall be entitled to cast for each share of Class A Common stock held by such holder as of the record date for determining stockholders entitled to vote on such matter, the number of votes that is equal to one and one-tenth (1.1) times a fraction, the numerator of which is the sum of the shares of outstanding Common Stock and the denominator of which is number of shares of outstanding Class A Common Stock.

3.1.4 Except as provided by law or by the other provisions of the Certificate of Incorporation, holders of Class A Common Stock shall vote together with the holders of Common Stock as a single class.

3.2 Election of Directors.

3.2.1 Notwithstanding any provision of the Bylaws of this Corporation, for a period of ten (10) years from the date of the first issuance of shares of Class A Common Stock (the "***Class A Director Period***"), the holders of record of the shares of Class A Common Stock (or other capital stock or securities issued upon conversion of or in exchange for the Class A Common Stock), exclusively and as a separate class, shall be entitled to appoint or elect the majority of the directors of the Corporation (the "***Class A Directors***").

3.2.2 The holders of record of the shares of Common Stock (including Class A Common Stock) and of any other class or series of voting stock, exclusively and voting together as a single class, shall be entitled to elect the balance of the total number of directors of the Corporation, if any.

Any director may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class(es) of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. A vacancy in any directorship filled by the holders of any class or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or series or by any remaining director or directors elected by the holders of such class or series pursuant to this Subsection IV.3.2.

4. Conversion.

The holders of the Class A Common Stock shall have conversion rights as follows (the "***Conversion Rights***"):

4.1 Right to Convert; Conversion Ratio. Each share of Class A Common Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into one (1) fully paid and nonassessable share of Common Stock (the "***Conversion Ratio***"), subject to adjustment as provided below.

4.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Class A Common Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board of Directors of the Corporation. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Class A Common Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Class A Common Stock to voluntarily convert shares of Class A Common Stock into shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock), such holder shall surrender the certificate or certificates for such shares of Class A Common Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Class A Common Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Class A Common Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice shall be the time of conversion (the "***Conversion Time***"), and the shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time, issue and deliver to such holder of Class A Common Stock , or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) issuable upon such conversion in accordance with the provisions hereof, a certificate for the number (if any) of the shares of Class A Common Stock represented by the surrendered certificate that were not converted into Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock), and cash as provided in Subsection IV.4.2 in lieu of any fraction of a share of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) otherwise issuable upon such conversion and payment of any declared but unpaid dividends on the shares of Class A Common Stock.

4.3.2 Reservation of Shares. The Corporation shall at all times when Class A Common Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Class A Common Stock, such number of its duly authorized shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) as shall from time to time be sufficient to effect the conversion of all outstanding Class A Common Stock; and if at any time the number of authorized but unissued shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) shall not be sufficient to effect the conversion of all then outstanding shares of the Class A Common Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to the Certificate of Incorporation.

4.3.3 Effect of Conversion. All shares of Class A Common Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) in exchange therefor and to receive payment of any dividends declared but unpaid thereon. Any shares of Class A Common Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Class A Common Stock accordingly.

4.3.4 Taxes and Liens. The Corporation shall pay any and all costs incurred by the Corporation to effect the conversion and shall pay any issue and other similar taxes that may be payable in respect of any issuance or delivery of any securities upon conversion of shares of Class A Common Stock pursuant to this Subsection IV.4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of securities in a name other than that in which the shares of Class A Common Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid. Upon conversion of each share of Class A Common Stock, the Corporation shall take all such actions as are necessary in order to ensure that the securities issuable with respect to such conversion shall be validly issued, fully paid and nonassessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof (other than restrictions on transfer under applicable federal and state securities law and liens, charges and encumbrances arising through the holder thereof).

4.4 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the effective date of this Certificate of Incorporation (the "***Effective Date***") effect a subdivision of the outstanding Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) (by any stock split, stock dividend, recapitalization or otherwise), the applicable Conversion Ratio in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) issuable on conversion of each share of Class A Common Stock shall be increased in proportion to such increase in the aggregate number of shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) outstanding. If the Corporation shall at any time or from time to time after the Effective Date combine the outstanding shares of Common Stock, the applicable Conversion Ratio in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) issuable on conversion of each share of Class A Common Stock shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) outstanding. Any adjustment under this Subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.5 Reserved.

4.6 Adjustment for Merger or Reorganization, etc. If there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Class A Common Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Subsection IV.4.4), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Class A Common Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of the applicable Class A Common Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Corporation) shall be made in the application of the provisions in Subsection IV.4 with respect to the rights and interests thereafter of the holders of the Class A Common Stock, to the end that the provisions set forth in Subsection IV.4 (including provisions with respect to changes in and other adjustments of the applicable Conversion Ratio) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Class A Common Stock.

4.7 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the applicable Conversion Ratio pursuant to Subsection IV.4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 10 days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of the applicable series of Class A Common Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the applicable shares of Class A Common Stock are convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Class A Common Stock (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the applicable Conversion Ratio then in effect, and (ii) the number of shares of Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Class A Common Stock.

4.8 Notice of Record Date. In the event, (a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Class A Common Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or (b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, then the Corporation will send or cause to be sent to the holders of the Class A Common Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, liquidation, dissolution or winding up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Class A Common Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, liquidation, dissolution or winding up, and the amount per share and character of such exchange applicable to the Class A Common Stock and the Common Stock. Such notice shall be sent at least 15 days prior to the record date or effective date for the event specified in such notice.

5. **Waiver**. Any of the rights, powers and other terms of the Class A Common Stock set forth herein may be waived on behalf of all holders of Class A Common Stock by the affirmative written consent or vote of the holders of at least seventy-five percent (75%) of the shares of Class A Common Stock then outstanding.

6. **Notices**. Any notice required or permitted by the provisions of this Article IV to be given to a holder of shares of Class A Common Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the DGCL, and shall be deemed sent upon such mailing or electronic transmission.

ARTICLE V

The number of directors of the Corporation shall be fixed from time to time as provided in the Bylaws.

ARTICLE VI

Unless and except that the Bylaws of the Corporation shall so require, the election of directors of the Corporation need not be by written ballot.

ARTICLE VII

In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors of the Corporation is expressly authorized to make, alter and repeal the Bylaws of the Corporation, subject to the power of the stockholders of the Corporation to alter or repeal any bylaw whether adopted by them or otherwise.

ARTICLE VIII

To the fullest extent permitted by the DGCL as the same exists or as may hereafter be amended, no present or former director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Neither any amendment nor repeal of this Article, nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article, shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

ARTICLE IX

The Corporation will indemnify any person who was or is a party or is threatened to be made a party to, or testifies in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative in nature, by reason of the fact such person is or was a director, officer or employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding to the full extent permitted by the DGCL, and the Corporation may adopt Bylaws or enter into agreements with any such person for the purpose of providing for such indemnification.

ARTICLE X

Subject to the provisions of this Certificate of Incorporation, the Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and other provisions authorized by the DGCL and the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the rights reserved in this article.

ARTICLE XI

The Corporation is to have perpetual existence.

ARTICLE XII

Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of this Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

ARTICLE XIII

The Corporation elects not to be governed by Section 203 of the DGCL. To the fullest extent permitted by section 122(17) of the DGCL, the Corporation, on behalf of itself and its subsidiaries, renounces any interest or expectancy of the Corporation and its subsidiaries in any Excluded Opportunity, or in being offered an opportunity to receive notice of or participate in any Excluded Opportunity, even if the opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and no such individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, estate, unincorporated organization, governmental or regulatory body or other entity ("***Person***") shall be liable to the Corporation or any of its subsidiaries for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such Person pursues or acquires such Excluded Opportunity, directs such Excluded Opportunity to another Person or fails to present such Excluded Opportunity, or information regarding such Excluded Opportunity, to the Corporation or its subsidiaries. An "Excluded Opportunity" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Class A Common Stock or any affiliate, partner, member, director, stockholder, employee, agent or other related person of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, "Covered Persons"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation. Any Person purchasing or otherwise acquiring any interest in any shares of stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XIII. Neither the alteration, amendment or repeal of this Article XIII nor the adoption of any provision of this Certificate of Incorporation inconsistent with thisArticle XIII shall eliminate or reduce the effect of this Article XIII in respect of any business opportunity first identified or any other matter occurring, or any cause of action, suit or claim that, but for this Article XIII, would accrue or arise, prior to such alteration, amendment, repeal or adoption.

* * * *

The undersigned hereby acknowledges that the foregoing Certificate of Incorporation is his act and deed.

Dated: March 3, 2015

/s/ Lindsay A. Rosenwald
Lindsay A. Rosenwald, MD
President

Exhibit 3.2

CERTIFICATE OF AMENDMENT
OF
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
CHECKPOINT THERAPEUTICS, INC.

Checkpoint Therapeutics, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "***Corporation***"), does hereby certify as follows:

FIRST: That the Corporation's original Certificate of Incorporation was filed on November 10, 2014.

SECOND: That the Board of Directors of the Corporation duly adopted resolutions by written consent proposing and declaring advisable the amendment of the Amended and Restated Certificate of Incorporation of the Corporation, as follows:

The first paragraph of ARTICLE IV of the Amended and Restated Certificate of Incorporation be replaced and amended in its entirety to read as follows:

1. **Common Stock**. The total number of shares of capital stock that the Corporation shall have the authority to issue is fifty million (50,000,000) shares of Common Stock, with $0.0001 par value, of which fifteen million (15,000,000) shares are designated as "Class A Common Stock" (the "***Class A Common Stock***"). The powers, preferences and relative participating, optional and other special rights of the respective classes of the Corporation's capital stock or the holders thereof and the qualifications, limitations and restrictions thereof are as follows:

THIRD: That the stockholders of the Corporation approved and adopted such amendments by written consent in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

FOURTH: That such amendment of the Amended and Restated Certificate of Incorporation of the Corporation was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment of the Amended and Restated Certificate of Incorporation to be signed by its President and Interim Chief Executive Officer this 31st day of August, 2015.

CHECKPOINT THERAPEUTICS, INC.

By: /s/ Michael Weiss
Michael Weiss, President and Interim CEO

Exhibit 3.3

BYLAWS
OF
CHECKPOINT THERAPEUTICS, INC.

I. CORPORATE OFFICES

1.1 Registered Office

The registered office of the corporation shall be in the City of Dover County of Kent, State of Delaware. The name of the registered agent of the corporation at such location is Incorporating Services, Ltd.

1.2 Other Offices

The board of directors may at any time establish other offices at any place or places where the corporation is qualified to do business.

II. MEETINGS OF STOCKHOLDERS

2.1 Place of Meetings

Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the board of directors. The board of directors may, in its sole discretion, determine that a meeting shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211 of the General Corporation Law of Delaware.

If authorized by the board of directors in its sole discretion, and subject to such guidelines and procedures as the board of directors may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication, participate in a meeting of stockholders, be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (i) the corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (ii) the corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (iii) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the corporation.

2.2 Annual Meeting

The annual meeting of stockholders shall be held each year on a date and at a time designated by the board of directors. In the absence of such designation, the annual meeting of stockholders shall be held on the third Monday in April in each year at 1:00 p.m. However, if such day falls on a legal holiday, then the meeting shall be held at the same time and place on the next succeeding full business day. At the meeting, directors shall be elected and any other proper business may be transacted.

2.3 Special Meeting

Special meetings of the stockholders may be called, at any time for any purpose or purposes, by the board of directors or by such person or persons as may be authorized by the certificate of incorporation or these bylaws, or by such person or persons duly designated by the board of directors whose powers and authority, as expressly provided in a resolution of the board of directors, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

2.4 Notice of Stockholders' Meetings

(a) Except to the extent otherwise required by law, all notices of meetings with stockholders shall be in writing and shall be sent or otherwise given in accordance with Section 2.5 of these bylaws not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, if any, date, and hour of the meeting, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

(b) Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the corporation shall also be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any such consent shall be deemed revoked if (i) the corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent, and (ii) such inability becomes known to the secretary or an assistant secretary of the corporation or to the transfer agent, or other person responsible for the giving of notice; provided, however, that the inadvertent failure to recognize such revocation shall not invalidate any meeting or other action.

(c) Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the corporation shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any stockholder who fails to object in writing to the corporation, within sixty (60) days of having been given written notice by the corporation of its intention to send the single notice permitted under this subsection 2.4(c), shall be deemed to have consented to receiving such single written notice.

(d) Sections 2.4(b) and (c) shall not apply to any notice given to stockholders under Sections 164 (notice of sale of shares of stockholder who failed to pay an installment or call on stock not fully paid), 296 (notice of disputed claims relating to insolvent corporations), 311 (notice of meeting of stockholders to revoke dissolution of corporation), 312 (notice of meeting of stockholders of corporation whose certificate of incorporation has been renewed or revived) and 324 (notice when stock has been attached as required for sale upon execution process) of the General Corporation Law of Delaware.

2.5 Manner of Giving Notice; Affidavit of Notice

(a) Written notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his, her or its address as it appears on the records of the corporation. An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

(b) Notice given pursuant to this Section 2.5(b) shall be deemed given: (i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice; (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of such posting and the giving of such separate notice; and (iv) if by any other form of electronic transmission, when directed to the stockholder. An affidavit of the secretary, an assistant secretary or the transfer agent or other agent of the corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

2.6 Quorum

The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the certificate of incorporation. If, however, such quorum is not present or represented at any meeting of the stockholders, then the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

2.7 Adjourned Meeting; Notice

When a meeting is adjourned to another time or place, unless these bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place thereof, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

2.8 Voting

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.11 of these bylaws, subject to the provisions of Sections 217 and 218 of the General Corporation Law of Delaware (relating to voting rights of fiduciaries, pledgors and joint owners of stock and to voting trusts and other voting agreements).

Except as otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder.

2.9 Waiver of Notice

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these bylaws, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver or any waiver by electronic transmission of notice unless so required by the certificate of incorporation or these bylaws.

2.10 Stockholder Action by Written Consent Without a Meeting

Unless otherwise provided in the certificate of incorporation, any action required by the General Corporation Law of Delaware to be taken at any annual or special meeting of stockholders of a corporation, or any action that may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder, proxyholder or other person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this Section 2.10, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (a) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder, proxyholder or other authorized person or persons, and (b) the date on which such stockholder, proxyholder or other authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall have been delivered to the corporation by delivery to its registered office in this State, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded, to the extent and in the manner provided by resolution of the board of directors of the corporation. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Prompt notice of the taking of the corporate action without a meeting by written consent shall be given to those stockholders who have not consented in writing. If the action that is consented to is such as would have required the filing of a certificate under any section of the General Corporation Law of Delaware if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written notice and written consent have been given as provided in Section 228 of the General Corporation Law of Delaware.

2.11 Record Date for Stockholder Notice; Voting; Giving Consents

In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the board of directors may fix, in advance, a record date that shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action.

If the board of directors does not so fix a record date:

(a) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;

(b) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the board of directors is necessary, shall be the day on which the first written consent is expressed; and

(c) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the board of directors adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the board of directors may fix a new record date for the adjourned meeting.

2.12 Proxies

Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by a written proxy, signed by the stockholder and filed with the secretary of the corporation, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission or otherwise) by the stockholder or the stockholder's attorney-in-fact. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212(e) of the General Corporation Law of Delaware.

2.13 List of Stockholders Entitled to Vote

The officer who has charge of the stock ledger of a corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

2.14 Stockholder Proposals

Effective upon the corporation's initial public offering of stock under the Securities Act of 1933, as amended, any stockholder wishing to bring any other business before a meeting of stockholders, including, but not limited to, the nomination of persons for election as directors, must provide notice to the corporation not more than ninety (90) and not less than fifty (50) days before the meeting in writing by registered mail, return receipt requested, of the business to be presented by the stockholders at the stockholders' meeting. Any such notice shall set forth the following as to each matter the stockholder proposes to bring before the meeting: (a) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting and, if such business includes a proposal to amend the bylaws of the corporation, the language of the proposed amendment; (b) the name and address, as they appear on the corporation's books, of the stockholder proposing such business; (c) the class and number of shares of the corporation that are beneficially owned by such stockholder; (d) a representation that the stockholder is a holder of record of stock of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business; and (e) any material interest of the stockholder in such business. Notwithstanding the foregoing provisions of this Section 2.14, a stockholder shall also comply with all applicable requirements of all applicable laws, rules and regulations, including, but not limited to, the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, with respect to the matters set forth in this Section 2.14. In the absence of such notice to the corporation meeting the above requirements, a stockholder shall not be entitled to present any business at any meeting of stockholders.

III. DIRECTORS

3.1 Powers

Subject to the provisions of the General Corporation Law of Delaware and any limitations in the certificate of incorporation or these bylaws relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the board of directors.

3.2 Number of Directors

The number of directors constituting the board of directors shall be not more than nine (9) but not less than one (1), and may be fixed or changed, within this minimum and maximum, by the stockholders or the board of directors. The number of directors constituting the initial board of directors shall be fixed at one (1).

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 Election, Qualification and Term of Office of Directors

Except as provided in Sections 3.4 and 3.18 of these bylaws, directors shall be elected at each annual meeting of stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws, wherein other qualifications for directors may be prescribed. Each director, including a director elected to fill a vacancy, shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal. Each director shall be a natural person.

Elections of directors need not be by written ballot.

3.4 Resignation and Vacancies

Any director may resign at any time upon notice given in writing or electronic transmission to the corporation. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this Section 3.4 in the filling of other vacancies.

Unless otherwise provided in the certificate of incorporation or these bylaws:

(a) vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director; and

(b) whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

If at any time, by reason of death or resignation or other cause, the corporation should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the General Corporation Law of Delaware.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole board (as constituted immediately prior to any such increase), then the Court of Chancery may, upon application of any stockholder or stockholders holding at least ten percent (10%)of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the General Corporation Law of Delaware as far as applicable.

3.5 Place of Meetings; Meetings by Telephone

The board of directors of the corporation may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the board of directors, or any committee designated by the board of directors, may participate in a meeting of the board of directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 First Meetings

The first meeting of each newly elected board of directors shall be held at such time and place as shall be fixed by the vote of the stockholders at the annual meeting and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. In the event of the failure of the stockholders to fix the time or place of such first meeting of the newly elected board of directors, or in the event such meeting is not held at the time and place so fixed by the stockholders, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the board of directors, or as shall be specified in a written waiver signed by all of the directors.

3.7 Regular Meetings

Regular meetings of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by the board of directors.

3.8 Special Meetings; Notice

Special meetings of the board of directors for any purpose or purposes may be called at any time by the chairman of the board of directors, the president, any vice president, the secretary or any director.

Notice of the time and place of special meetings shall be delivered either personally or by mail, telex, facsimile, telephone or electronic transmission to each director, addressed to each director at such director's address and/or phone number and/or electronic transmission address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. If the notice is delivered personally or by telex, facsimile, telephone or electronic transmission, it shall be delivered by telephone or transmitted at least forty-eight (48) hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose or the place of the meeting, if the meeting is to be held at the principal executive office of the corporation. Notice may be delivered by any person entitled to call a special meeting or by an agent of such person.

3.9 Quorum

At all meetings of the board of directors, a majority of the authorized number of directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the board of directors, except as otherwise specifically provided by statute or by the certificate of incorporation. If a quorum is not present at any meeting of the board of directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.10 Waiver Of Notice

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these bylaws, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors, or meeting of a committee of directors, need be specified in any written waiver of notice unless so required by the certificate of incorporation or these bylaws.

3.11 Adjourned Meeting; Notice

If a quorum is not present at any meeting of the board of directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.12 Board Action by Written Consent Without a Meeting

Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board of directors or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board of directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.13 Fees and Compensation of Directors

Unless otherwise restricted by the certificate of incorporation or these bylaws, the board of directors shall have the authority to fix the compensation of directors.

3.14 Approval of Loans to Officers

Subject to compliance with applicable law, including without limitation any federal or state securities laws, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest and may be unsecured, or secured in such manner as the board of directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing contained in this Section 3.14 shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

3.15 Removal of Directors

Unless otherwise restricted by statute, by the certificate of incorporation or by these bylaws, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors; provided, that, whenever the holders of any class or classes of stock, or series thereof, are entitled to elect one or more directors by the provisions of the certificate of incorporation, removal of any directors elected by such class or classes of stock, or series thereof, shall be by the holders of a majority of the shares of such class or classes of stock, or series of stock, then entitled to vote at an election of directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director’s term of office.

3.16 Chairman of the Board of Directors

The corporation may also have, at the discretion of the board of directors, a chairman of the board of directors. The chairman of the board of directors shall, if such a person is elected, preside at the meetings of the board of directors and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the board of directors, or as may be prescribed by these bylaws.

IV. COMMITTEES

4.1 Committees of Directors

The board of directors may, by resolution passed by a majority of the whole board of directors, designate one or more committees, with each committee to consist of one or more of the directors of the corporation. The board of directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the board of directors or in the bylaws of the corporation, shall have and may exercise all the powers and authority of the board of directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter expressly required by the General Corporation Law of Delaware to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaws of the corporation.

4.2 Committee Minutes

Each committee shall keep regular minutes of its meetings and report the same to the board of directors when required.

4.3 Meetings and Action of Committees

Meetings and actions of committees shall be governed by, and be held and taken in accordance with, the provisions of Article III of these bylaws, Section 3.5 (place of meetings and meetings by telephone), Section 3.7 (regular meetings), Section 3.8 (special meetings and notice), Section 3.9 (quorum), Section 3.10 (waiver of notice), Section 3.11 (adjourned meeting and notice), and Section 3.12 (board action by written consent without a meeting), with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the board of directors and its members; provided, however, that the time of regular meetings of committees may also be called by resolution of the board of directors and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The board of directors may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

V. OFFICERS

5.1 Officers

The officers of the corporation shall be a chief executive officer, a president, one or more vice presidents, a secretary and a treasurer. The corporation may also have, at the discretion of the board of directors, a chairman of the board, one or more assistant vice presidents, assistant secretaries, assistant treasurers and any such other officers as may be appointed in accordance with the provisions of Section 5.3 of these bylaws. Any number of offices may be held by the same person.

5.2 Election of Officers

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Sections 5.3 of these bylaws, shall be chosen by the board of directors, subject to the rights, if any, of an officer under any contract of employment.

5.3 Subordinate Officers

The board of directors may appoint, or empower the president to appoint, such other officers and agents as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these bylaws or as the board of directors may from time to time determine.

5.4 Removal and Resignation of Officers

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the board of directors at any regular or special meeting of the board of directors or by any officer upon whom such power of removal may be conferred by the board of directors.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

5.5 Vacancies in Offices

Any vacancy occurring in any office of the corporation shall be filled by the board of directors.

5.6 Chairman of the Board

The chairman of the board, if such an officer be elected, shall, if present, preside at meetings of the board of directors and exercise and perform such other powers and duties as may from time to time be assigned to him by the board of directors or as may be prescribed by these bylaws. If there is no chief executive officer, then the chairman of the board shall also be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 5.7 of these bylaws. The chairman of the board shall be chosen by the board of directors.

5.7 Chief Executive Officer

Subject to such supervisory powers, if any, as may be given by the board of directors to the chairman of the board, the chief executive officer of the corporation shall, subject to the control of the board of directors, have general supervision, direction and control of the business and the officers of the corporation. The chief executive officer shall preside at all meetings of the stockholders and, in the absence or nonexistence of a chairman of the board, at all meetings of the board of directors at which he or she is present. The chief executive officer shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the board of directors or these bylaws.

5.8 President

Subject to such supervisory powers, if any, as may be given by the board of directors to the chairman of the board or the chief executive officer, if there be such officers, the president shall, subject to the control of the board of directors, have general supervision, direction and control of the business and the officers of the corporation. In the absence or nonexistence of the chief executive officer, he or she shall preside at all meetings of the stockholders and, in the absence or nonexistence of a chairman of the board and chief executive officer, at all meetings of the board of directors at which he or she is present. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and shall have such other powers and duties as may be prescribed by the board of directors or these bylaws. The board of directors may provide in their discretion that the offices of president and chief executive officer may be held by the same person.

5.9 Vice Presidents

In the absence or disability of the chief executive officer and president, the vice presidents, if any, in order of their rank as fixed by the board of directors or, if not ranked, a vice president designated by the board of directors, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them by the board of directors, these bylaws, the president or the chairman of the board.

5.10 Secretary

The secretary or an agent of the corporation shall keep or cause to be kept, at the principal executive office of the corporation or such other place as the board of directors may direct, a book of minutes of all meetings and actions of directors, committees of directors and stockholders. The minutes shall show the time and place of each meeting, whether regular or special (and, if special, how authorized and the notice given), the names of those present at directors' meetings or committee meetings, the number of shares present or represented at stockholders' meetings and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal executive office of the corporation or at the office of the corporation's transfer agent or registrar, as determined by resolution of the board of directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates evidencing such shares, and the number and date of cancellation of every certificate surrendered for cancellation.

The secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the board of directors required to be given by law or by these bylaws. The secretary shall keep the seal of the corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed by the board of directors or by these bylaws.

5.11 Treasurer

The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and shares. The books of account shall at all reasonable times be open to inspection by any director.

The treasurer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositaries as may be designated by the board of directors. The treasurer shall disburse the funds of the corporation as may be ordered by the board of directors, shall render to the president and directors, whenever they request it, an account of all of his or her transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or these bylaws.

5.12 Assistant Secretary

The assistant secretary, or, if there is more than one, the assistant secretaries in the order determined by the stockholders or board of directors (or if there be no such determination, then in the order of their election) shall, in the absence of the secretary or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the board of directors or the stockholders may from time to time prescribe.

5.13 Representation of Shares of Other Corporations

The chairman of the board, the chief executive officer, the president, any vice president, the treasurer, the secretary or assistant secretary of this corporation, or any other person authorized by the board of directors or the chief executive officer, president or a vice president, is authorized to vote, represent, and exercise on behalf of this corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.14 Authority and Duties of Officers

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the board of directors or the stockholders.

VI. INDEMNITY

6.1 Indemnification of Directors and Officers

The corporation shall, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, indemnify each of its directors and Officers against expenses (including attorneys' fees), judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.1, a director or Officer of the corporation includes any person (a) who is or was a director or Officer of the corporation, (b) who is or was serving at the request of the corporation as a director, Officer manager, member, partner, trustee, or other agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, or (c) who was a director or Officer of a corporation that was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation. Such indemnification shall be a contract right and shall include the right to receive payment of any expenses incurred by the indemnitee in connection with any proceeding in advance of its final disposition, consistent with the provisions of applicable law as then in effect. The right of indemnification provided in this Section 6.1 shall not be exclusive of any other rights to which those seeking indemnification may otherwise be entitled, and the provisions of this Section 6.1 shall inure to the benefit of the heirs and legal representatives of any person entitled to indemnity under this Section 6.1 and shall be applicable to proceedings commenced or continuing after the adoption of this Section 6.1, whether arising from acts or omissions occurring before or after such adoption. In furtherance, but not in limitation of the foregoing provisions, the following procedures, presumptions and remedies shall apply with respect to advancement of expenses and the right to indemnification under this Section 6.1.

(a) Advancement of Expenses. All reasonable expenses incurred by or on behalf of the indemnitee in connection with any proceeding shall be advanced to the indemnitee by the corporation within twenty (20) days after the receipt by the corporation of a statement or statements from the indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such proceeding, unless, prior to the expiration of such twenty-day period, the board of directors shall unanimously (except for the vote, if applicable, of the indemnitee) determine that the indemnitee has no reasonable likelihood of being entitled to indemnification pursuant to this Section 6.1. Such statement or statements shall reasonably evidence the expenses incurred by the indemnitee and, if required by law at the time of such advance, shall include or be accompanied by an undertaking by or on behalf of the indemnitee to repay the amounts advanced if it should ultimately be determined that the indemnitee is not entitled to be indemnified against such expenses pursuant to this Section 6.1.

(b) Procedure for Determination of Entitlement to Indemnification.

(i) To obtain indemnification under this Section 6.1, an indemnitee shall submit to the secretary of the corporation a written request, including such documentation and information as is reasonably available to the indemnitee and reasonably necessary to determine whether and to what extent the indemnitee is entitled to indemnification (the "Supporting Documentation"). The determination of the indemnitee's entitlement to indemnification shall be made not later than sixty (60) days after receipt by the corporation of the written request for indemnification together with the Supporting Documentation. The secretary of the corporation shall, promptly upon receipt of such a request for indemnification, advise the board of directors in writing that the indemnitee has requested indemnification, whereupon the corporation shall provide such indemnification, including without limitation advancement of expenses, so long as the indemnitee is legally entitled thereto in accordance with applicable law.

(ii) The indemnitee's entitlement to indemnification under this Section 6.1 shall be determined in one of the following ways: (A) by a majority vote of the Disinterested Directors (as hereinafter defined), even though less than a quorum of the board of directors; (B) by a committee of such Disinterested Directors, even though less than a quorum of the board of directors; (C) by a written opinion of Independent Counsel (as hereinafter defined) if (x) a Change of Control (as hereinafter defined) shall have occurred and the indemnitee so requests or (y) a quorum of the board of directors consisting of Disinterested Directors is not obtainable or, even if obtainable, a majority of such Disinterested Directors so directs; (D) by the stockholders of the corporation (but only if a majority of the Disinterested Directors, if they constitute a quorum of the board of directors, presents the issue of entitlement to indemnification to the stockholders for their determination); or (E) as provided in paragraph (c) below.

(iii) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to paragraph (b)(ii) above, a majority of the Disinterested Directors shall select the Independent Counsel, but only an Independent Counsel to which the indemnitee does not reasonably object; provided, however, that if a Change of Control shall have occurred, the indemnitee shall select such Independent Counsel, but only an Independent Counsel to which the board of directors does not reasonably object.

(iv) The only basis upon which a finding that indemnification may not be made is that such indemnification is prohibited by law.

(c) Presumptions and Effect of Certain Proceedings. Except as otherwise expressly provided in this Section 6.1, if a Change of Control shall have occurred, the indemnitee shall be presumed to be entitled to indemnification under this Section 6.1 upon submission of a request for Indemnification together with the Supporting Documentation in accordance with paragraph (b)(i), and thereafter the corporation shall have the burden of proof to overcome that presumption in reaching a contrary determination. In any event, if the person or persons empowered under paragraph (b)(ii) above to determine entitlement to indemnification shall not have been appointed or shall not have made a determination within sixty (60) days after receipt by the corporation of the request therefor together with the Supporting Documentation, the indemnitee shall be deemed to be entitled to indemnification and the indemnitee shall be entitled to such indemnification unless (A) the indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. The termination of any proceeding described in this Section 6.1, or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, adversely affect the right of the indemnitee to indemnification or create a presumption that the indemnitee did not act in good faith and in a manner that the indemnitee reasonably believed to be in or not opposed to the best interests of the corporation or, with respect to any criminal proceeding, that the indemnitee had reasonable cause to believe that the indemnitee's conduct was unlawful.

(d) Remedies of Indemnitee.

(i) In the event that a determination is made pursuant to paragraph (b)(ii) that the indemnitee is not entitled to indemnification under this Section 6.1: (A) the indemnitee shall be entitled to seek an adjudication of his or her entitlement to such indemnification either, at the indemnitee's sole option, in (x) an appropriate court of the State of Delaware or any other court of competent jurisdiction, or (y) an arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association; (B) any such judicial proceeding or arbitration shall be *de novo* and the indemnitee shall not be prejudiced by reason of such adverse determination; and (C) in any such judicial proceeding or arbitration the corporation shall have the burden of proving that the indemnitee is not entitled to indemnification under this Section 6.1.

(ii) If a determination shall have been made or is deemed to have been made, pursuant to paragraph (b)(ii) or (iii), that the indemnitee is entitled to indemnification, the corporation shall be obligated to pay the amounts constituting such indemnification within five (5) days after such determination has been made or is deemed to have been made and shall be conclusively bound by such determination unless (A) the indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation, or (B) such indemnification is prohibited by law. In the event that: (X) advancement of expenses is not timely made pursuant to paragraph (a); or (Y) payment of indemnification is not made within five (5) days after a determination of entitlement to indemnification has been made or deemed to have been made pursuant to paragraph (b)(ii) or (iii), the indemnitee shall be entitled to seek judicial enforcement of the corporation's obligation to pay to the indemnitee such advancement of expenses or indemnification. Notwithstanding the foregoing, the corporation may bring an action, in an appropriate court in the State of Delaware or any other court of competent jurisdiction, contesting the right of the indemnitee to receive indemnification hereunder due to the occurrence of an event described in subclause (A) or (B) of this clause (ii) (a "Disqualifying Event"); provided, however, that in any such action the corporation shall have the burden of proving the occurrence of such Disqualifying Event.

(iii) The corporation shall be precluded from asserting in any judicial proceedings or arbitration commenced pursuant to this paragraph (d) that the procedures and presumptions of this Section 6.1 are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the corporation is bound by all the provisions of this Section 6.1.

(iv) In the event that the indemnitee, pursuant to this paragraph (d), seeks a judicial adjudication of or an award in arbitration to enforce his or her rights under, or to recover damages for breach of, this Section 6.1, the indemnitee shall be entitled to recover from the corporation, and shall be indemnified by the corporation against, any expenses actually and reasonably incurred by the indemnitee if the indemnitee prevails in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that the indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses sought, the expenses incurred by the indemnitee in connection with such judicial adjudication shall be prorated accordingly.

(e) Definitions. For purposes of this Section 6.1:

(i) "Change in Control" means a change in control of the corporation of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Act"), whether or not the corporation is then subject to such reporting requirement; provided that, without limitation, such a change in control shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Act) is or becomes the "beneficial owner" (as defined in Rule l3d-3 under the Act), directly or indirectly, of securities of the corporation representing twenty-five percent (25%) or more of the combined voting power of the corporation's then outstanding securities without the prior approval of at least a majority of the members of the board of directors in office immediately prior to such acquisition; (ii) the corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the board of directors in office immediately prior to such transaction or event constitute less than a majority of the board of directors thereafter; or (iii) during any period of two (2) consecutive years, individuals who at the beginning of such period constituted the board of directors (including for this purpose any new director whose election or nomination for election by the corporation's stockholders was approved by a vote of at least a majority of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the board of directors;

(ii) "Disinterested Director" means a director of the corporation who is not a party to the proceeding in respect of which indemnification is sought by the indemnitee; and

(iii) "Independent Counsel" means a law firm or a member of a law firm that neither presently is, nor in the past five (5) years has been, retained to represent: (A) the corporation or the indemnitee in any matter material to either such party or (B) any other party to the proceeding giving rise to a claim for indemnification under this Section 6.1. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing under such persons, relevant jurisdiction of practice, would have a conflict of interest in representing either the corporation or the indemnitee in an action to determine the indemnitee's rights under this Section 6.1.

(f) Invalidity; Severability; Interpretation. If any provision or provisions of this Section 6.1 shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Section 6.1 (including, without limitation, all portions of any paragraph of this Section 6.1 containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Section 6.1 (including, without limitation, all portions of any paragraph of this Section 6.1 containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid; illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable. Reference herein to laws, regulations or agencies shall be deemed to include all amendments thereof, substitutions therefor and successors thereto.

6.2 Indemnification of Others

The corporation shall have the power, to the extent and in the manner permitted by the General Corporation Law of Delaware, to indemnify each of its officers, employees and agents (other than directors) against expenses (including attorneys' fees), judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.2, an officer, employee or agent of the corporation (other than a director) includes any person (a) who is or was an employee or agent of the corporation, (b) who is or was serving at the request of the corporation as a director, officer, manager, member, partner, trustee, employee or other agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, or (c) who was an employee or agent of a corporation that was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.3 Insurance

The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, manager, member, partner, trustee, employee or other agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of the General Corporation Law of Delaware.

VII. RECORDS AND REPORTS

7.1 Maintenance and Inspection of Records

The corporation shall, either at its principal executive office or at such place or places as designated by the board of directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these bylaws as amended to date, accounting books and other records.

Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the corporation's stock ledger, a list of its stockholders and its other books and records and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent is the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing that authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in Delaware or at its principal place of business.

Any records maintained by a corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time. Any corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to any provision of the certificate of incorporation, these bylaws or the General Corporation Law of Delaware. When records are kept in such manner, a clearly legible paper from or by means of the information storage device or method shall be admissible in evidence, and accepted for all other purposes, to the same extent as an original paper record of the same information would have been, provided the paper form accurately portrays the record.

7.2 Inspection by Directors

Any director shall have the right to examine the corporation's stock ledger, a list of its stockholders and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The court may summarily order the corporation to permit the director to inspect any and all books and records, the stock ledger and the stock list and to make copies or extracts therefrom. The burden of proof shall be upon the corporation to establish that the inspection such director seeks is for an improper purpose. The court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the court may deem just and proper.

7.3 Annual Statement to Stockholders

The board of directors shall present at each annual meeting, and at any special meeting of the stockholders when called for by vote of the stockholders, a full and clear statement of the business and condition of the corporation.

VIII. GENERAL MATTERS

8.1 Checks

From time to time, the board of directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

8.2 Execution of Corporate Contracts and Instruments

The board of directors, except as otherwise provided in these bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the board of directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

8.3 Stock Certificates; Partly Paid Shares

The shares of the corporation shall be represented by certificates, provided that the board of directors of the corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Notwithstanding the adoption of such a resolution by the board of directors, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed by, or in the name of the corporation by the chairman or vice-chairman of the board of directors, or the president or vice president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of such corporation representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue. The corporation shall not have power to issue a certificate in bearer form.

The corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, and upon the books and records of the corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

8.4 Special Designation on Certificates

If the corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 202 of the General Corporation Law of Delaware, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the corporation shall issue to represent such class or series of stock a statement that the corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

8.5 Lost Certificates

Except as provided in this Section 8.5, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation and cancelled at the same time. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or his or her legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

8.6 Construction; Definitions

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Delaware General Corporation Law shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term “person” includes both a corporation and a natural person.

8.7 Dividends

The directors of the corporation, subject to any rights or restrictions contained in the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock pursuant to the General Corporation Law of Delaware. Dividends may be paid in cash, in property or in shares of the corporation's capital stock.

The directors of the corporation may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation and meeting contingencies.

8.8 Fiscal Year

The fiscal year of the corporation shall be fixed by resolution of the board of directors and may be changed by the board of directors.

8.9 Seal

The corporation may adopt a corporate seal which may be altered as desired, and may use the same by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

8.10 Transfer of Stock

Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction in its books.

8.11 Stock Transfer Agreements and Restrictions

The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the General Corporation Law of Delaware.

8.12 Electronic Transmission

For purposes of these bylaws, "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.

IX. AMENDMENTS

The original or other bylaws of the corporation may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the corporation may, in its certificate of incorporation, confer the power to adopt, amend or repeal bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

X. DISSOLUTION

If it should be deemed advisable in the judgment of the board of directors of the corporation that the corporation should be dissolved, the board, after the adoption of a resolution to that effect by a majority of the whole board at any meeting called for that purpose, shall cause notice to be mailed to each stockholder entitled to vote thereon of the adoption of the resolution and of a meeting of stockholders to take action upon the resolution.

At the meeting a vote shall be taken for and against the proposed dissolution. If a majority of the outstanding stock of the corporation entitled to vote thereon votes for the proposed dissolution, then a certificate stating, among other things, that the dissolution has been authorized in accordance with the provisions of Section 275 of the General Corporation Law of Delaware and setting forth the names and residences of the directors and officers shall be executed, acknowledged, and filed and shall become effective in accordance with Section 103 of the General Corporation Law of Delaware. Upon such certificate's becoming effective in accordance with Section 103 of the General Corporation Law of Delaware, the corporation shall be dissolved.

Whenever all the stockholders entitled to vote on a dissolution consent in writing, either in person or by duly authorized attorney, to a dissolution, no meeting of directors or stockholders shall be necessary. The consent shall be filed and shall become effective in accordance with Section 103 of the General Corporation Law of Delaware. Upon such consent's becoming effective in accordance with Section 103 of the General Corporation Law of Delaware, the corporation shall be dissolved. If the consent is signed by an attorney, then the original power of attorney or a photocopy thereof shall be attached to and filed with the consent. The consent filed with the Secretary of State shall have attached to it the affidavit of the secretary or some other officer of the corporation stating that the consent has been signed by or on behalf of all the stockholders entitled to vote on a dissolution; in addition, there shall be attached to the consent a certification by the secretary or some other officer of the corporation setting forth the names and residences of the directors and officers of the corporation.

XI. CUSTODIAN

11.1 Appointment of a Custodian in Certain Cases

The Court of Chancery, upon application of any stockholder, may appoint one or more persons to be custodians and, if the corporation is insolvent, to be receivers, of and for the corporation when:

(a) at any meeting held for the election of directors the stockholders are so divided that they have failed to elect successors to directors whose terms have expired or would have expired upon qualification of their successors;

(b) the business of the corporation is suffering or is threatened with irreparable injury because the directors are so divided respecting the management of the affairs of the corporation that the required vote for action by the board of directors cannot be obtained and the stockholders are unable to terminate this division; or

(c) the corporation has abandoned its business and has failed within a reasonable time to take steps to dissolve, liquidate or distribute its assets.

11.2 Duties of Custodian

The custodian shall have all the powers and title of a receiver appointed under Section 291 of the General Corporation Law of Delaware, but the authority of the custodian shall be to continue the business of the corporation and not to liquidate its affairs and distribute its assets, except when the Court of Chancery otherwise orders and except in cases arising under Sections 226(a)(3) or 352(a)(2) of the General Corporation Law of Delaware.

CERTIFICATE OF ADOPTION OF BYLAWS
OF
CHECKPOINT THERAPEUTICS, INC.

The undersigned hereby certifies that he is a duly elected, qualified and acting officer of CHECKPOINT THERAPEUTICS, INC., and that the foregoing bylaws, comprising 26 pages, were adopted as the bylaws of the corporation effective November 10, 2014, by the board of directors of the corporation pursuant to action of the board of directors by unanimous written consent, and were recorded in the minutes thereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand and affixed the corporate seal this November 10, 2014.

/s/ Robyn Hunter
Robyn Hunter, Secretary

Exhibit 4.1


See Reverse Side for Restrictive Legends
Incorporated under the Laws of the State of Delware
NUMBER
SHARES
Checkpoint Therapeutics, Inc.
This Certifies that SPECIMEN is the
registered holder of Shares
of the Common Stock of the above Corporation
transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.
In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed
this day of A.D. 20
Michael S. Weiss, President
Robyn Hunter, Secretary

For Value Received, _____ hereby sell, assign and transfer unto _____

_____ Shares represented by the within Certificate, and do hereby irrevocably constitute and appoint _____

_____ Attorney to transfer the said Shares on the books of the within named Corporation with full power of substitution in the premises.

Dated _____ A.D. 20____

In presence of

_____ _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

Exhibit 4.2

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS COVERING SUCH SECURITIES OR THE SALE IS MADE IN ACCORDANCE WITH AN EXEMPTION UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND THE COMPANY RECEIVES AN OPINION OF COUNSEL FOR THE HOLDER OF THESE SECURITIES REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

Checkpoint Therapeutics, Inc.

COMMON STOCK WARRANT

This Warrant is issued as of this ____ day of _____ (the "***Issue Date***") by [Checkpoint Therapeutics, Inc.], a Delaware corporation (the "***Company***"), to _____, or permitted assigns (the "***Holder***").

1 . Issuance of Warrant; Number and Type of Securities Subject to Warrant; Exercise Price. The Company hereby grants to the Holder the right to purchase _____ shares of the Company's Common Stock (the "***Common Stock***"). The exercise price of the warrant will be $_____.

2. Term. This Warrant shall only be exercisable in accordance with the terms of Section 6 hereof, and shall expire on the date that is ten (10) years after the Issue Date.

3. Adjustments and Notices. This Warrant shall be subject to adjustment from time to time in accordance with the following provisions.

(a) Stock Splits, Subdivisions or Combinations. If at any time on or after the date hereof the Company shall split, subdivide or otherwise change its outstanding shares of any securities receivable upon exercise of this Warrant into a greater number of securities, the Warrant Price in effect immediately prior to such subdivision shall thereby be proportionately reduced and the number of Warrant Shares shall thereby be proportionately increased; and, conversely, if at any time on or after the date hereof the outstanding number of shares of any securities receivable upon exercise of this Warrant shall be combined into a smaller number of securities, the Warrant Price in effect immediately prior to such combination shall thereby be proportionately increased and the number of Warrant Shares shall thereby be proportionately decreased, all subject to further adjustment as provided in this Section 3.

(b) Reclassification. If the Company, by reclassification of securities, reorganization of the Company (or any other entity the securities of which are at the time receivable upon the exercise of this Warrant) or otherwise (including by merger or consolidation), shall change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities that were subject to the purchase rights under this Warrant immediately prior to such reclassification or other change and the Warrant Price therefor shall be appropriately adjusted, all subject to further adjustment as provided in this Section 3.

(c) No Impairment. The Company shall not, by amendment of its Certificate of Incorporation or Bylaws, each as amended to date, or through a reorganization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Warrant by the Company, but shall at all times in good faith assist in carrying out the provisions of this Warrant and in taking all such action as may be necessary or appropriate to protect the Holder's rights under this Warrant against impairment.

(d) Fractional Shares. No fractional Warrant Shares shall be issuable upon exercise or conversion of the Warrant and the number of Warrant Shares to be issued shall be rounded to the nearest whole Warrant Share. If a fractional Warrant Share arises upon any exercise or conversion of the Warrant, the Company shall eliminate such fractional Warrant Share by paying the Holder an amount computed by multiplying the fractional interest by the fair market value of a full Warrant Share.

4. No Voting or Dividend Rights. Nothing contained in this Warrant shall be construed as conferring upon the holder hereof the right to vote or to consent to receive notice as a stockholder of the Company on any other matters or any rights whatsoever as a stockholder of the Company. No dividends or interest shall be payable or accrued in respect of this Warrant or the interest represented hereby or the shares purchasable hereunder until, and only to the extent that, this Warrant shall have been exercised.

5. Shares to be Fully Paid; Reservation of Shares. The Company covenants and agrees that all Warrant Shares will, upon issuance and payment of the applicable Warrant Price, be duly authorized, validly issued, fully paid and nonassessable, and free of all preemptive rights, liens and encumbrances, except for restrictions on transfer provided for herein. The Company shall at all times reserve and keep available out of its authorized and unissued Common Stock, solely for the purpose of providing for the exercise of the rights to purchase all Warrant Shares granted pursuant to this Warrant, such number of shares of Common Stock as shall, from time to time, be sufficient therefor.

6. Exercise of Warrant. Subject to Section 4, this Warrant may be exercised in whole or in part, at any time, by the surrender of this Warrant, together with the Notice of Exercise and Investment Representation Statement in substantially the forms attached hereto as Attachment 1 and Attachment 2, respectively (subject to appropriate revision if this Warrant is adjusted pursuant to Section 3 hereof), duly completed and executed at the principal office of the Company, and accompanied by payment in full of the applicable aggregate Warrant Price in cash or by check with respect to the Warrant Shares being purchased. Prior to exercise of the Warrant, the Holder shall notify the Company of its desire to exercise the Warrant. This Warrant shall be deemed to have been exercised immediately prior to the close of business on the date of its surrender for exercise as provided above, and the person or entity entitled to receive the Warrant Shares issuable upon such exercise shall be treated for all purposes as holder of such shares of record as of the close of business on such date.

7. Notice of Proposed Transfer. Prior to any proposed transfer of this Warrant or the Warrant Shares received on the exercise of this Warrant (together, the "***Securities***"), unless there is in effect a registration statement under the Securities Act of 1933, as amended (the "***Act***") covering the proposed transfer, the Holder thereof shall give written notice to the Company of such Holder's intention to effect such transfer. Each such notice shall describe the manner and circumstances of the proposed transfer in sufficient detail, and shall, if the Company so requests, be accompanied (except in transactions in compliance with Rule 144) by either (i) an unqualified written opinion of legal counsel who shall be reasonably satisfactory to the Company addressed to the Company and reasonably satisfactory in form and substance to the Company's counsel, to the effect that the proposed transfer of the Securities may be effected without registration under the Act, or (ii) a "no action" letter from the Securities and Exchange Commission (the "***Commission***") to the effect that the transfer of such Securities without registration will not result in a recommendation by the staff of the Commission that action be taken with respect thereto, whereupon the Holder of the Securities shall be entitled to transfer the Securities in accordance with the terms of the notice delivered by the Holder to the Company; provided, however, no such registration statement or opinion of counsel shall be necessary for a transfer by a Holder to any affiliate of such Holder. Each certificate evidencing the Securities transferred as above provided shall bear the appropriate restrictive legend set forth above, except that such certificate shall not bear such restrictive legend if in the opinion of counsel for the Company such legend is not required in order to establish compliance with any provisions of the Act.

8. Certificate of Adjustment. Whenever the Warrant Price or number or type of Warrant Shares issuable upon exercise of this Warrant is adjusted, as herein provided, the Company shall promptly deliver to the record holder of this Warrant a certificate of the Secretary of the Company setting forth the nature of such adjustment and a brief statement of the facts requiring such adjustment.

9. Replacement of Warrants. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of the Warrant, and in the case of any such loss, theft or destruction of the Warrant, on delivery of an indemnity agreement or security reasonably satisfactory in form and amount to the Company, and reimbursement to the Company of all reasonable expenses incidental thereto, and upon surrender and cancellation of the Warrant if mutilated, the Company will execute and deliver, in lieu thereof, a new Warrant of like tenor.

10. Amendment, Waiver, etc. Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought; provided, however, that any provisions hereof may be amended, waived, discharged or terminated upon the written consent of the Company and a Requisite Majority. For purposes hereof, "***Requisite Majority***" shall mean Holders of at least a majority of the Warrant Shares then issuable upon exercise of then outstanding warrants of like tenor to this Warrant issued by the Company (the "***Offering Warrants***"); provided, however, that no such amendment or waiver may disproportionately and adversely affect the Holder relative to the holders of all other Offering Warrants without the Holder's consent. Any amendment effected in accordance with this Section shall be binding upon all holders of the Offering Warrants, each future holder of the Offering Warrants, and the Company. By acceptance hereof, the Holder acknowledges that in the event the required consent is obtained, any term of this Warrant may be amended or waived with or without the consent of the Holder.

11. Successors and Assigns. This Warrant and the rights evidenced hereby shall inure to the benefit of and be binding upon the successors of the Company and the successors and assigns of the Holder. The provisions of this Warrant are intended to be for the benefit of all Holders from time to time of this Warrant, and shall be enforceable by any such Holder.

12. Severability. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

13. Miscellaneous. This Warrant shall be governed by the laws of the State of New York as such laws are applied to contracts to be entered into and performed entirely in New York. The headings in this Warrant are for purposes of convenience and reference only, and shall not be deemed to constitute a part hereof.

ISSUED this ____ day of _____.

[Checkpoint Therapeutics, Inc.]

By: _____

Michael S. Weiss
President and Interim CEO

Attachment 1

NOTICE OF EXERCISE

TO: Checkpoint Therapeutics, Inc.

1. The undersigned hereby elects to purchase _____ shares of _____ of Checkpoint Therapeutics, Inc. (the "Warrant Shares") pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price in full, together with all applicable transfer taxes, if any.

2. Please issue a certificate or certificates representing said number of Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____
(Name)

_____
(Address)

(Date) _____ (Name of Warrant Holder)

By: _____

Title: _____

Attachment 2
INVESTMENT REPRESENTATION STATEMENT

Shares of _____ of
Checkpoint Therapeutics, Inc.

In connection with the purchase of the shares of _____ of Checkpoint Therapeutics, Inc., the undersigned hereby represents to Checkpoint Therapeutics, Inc. (the "Company") as follows:

(A) The undersigned is an accredited investor (as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Act")). The undersigned acknowledges that an investment in the Company is highly speculative and represents that it is able to fend for itself in the transactions contemplated by this Statement, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investments, and has the ability to bear the economic risks (including the risk of a total loss) of its investment. The undersigned represents that it has had the opportunity to ask questions of the Company concerning the Company's business and assets and to obtain any additional information which it considered necessary to verify the accuracy of or to amplify the Company's disclosures, and has had all questions which have been asked by it satisfactorily answered by the Company.

(B) The undersigned understands that no liquid public market now exists for the securities being issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities being obtained hereby.

(C) The undersigned understands that the securities issued upon exercise of the Warrant (the "Securities"), and any securities issued in respect thereof or exchange therefor, may bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS COVERING SUCH SECURITIES OR THE SALE IS MADE IN ACCORDANCE WITH AN EXEMPTION UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND THE COMPANY RECEIVES AN OPINION OF COUNSEL FOR THE HOLDER OF THESE SECURITIES REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS."

(D) By executing this Statement, the undersigned further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to any Securities issuable upon exercise of the Warrant.

(E) The undersigned understands that the Securities issuable upon exercise of the Warrant at the time of issuance and exercise may not be registered under the Act, and applicable state securities laws, on the ground that the issuance of such securities is exempt pursuant to Section 4(2) of the Act and state law exemptions relating to offers and sales not by means of a public offering, and that the Company's reliance on such exemptions is predicated on the undersigned's representations set forth herein.

(F) The undersigned agrees that in no event will it make a disposition of any Securities acquired upon the exercise of the Warrant unless and until (i) it shall have notified the Company of the proposed disposition and shall have furnished the Company with a statement of the circumstances surrounding the proposed disposition, and (ii) if reasonably required by the Company it shall have furnished the Company with an opinion of counsel reasonably satisfactory to the Company and Company's counsel to the effect that (A) appropriate action necessary for compliance with the Act and any applicable state securities laws has been taken or an exemption from the registration requirements of the Act and such laws is available, and (B) the proposed transfer will not violate any of said laws.

(G) The undersigned acknowledges that the Securities issuable upon exercise of the Warrant must be held indefinitely unless subsequently registered under the Act or an exemption from such registration is available. The undersigned is aware of the provisions of Rule 144 promulgated under the Act which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale occurring not less than one year after a party has purchased and paid for the security to be sold, the sale being through a "broker's transaction" or in transactions directly with a "market makers" (as provided by Rule 144(f)) and the number of shares being sold during any three-month period not exceeding specified limitations.

[Signature on Next Page]

Dated: _____

_____
(Print Name of Holder)

By: _____
(signature)

Name: _____
(print name of person signing)

Title: _____

Exhibit 10.1

FOUNDERS AGREEMENT

THIS FOUNDERS AGREEMENT (this "Agreement") is entered into as of March 17, 2015 (the "Effective Date") by and between Fortress Biotech, Inc., a Delaware corporation (the "Founder"), and Checkpoint Therapeutics, Inc. (the "Company").

WHEREAS, Founder formed Company on November 10, 2014, for the purpose of acquiring, licensing, developing and commercializing specialty pharmaceutical products (the "Business");

WHEREAS, Founder has identified or has acquired certain assets (the "Assets") that will allow Company to carry out the Business and Founder is willing to assign and contribute its interest in the Assets to Company under the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1.1 Assignment of Founders Rights in Assets. Founder has negotiated the right to acquire or license the Assets and hereby agrees to assign all of its right, title and interest in the Assets, including without limitation, the Founder contributing, assigning, transferring and delivering to Company on the Effective Date the Assets set forth on Schedule A, free and clear of all liens.

1.2 In exchange for the consideration contained in paragraphs 1.1:

(a) Founder shall receive 1,000,000 shares of Common Stock of the Company;

(b) Company shall assume all of Founder's liabilities, obligations, rights, title and interest in that certain indebtedness described onSchedule B (the "Indebtedness");

(c) Founder shall receive an annual equity fee payable in shares of Common Stock, such that on an annual basis on the anniversary of this Agreement, the Company shall issue the Founder shares of Common Stock of the Company equal to two and a half percent (2.5%) of the fully-diluted outstanding equity of the Company at the time of issuance; and

(d) Founder shall receive an equity fee payable in shares of Common Stock equal to two and a half percent (2.5%) of the gross amount of any equity or debt financing, payable within five (5) business days of the closing of any equity or debt financing for the Company or any of its respective subsidiaries that occurs after the date hereof and ending on the date when Founder no longer has majority voting control in Company's voting equity. In calculating the number of shares payable hereunder, in the case of an equity financing, the number of shares issuable will be based on the share price of the equity in such round; and (ii) in the case of a debt financing, the number of shares issuable will be based on the closing price of the common shares of the company on the day prior to the closing of the debt financing or if not publicly-traded, the price of the common shares in the last equity financing.

(e) In the event of a Change in Control, Founder shall receive a one-time change in control fee equal to five times the product of (i) monthly Net Sales (defined below) for the twelve (12) months immediately preceding the change in control and (ii) 4.5%.

For purposes of this Agreement, "Change of Control" shall mean the occurrence of any of the following events:

(i) during any consecutive 12-month period, individuals who, at the beginning of such period, constitute the board of directors of the Company (the "Incumbent Directors") cease for any reason to constitute at least a majority of such Board, provided that any person becoming a director after the beginning of such 12-month period and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of any "person" (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "1934 Act") and as used in Section 13(d)(3) and 14(d)(2) of the 1934 Act) other than the Board ("Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, shall be deemed an Incumbent Director;

(ii) any person becomes a "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of either (A) 35% or more of the then-outstanding shares of common stock of the Company ("Company Common Stock") or (B) securities of the Company representing 35% or more of the combined voting power of the Company's then-outstanding securities eligible to vote for the election of directors (the "Company Voting Securities"); provided, however, that for purposes of this subsection (ii), the following acquisitions of Company Common Stock or Company Voting Securities shall not constitute a Change of Control: (i) an acquisition directly from the Company, (ii) an acquisition by the Company or any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company (a "Subsidiary"), (iii) an acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary, or (iv) an acquisition pursuant to a Non-Qualifying Transaction (as defined in subsection (iii) below);

(iii) the consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or a subsidiary (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation or other entity (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition: (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding Company Common Stock and outstanding Company Voting Securities immediately prior to such Reorganization, Sale or Acquisition beneficially own, directly or indirectly, more than 35% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Reorganization, Sale or Acquisition (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Entity") in substantially the same proportions as their ownership, immediately prior to such Reorganization, Sale or Acquisition, of the outstanding Company Common Stock and the outstanding Company Voting Securities, as the case may be, and (B) no person (other than (x) the Company or any Subsidiary, (y) the Surviving Entity or its ultimate parent entity, or (z) any employee benefit plan (or related trust) sponsored or maintained by any of the foregoing) is the beneficial owner, directly or indirectly, of 35% or more of the total common stock or 35% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Surviving Entity, and (C) at least a majority of the members of the board of directors of the Surviving Entity were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Reorganization, Sale or Acquisition (any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); or

(iv) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(f) Founder shall receive a cash fee equal to four percent (4.5%) of annual Net Sales, payable on an annual basis, within 90 days of the end of each calendar year. For purposes of this Agreement, "Net Sales" shall mean the gross amount invoiced or otherwise charged by Company, its Affiliates and Licensees ("***Selling Party***") to third parties in arm's length transactions for sales of any Product during a calendar year, less:

(i) Normal and customary trade, quantity, cash and discounts and credits allowed and taken;

(ii) Discounts, refunds, rebates, chargebacks, retroactive price adjustments, and any other allowances given and taken which effectively reduce the net selling price (other than such which have already diminished the gross amount invoiced such as those outlined in Section 1.3(e)(i) above), including, without limitation, Medicaid rebates, institutional rebates or volume discounts;

(iii) Product returns and allowances granted to such third party;

(iv) Administrative fees paid to group purchasing organizations (e.g., Medicare) and government-mandated rebates;

(v) Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

(vi) Any tax, tariff or duties imposed on the production, sale, delivery or use of the Product, including, without limitation, sales, use, excise or value added taxes and customs and duties, but all only to the extent included as a separate line item (e.g., "taxes") in the gross amount invoiced; and

(vii) Bad debt actually written off during the accounting period, as reported by the Selling Party in accordance with GAAP, applied on a consistent basis (provided, that any bad debt write-off so taken which is later reversed shall be added back to Net Sales in the accounting period in which the reversal occurs.)

Products are considered "sold" when billed out or invoiced or, in the event such Products are not billed out or invoiced, when the consideration for sale of the Products is received. If a sale, transfer or other disposition with respect to Products involves consideration other than cash or is not at arm's length, then the Net Sales from such sale, transfer or other disposition shall be calculated from the average selling price for such Product during the calendar quarter in the country where such sale, transfer or disposition took place. Notwithstanding the foregoing, Net Sales shall not include, and shall be deemed zero with respect to, (i) Products used by Company, its Affiliates, or Licensees for their internal use, (ii) the distribution of promotional samples of Products provided free of charge, (iii) Products provided for clinical trials or research, development, or evaluation purposes, or (iv) sales of Products among Company and its Licensees and their respective Affiliates for resale.

"Product" means any product, (i) owned by Company or (ii) exclusively licensed to Company. "License" means granting a third party or Affiliate a right to make, have made, use, offer for sale, sell or import a Product.

"Licensee" means a person or entity granted a License.

Reports; Audits:

(A) Within ninety (90) days following the last day of each calendar year, Company shall provide to Founder a written statement (i) stating (as applicable) the aggregate Net Sales, by country, of each Product sold during the relevant calendar year by Company, its Affiliates and Licensees, and (ii) detailing the calculation of amounts due pursuant to Section 1.2(e) for such calendar year.

(B) Company shall keep or cause to be kept such records as are reasonably required to determine the amounts due under this Agreement; such records must be kept for a minimum of three (3) years following the calendar year to which such records pertain. At the request (and expense) of Founder, Company shall permit Founder to engage an independent certified public accounting firm reasonably acceptable to Company, at reasonable times not more than once a year and upon reasonable notice, to examine only those records as may be necessary to determine, with respect to any calendar year ending not more than three (3) years prior to Founder's request, the correctness or completeness of any payment made under this Agreement. Founder shall promptly provide a copy of the results of any such audit or examination to Company. Founder shall bear the full cost of the performance of any such audit or examination, unless such audit or examination discloses an underpayment exceeding ten percent (10%) of the amount actually due hereunder with respect to any particular calendar year, in which case Company shall bear the reasonable, documented cost of the performance of such audit or examination. Company shall promptly pay to Founder the amount of any underpayment of royalties revealed by such an examination and review. Any overpayment by Company revealed by an examination and review shall be refunded to Company within thirty (30) calendar days of its request.

2. **Representations and Warranties of the Parties.** Each of the parties hereto hereby represents and warrants to the other as follows:

2.1 Each party may execute, deliver, and perform this Agreement without the necessity of obtaining any consent, approval, authorization, registration, filing, or waiver or giving any notice, other than those already obtained;

2.2 This Agreement has been duly authorized by all necessary actions of the party and constitutes the legal, valid, and binding obligation of such party; and

2.3 Each party has the full right, power, and authority to enter into this Agreement and to consummate the transactions contemplated hereby.

3. **Notices.** All notices hereunder must be in writing and will be deemed to have been duly given upon receipt of hand delivery, upon electronic transmission with confirmation of receipt, or upon receipt of registered mail, return receipt requested, addressed to the address set forth for each party, respectively, on the signature page of this Agreement or to such other address as may be designated by written notice.

4. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the transactions contemplated herein. All prior agreements among the parties concerning the subject matter hereof, whether written or oral, are merged herein and shall be of no force or effect. This Agreement cannot be altered, modified, or discharged orally but only by an agreement in writing.

5. **Benefit.** This Agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, and assigns.

6. **Severability.** If any provision contained in this Agreement is or becomes invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

7. **Further Assurances.** The parties hereby agree to execute and deliver such further instruments and do such further acts as may be required to carry out the intent and purposes of this Agreement.

8. **Counterparts.** This Agreement may be executed separately by each party in multiple originals, and each original of this Agreement separately executed by one party, when assembled with one or more copies of this Agreement separately executed by the other parties, shall be and constitute a fully executed original of this Agreement.

9. **Survival.** All representations and warranties made herein by the parties will survive the execution of this Agreement.

10. **Governing Law.** This Agreement shall be governed by and construed in accordance with the substantive laws of the state of New York, without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the state of New York.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties effective for all purposes as of the date first written above.

FORTRESS BIOTECH, INC.

By: /s/ Lindsay Rosenwald
Name: Lindsay Rosenwald
Title: President

Address for Notice:
3 Columbus Circle, 15th FL
New York, NY 10019

CHECKPOINT THERAPEUTICS, INC.

By: /s/ Michael Weiss
Name: Michael Weiss
Title: President

Address for Notice:
3 Columbus Circle, 15th FL
New York, NY 10019

SCHEDULE A

As used herein, "Assets" shall mean the following assets, properties, rights and claims of Founder used or held for use in the Business, or relating to or arising from the conduct of the Business.

1. License Agreement, dated as of March 17, 2015, by and between Fortress Biotech, Inc. and NeuPharma, Inc.
2. Option Agreement, effective March 17, 2015, by and between TG Therapeutics, Inc. and Fortress Biotech, Inc. relating to the NeuPharma License Agreement.
3. When finalized and executed, that certain License Agreement by and between Fortress Biotech, Inc. and Teva Pharmaceutical Industries Ltd. relating to CEP-9722 (PARPi).

SCHEDULE B

Indebtedness

1. Promissory Note, with an issuance date of February, 27, 2015, and an execution date of July 30, 2015, in the original principal amount of $2,350,917, issued by Checkpoint Therapeutics, Inc. to the order of NSC Biotech Venture Fund I, LLC.

Exhibit 10.2

AMENDED AND RESTATED FOUNDERS AGREEMENT

THIS AMENDED AND RESTATED FOUNDERS AGREEMENT (this "Agreement") entered into on July 11, 2016, shall be effective as of March 17, 2015 (the "Effective Date") by and between Fortress Biotech, Inc., a Delaware corporation (the "Founder"), and Checkpoint Therapeutics, Inc. (the "Company").

WHEREAS, Founder and the Company previously entered into a Founders Agreement, dated March 17, 2015 (the "Existing Founders Agreement");

WHEREAS, Founder formed the Company on November 10, 2014, for the purpose of acquiring, licensing, developing and commercializing specialty pharmaceutical products (the "Business");

WHEREAS, the parties hereto have requested that the Existing Founders Agreement be amended and restated, in its entirety, on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1.1 Formation of the Company. Founder has organized and completed the formation of the Company, expended time and capital in such formation and identified specific assets the acquisition of which would benefit the Company and its business purpose.

1.2 In exchange for the consideration contained in paragraph 1.1:

(a) Founder shall receive 1,000,000 shares of Common Stock of the Company;

(b) Company shall assume all of Founder's liabilities, obligations, rights, title and interest in that certain indebtedness described onSchedule A (the "Indebtedness");

(c) Founder shall receive an annual equity fee during the Term payable in shares of Common Stock, such that on an annual basis on the anniversary of this Agreement, the Company shall issue the Founder shares of Common Stock of the Company equal to two and a half percent (2.5%) of the fully-diluted outstanding equity of the Company at the time of issuance; and

(d) Founder shall receive an equity fee during the Term payable in shares of Common Stock equal to two and a half percent (2.5%) of the gross amount of any equity or debt financing, payable within five (5) business days of the closing of any equity or debt financing for the Company or any of its respective subsidiaries that occurs after the date hereof and ending on the date when Founder no longer has majority voting control in Company's voting equity. In calculating the number of shares payable hereunder, in the case of an equity financing, the number of shares issuable will be based on the share price of the equity in such round; and (ii) in the case of a debt financing, the number of shares issuable will be based on the closing price of the common shares of the company on the day prior to the closing of the debt financing or if not publicly-traded, the price of the common shares in the last equity financing.

(e) In the event of a Change in Control, Founder shall receive a one-time change in control fee equal in cash to five times the product of (i) Net Sales (defined below) for the twelve (12) months immediately preceding the change in control and (ii) 4.5%.

Upon the Company's satisfaction of its obligations of (e)(i) and (e)(ii), Founder shall notify the Company in writing within fifteen days (15) of receipt of final payment. At that time, Founder shall have the right to audit the Company's financials, on terms mutually agreeable to the parties, within thirty (30) days of the Company's receipt of Founder's request to audit. If Founder fails to request an audit within thirty (30) days of what is marked as the Company's final payment, it shall be deemed waived. If the audit demonstrates that the Company satisfied all of its financial obligations to Founder, then this Agreement shall be terminated in its entirety.

For purposes of this Agreement, "Change of Control" shall mean the occurrence of any of the following events:

(i) during any consecutive 12-month period, individuals who, at the beginning of such period, constitute the board of directors of the Company (the "Incumbent Directors") cease for any reason to constitute at least a majority of such Board, provided that any person becoming a director after the beginning of such 12-month period and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of any "person" (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "1934 Act") and as used in Section 13(d)(3) and 14(d)(2) of the 1934 Act) other than the Board ("Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, shall be deemed an Incumbent Director;

(ii) any person becomes a "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of either (A) 35% or more of the then-outstanding shares of common stock of the Company ("Company Common Stock") or (B) securities of the Company representing 35% or more of the combined voting power of the Company's then-outstanding securities eligible to vote for the election of directors (the "Company Voting Securities"); provided, however, that for purposes of this subsection (ii), the following acquisitions of Company Common Stock or Company Voting Securities shall not constitute a Change of Control: (i) an acquisition directly from the Company, (ii) an acquisition by the Company or any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company (a "Subsidiary"), (iii) an acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary, or (iv) an acquisition pursuant to a Non-Qualifying Transaction (as defined in subsection (iii) below);

(iii) the consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or a subsidiary (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation or other entity (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition: (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding Company Common Stock and outstanding Company Voting Securities immediately prior to such Reorganization, Sale or Acquisition beneficially own, directly or indirectly, more than 35% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Reorganization, Sale or Acquisition (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Entity") in substantially the same proportions as their ownership, immediately prior to such Reorganization, Sale or Acquisition, of the outstanding Company Common Stock and the outstanding Company Voting Securities, as the case may be, and (B) no person (other than (x) the Company or any Subsidiary, (y) the Surviving Entity or its ultimate parent entity, or (z) any employee benefit plan (or related trust) sponsored or maintained by any of the foregoing) is the beneficial owner, directly or indirectly, of 35% or more of the total common stock or 35% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Surviving Entity, and (C) at least a majority of the members of the board of directors of the Surviving Entity were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Reorganization, Sale or Acquisition (any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); or

(iv) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(f) Founder shall receive a cash fee during the Term equal to four percent (4.5%) of annual Net Sales, payable on an annual basis, within 90 days of the end of each calendar year. For purposes of this Agreement, "Net Sales" shall mean the gross amount invoiced or otherwise charged by Company, its Affiliates and Licensees ("***Selling Party***") to third parties in arm's length transactions for sales of any Product during a calendar year, less:

(i) Normal and customary trade, quantity, cash and discounts and credits allowed and taken;

(ii) Discounts, refunds, rebates, chargebacks, retroactive price adjustments, and any other allowances given and taken which effectively reduce the net selling price (other than such which have already diminished the gross amount invoiced such as those outlined in Section 1.2(f)(i) above), including, without limitation, Medicaid rebates, institutional rebates or volume discounts;

(iii) Product returns and allowances granted to such third party;

(iv) Administrative fees paid to group purchasing organizations (e.g., Medicare) and government-mandated rebates;

(v) Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

(vi) Any tax, tariff or duties imposed on the production, sale, delivery or use of the Product, including, without limitation, sales, use, excise or value added taxes and customs and duties, but all only to the extent included as a separate line item (e.g., "taxes") in the gross amount invoiced; and

(vii) Bad debt actually written off during the accounting period, as reported by the Selling Party in accordance with GAAP, applied on a consistent basis (provided, that any bad debt write-off so taken which is later reversed shall be added back to Net Sales in the accounting period in which the reversal occurs.)

Products are considered "sold" when billed out or invoiced or, in the event such Products are not billed out or invoiced, when the consideration for sale of the Products is received. If a sale, transfer or other disposition with respect to Products involves consideration other than cash or is not at arm's length, then the Net Sales from such sale, transfer or other disposition shall be calculated from the average selling price for such Product during the calendar quarter in the country where such sale, transfer or disposition took place. Notwithstanding the foregoing, Net Sales shall not include, and shall be deemed zero with respect to, (i) Products used by Company, its Affiliates, or Licensees for their internal use, (ii) the distribution of promotional samples of Products provided free of charge, (iii) Products provided for clinical trials or research, development, or evaluation purposes, or (iv) sales of Products among Company and its Licensees and their respective Affiliates for resale.

"Product" means any product, (i) owned by Company or (ii) exclusively licensed to Company. "License" means granting a third party or Affiliate a right to make, have made, use, offer for sale, sell or import a Product.

"Licensee" means a person or entity granted a License.

Reports; Audits:

(A) Within ninety (90) days following the last day of each calendar year, Company shall provide to Founder a written statement (i) stating (as applicable) the aggregate Net Sales, by country, of each Product sold during the relevant calendar year by Company, its Affiliates and Licensees, and (ii) detailing the calculation of amounts due pursuant to Section 1.2(f) for such calendar year.

(B) Company shall keep or cause to be kept such records as are reasonably required to determine the amounts due under this Agreement; such records must be kept for a minimum of three (3) years following the calendar year to which such records pertain. At the request (and expense) of Founder, Company shall permit Founder to engage an independent certified public accounting firm reasonably acceptable to Company, at reasonable times not more than once a year and upon reasonable notice, to examine only those records as may be necessary to determine, with respect to any calendar year ending not more than three (3) years prior to Founder's request, the correctness or completeness of any payment made under this Agreement. Founder shall promptly provide a copy of the results of any such audit or examination to Company. Founder shall bear the full cost of the performance of any such audit or examination, unless such audit or examination discloses an underpayment exceeding ten percent (10%) of the amount actually due hereunder with respect to any particular calendar year, in which case Company shall bear the reasonable, documented cost of the performance of such audit or examination. Company shall promptly pay to Founder the amount of any underpayment of royalties revealed by such an examination and review. Any overpayment by Company revealed by an examination and review shall be refunded to Company within thirty (30) calendar days of its request.

2. **Representations and Warranties of the Parties.** Each of the parties hereto hereby represents and warrants to the other as follows:

2.1 Each party may execute, deliver, and perform this Agreement without the necessity of obtaining any consent, approval, authorization, registration, filing, or waiver or giving any notice, other than those already obtained;

2.2 This Agreement has been duly authorized by all necessary actions of the party and constitutes the legal, valid, and binding obligation of such party; and

2.3 Each party has the full right, power, and authority to enter into this Agreement and to consummate the transactions contemplated hereby.

3. **Notices.** All notices hereunder must be in writing and will be deemed to have been duly given upon receipt of hand delivery, upon electronic transmission with confirmation of receipt, or upon receipt of registered mail, return receipt requested, addressed to the address set forth for each party, respectively, on the signature page of this Agreement or to such other address as may be designated by written notice.

4. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the transactions contemplated herein. All prior agreements among the parties concerning the subject matter hereof, whether written or oral, are merged herein and shall be of no force or effect. This Agreement cannot be altered, modified, or discharged orally but only by an agreement in writing.

5. **Benefit.** This Agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, and assigns.

6. **Severability.** If any provision contained in this Agreement is or becomes invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

7. **Further Assurances.** The parties hereby agree to execute and deliver such further instruments and do such further acts as may be required to carry out the intent and purposes of this Agreement.

8. **Counterparts.** This Agreement may be executed separately by each party in multiple originals, and each original of this Agreement separately executed by one party, when assembled with one or more copies of this Agreement separately executed by the other parties, shall be and constitute a fully executed original of this Agreement.

9. **Survival.** All representations and warranties made herein by the parties will survive the execution of this Agreement.

10. **Governing Law.** This Agreement shall be governed by and construed in accordance with the substantive laws of the state of New York, without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the state of New York.

11. **Term.** This Agreement shall be in effect for a period equal to fifteen (15) years from the Effective Date (the "Initial Term"). Upon expiration of the Initial Term, this Agreement shall be automatically renewed for successive periods of one (1) year (together with the Initial Term, the "Term"), unless terminated by Founder by a letter sent by recorded delivery to the Company at least six (6) months prior to the end of the contractual period in force. In the event of Change in Control, as defined by this Agreement, termination is governed in accordance with that provision and subject to the one-time change in control fee.

12. **Amendment and Restatement.** The terms and provisions of the Existing Founders Agreement are hereby amended and restated in their entirety by the terms and provisions of this Amended and Restated Founders Agreement and shall supersede all provisions of the Existing Founders Agreement as of the date hereof. From and after the date hereof, all references made to the Existing Founders Agreement in any document shall, without more, be deemed to refer to this Amended and Restated Founders Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties effective for all purposes as of the date first written above.

FORTRESS BIOTECH, INC.

By:	/s/ Lindsay A. Rosenwald	July 11, 2016
Name:	Lindsay A. Rosenwald, MD	
Title:	President	

Address for Notice:
2 Gansevoort St
New York, NY 10014

CHECKPOINT THERAPEUTICS, INC.

By:	/s/ James F. Oliviero	July 11, 2016
Name:	James F. Oliviero	
Title:	Chief Executive Officer and President	

Address for Notice:
2 Gansevoort St
New York, NY 10014

SCHEDULE A

Indebtedness

1. Promissory Note, with an issuance date of February, 27, 2015, and an execution date of July 30, 2015, in the original principal amount of $2,350,917, issued by Checkpoint Therapeutics, Inc. to the order of NSC Biotech Venture Fund I, LLC.

Exhibit 10.3

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (this "Agreement") is made as of March 17, 2015, by and between Checkpoint Therapeutics, Inc. a Delaware corporation (the "Company"), and Fortress Biotech, Inc., a Delaware corporation (the "Manager" and individually a "Party" or collectively the "Parties").

WHEREAS, on the terms and subject to the conditions contained in this Agreement, the Company desires to obtain certain management, advisory and consulting services from the Manager, and the Manager has agreed to perform such management, advisory and consulting services;

WHEREAS, the Parties are also entering into as of the date hereof the Founders Agreement for the transfer of the Assets (as defined in the Founders Agreement), and the execution of this Agreement is a condition to the willingness of the Manager to transfer the Assets.

WHEREAS, this Agreement has been approved by the Company's Board of Directors.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Management, Advisory and Consulting Services.

1.1 Board of Directors Supervision. The activities of the Manager to be performed under this Agreement shall be subject to the supervision of the Board of Directors ("Board") and subject to reasonable policies not inconsistent with the terms of this Agreement adopted by the Board and in effect from time-to-time. Where not required by applicable law or regulation, the Manager shall not require the prior approval of the Board to perform its duties under this Agreement. Notwithstanding the foregoing, the Manager shall not have the authority to bind the Company, and nothing contained herein shall be construed to create an agency relationship between the Company and the Manager.

1 . 2 Services. Subject to any limitations imposed by applicable law or regulation, the Manager shall render or cause to be rendered management, advisory and consulting services to the Company, which services may include advice and assistance concerning any and all aspects of the operations, clinical trials, financial planning and strategic transactions and financings of the Company and conducting relations on behalf of the Company with accountants, attorneys, financial advisors and other professionals (collectively, the "Services"). The Manager shall provide and devote to the performance of this Agreement such employees, Affiliates and agents of the Manager as the Manager shall deem appropriate to the furnishing of the Services hereunder. Additionally, at the request of Manager, the Company will utilize clinical research services, medical education, communication and marketing services and investor relations/public relation services of companies or individuals designated by Manager, including Affiliates, employees or consultants of Manager, provided those services are offered at market prices. "Affiliate" means a person or entity that controls, is controlled by or is under common control with a party, but only for so long as such control exists. For the purposes of this Section 1.1, the word "control" (including, with correlative meaning, the terms "controlled by" or "under common control with") means the actual power, either directly or indirectly through one or more intermediaries, to direct the management and policies of such person or entity, whether by the ownership of at least 50% of the voting stock of such entity, or by contract or otherwise.

1.3 Non-exclusivity, Freedom to Pursue Opportunities and Limitation on Liability.

1.3.1 Non Exclusivity. The Manager shall devote such time and efforts to the performance of Services contemplated hereby as the Manager deems reasonably necessary or appropriate; provided, however, that no minimum number of hours is required to be devoted by the Manager on a weekly, monthly, annual or other basis. The Company acknowledges that the Manager's Services are not exclusive to the Company and that the Manager will render similar Services to other persons and entities.

1.3.2 Freedom to Pursue Opportunities. In recognition that the Manager and its Affiliates currently have, and will in the future have or will consider acquiring, investments in numerous companies with respect to which the Manager or its Affiliates may serve as an advisor, a director or in some other capacity, and in recognition that the Manager and its Affiliates have a myriad of duties to various investors, and in anticipation that the Company and the Manager (or one or more Affiliates or clients of the Manager) may engage in the same or similar activities or lines of business and have an interest in the same areas of corporate opportunities, and in recognition of the benefits to be derived by the Company hereunder and in recognition of the difficulties that may confront any manager who desires and endeavors fully to satisfy such manager's duties in determining the full scope of such duties in any particular situation, the provisions of this Section 1.3.2 are set forth to regulate, define and guide the conduct of certain affairs of the Company as they may involve the Manager.

Except as the Manager may otherwise agree in writing after the date hereof:

(i) the Manager will have the right: (A) to directly or indirectly engage in any business including, without limitation, any business activities or lines of business that are the same as or similar to those pursued by, or competitive with, any of the Company's, (B) to directly or indirectly do business with any client or customer of the Company, (C) to take any other action that the Manager believes in good faith is necessary to or appropriate to fulfill its obligations as described in the first sentence of this Section 1.3.2, and (D) not to present potential transactions, matters or business opportunities to the Company, and to pursue, directly or indirectly, any such opportunity for itself, and to direct any such opportunity to another person.

(ii) the Manager and its officers, employees, partners, members, other clients, Affiliates and other associated entities will have no duty (contractual or otherwise) to communicate or present any corporate opportunities to the Company or to refrain from any action specified in Section 1.3.2(i), and the Company on its own behalf and on behalf of its Affiliates, hereby renounces and waives any right to require the Manager or any of its Affiliates to act in a manner inconsistent with the provisions of this Section 1.3.2.

(iii) Neither the Manager nor any officer, director, employee, partner, member, stockholder, Affiliate or associated entity thereof will be liable to the Company for breach of any duty (contractual or otherwise) by reason of any activities or omissions of the types referred to in this Section 1.3.2 or of any such person's participation therein.

1.3.3 Limitation of Liability. In no event will the Manager or any of its Affiliates be liable to the Company for any indirect, special, incidental or consequential damages, including, without limitation, lost profits or savings, whether or not such damages are foreseeable, or for any third party claims (whether based in contract, tort or otherwise), relating to the Services to be provided by the Manager hereunder. The Manager's liability shall be limited to direct damages not to exceed the total fees paid to Manager for the Services provided to the Company through the date of any claim.

2 . Term. The Manager shall provide the Services set forth in Section 1 above from the date hereof until the earlier of (a) termination of this Agreement by mutual agreement of the Manager and the Company and (b) the 5th anniversary of this Agreement; provided that this Agreement shall be automatically extended for additional five year periods unless the Manager or the Company provides written notice of its desire not to automatically extend the term of this Agreement to the other Parties hereto at least ninety (90) days prior to such date (such period, the "Term").

No termination of this Agreement, whether pursuant to this Section 2 or otherwise, will affect the Company's duty to pay any Management Fee (as defined herein in Section 3) accrued, or to reimburse any cost or expense incurred pursuant to Section 4 hereof, prior to the effective date of such termination. Upon termination of this Agreement, the Manager's right to receive any further Management Fee or reimbursement for costs and expenses that have not accrued or been incurred to the date of termination shall cease and terminate. Additionally, the obligations of the Company under Section 4 (Expenses), Section 7 (Indemnification), the provisions of Section 1.3.2 above (whether in respect of or relating to Services rendered prior to termination of this Agreement or in respect of or relating to any Services provided after termination of this Agreement) and the provisions of Section 14 (Governing Law) will also survive any termination of this Agreement to the maximum extent permitted under applicable law.

3. Compensation.

3.1 In consideration of the management, consulting and financial services to be rendered, the Company will pay to the Manager an annual base management and consulting fee in cash in the aggregate amount of five hundred thousand dollars ($500,000) (the "Annual Consulting Fee"), payable in advance in equal quarterly installments on the first business day of each calendar quarter in each year, provided, that such Annual Consulting Fee shall be increased to $1,000,000 for each calendar year in which the Company has Net Assets in excess of $100,000,000 at the beginning of the calendar year. For purposes of this Agreement, "Net Assets" shall mean the difference between total assets on the one hand and current liabilities and non-capitalized long-term liabilities on the other hand.

The fees due to Manager pursuant to this Section 3.1 shall be referred to as the "Management Fee." Notwithstanding the foregoing, the first Annual Consulting Fee payment shall be made on the first business day of the calendar quarter immediately following the completion of the first equity financing for the Company that is in excess of $10,000,000 in gross proceeds. The first payment shall include all amounts in arrears from the date hereof through such payment as well as the amounts in advance for such first quarterly payment.

3.2 Any payment pursuant to this Section 3 shall be made in cash by wire transfer(s) of immediately available funds to or among one or more accounts as designated from time-to-time by the Manager to the Company in writing.

4 . Expenses. Actual and direct out-of-pocket expenses reasonably incurred by the Manager and its personnel in performing the Services shall be reimbursed to the Manager by the Company upon the delivery to the Company of an invoice, receipt or such other supporting data as the Company reasonably shall require. The Company shall reimburse the Manager by wire transfer of immediately available funds for any amount paid by the Manager, which shall be in addition to any other amount payable to the Manager under this Agreement.

5. Reserved.

6. Decisions and Authority of the Manager.

6.1 No Liability. The Company reserves the right to make all decisions with regard to any matter upon which the Manager has rendered advice and consultation, and there shall be no liability of the Manager for any such advice accepted by the Company pursuant to the provisions of this Agreement. The Manager will not be liable for any mistakes of fact, errors of judgment or losses sustained by the Company or for any acts or omissions of any kind (including acts or omissions of the Manager), except to the extent caused by intentional misconduct of the Manager as finally determined by a court of competent jurisdiction.

6.2 Independent Contractor. The Manager shall act solely as an independent contractor and shall have complete charge of its respective personnel engaged in the performance of the Services under this Agreement. Neither the Manager nor its officers, employees or agents will be considered employees or agents of the Company or any of its respective subsidiaries as a result of this Agreement. As an independent contractor, the Manager shall have authority only to act as an advisor to the Company and shall have no authority to enter into any agreement or to make any representation, commitment or warranty binding upon the Company or to obtain or incur any right, obligation or liability on behalf of the Company. Nothing contained in this Agreement shall result in the Manager or any of its partners or members or any of their Affiliates, investment managers, investment advisors or partners being a partner of or joint venturer with the Company.

7. Indemnification.

7.1 Indemnification. The Company shall (i) indemnify the Manager and its respective Affiliates, directors, officers, employees and agents (collectively, the "Indemnified Party"), to the fullest extent permitted by law, from and against any and all actions, causes of action, suits, claims, liabilities, losses, damages and costs and expenses in connection therewith, including without limitation reasonable attorneys' fees and expenses ("Indemnified Liabilities") to which the Indemnified Party may become subject, directly or indirectly caused by, related to or arising out of the Services or any other advice or Services contemplated by this Agreement or the engagement of the Manager pursuant to, and the performance by such Manager of the Services contemplated by, this Agreement, and (ii) promptly reimburse the Indemnified Party for Indemnified Liabilities as incurred, in connection with the investigation of, preparation for or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party and whether or not such claim, action or proceeding is initiated or brought by or on behalf of the Company or Manager and whether or not resulting in any liability. If and to the extent that the foregoing undertaking may be unenforceable for any reason, the Company hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities that is permissible under applicable law.

7.2 Limited Liability. The Company shall not be liable under the indemnification contained in Section 7.1 hereof with respect to the Indemnified Party to the extent that such Indemnified Liabilities are found in a final non-appealable judgment by a court of competent jurisdiction to have resulted directly from the Indemnified Party's willful misconduct or gross negligence. The Company further agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract, tort or otherwise) to the Company, holders of its securities or its creditors related to or arising out of the engagement of the Manager pursuant to, or the performance by the Manager of the Services contemplated by, this Agreement.

8. Notices. All notices, demands, or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given or made when (i) delivered personally to the recipient, (ii) telecopied to the recipient (with a hard copy sent to the recipient by reputable overnight courier service (charges prepaid)) if telecopied before 5:00 p.m. Eastern Standard Time on a business day, and otherwise on the next business day, (iii) one (1) business day after being sent to the recipient by reputable overnight courier service (charges prepaid) or (iv) received via electronic mail by the recipient if received via electronic mail before 5:00 p.m. Eastern Standard Time on a business day, and otherwise on the next business day after such receipt. Such notices, demands and other communications shall be sent to the address for such recipient indicated below or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

Notices to the Manager

3 Columbus Circle, 15th Floor
New York, NY 10023
Attn: Lindsay A. Rosenwald, MD
lr@fortressbiotech.com

Notices to the Company:

3 Columbus Circle, 15th Floor
New York, NY 10023
Attn: Michael S. Weiss
mw@fortressbiotech.com

9. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the Parties hereto shall use their best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the Parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any such terms, provisions, covenants and restrictions which may be hereafter declared invalid, illegal, void or unenforceable.

10. Entire Agreement. This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes any prior communication or agreement with respect thereto.

11. Counterparts. This Agreement may be executed in multiple counterparts, and any Party may execute any such counterpart, each of which when executed and delivered will thereby be deemed to be an original and all of which counterparts taken together will constitute one and the same instrument. The delivery of this Agreement may be effected by means of an exchange of facsimile or portable document format (.pdf) signatures.

12. Amendments and Waiver. No amendment or waiver of any term, provision or condition of this Agreement will be effective, unless in writing and executed by both the Company and the Manager. No waiver on any one occasion will extend to, effect or be construed as a waiver of any right or remedy on any future occasion. No course of dealing of any person nor any delay or omission in exercising any right or remedy will constitute an amendment of this Agreement or a waiver of any right or remedy of any Party hereto.

13. Successors and Assigns. All covenants and agreements contained in this Agreement by or on behalf of any of the Parties hereto will bind and inure to the benefit of the respective successors and assigns of the Parties hereto whether so expressed or not. Neither the Company nor the Manager may assign its rights or delegate its obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld; provided, that the Manager may assign this Agreement to any of its Affiliates.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the substantive laws of the state of New York, without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the state of New York.

15. Waiver of Jury Trial. To the extent not prohibited by applicable law which cannot be waived, each of the Parties hereto hereby waives, and covenants that it will not assert (whether as plaintiff, defendant or otherwise), any right to trial by jury in any forum in respect of any issue, claim, demand, cause of action, action, suit or proceeding arising out of or based upon this Agreement or the subject matter hereof, in each case whether now existing or hereafter arising and whether in contract or tort or otherwise. Any of the Parties hereto may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of each of the Parties hereto to the waiver of its right to trial by jury.

16. No Strict Construction. The Parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties hereto, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

17. Headings; Interpretation. The headings in this Agreement are for convenience and reference only and shall not limit or otherwise affect the meaning hereof. The use of the word "including" in this Agreement will be by way of example rather than by limitation.

* * * * * *

IN WITNESS WHEREOF, the Parties hereto have executed this Management Services Agreement as of the date first written above.

CHECKPOINT THERAPEUTICS, INC.

By: /s/ Michael S. Weiss
Name: Michael S. Weiss
Title: President

FORTRESS BIOTECH, INC.

By: /s/ Lindsay A. Rosenwald
Name: Lindsay A. Rosenwald, MD
Title: President

Exhibit 10.4

CHECKPOINT THERAPEUTICS, INC.

Promissory Note

Issuance Date: February 27, 2015
Execution Date: July 30, 2015

Original Principal Amount: U.S. $2,350,917

FOR VALUE RECEIVED, Checkpoint Therapeutics, Inc., a Delaware corporation (the "**Company**"), hereby promises to pay to the order of NSC Biotech Venture Fund I, LLC or its registered assigns ("**Holder**") the amount set out above as the Original Principal Amount (the "**Principal**") on the Maturity Date (as defined below), and to pay Interest ("**Interest**") on any outstanding Principal (as defined below) at the applicable Interest Rate (as defined below) from the date set out above as the Issuance Date (the "**Issuance Date**") until the same becomes due and payable. This Promissory Note (including all Promissory Notes issued in exchange, transfer or replacement hereof, this "**Note**") is issued is partial satisfaction of the Promissory Note under which Fortress Biotech, Inc. (f/k/a Coronado Biosciences, Inc.) owed Holder (the "**Original Note**"). Accordingly, although later issued, the Issuance Date is the date of the Original Note. The issuance of this Note is in effect a novation of the Original Note by the Company, and Fortress Biotech, Inc. (f/k/a Coronado Biosciences, Inc.) is no longer primarily liable for the Principal, although a guarantee may still be in effect.

1. PAYMENTS OF PRINCIPAL. During the first 24 months after the Issuance Date, no Principal will be payable. Commencing on the 25th month (or the 31st month if the Maturity Date Extension occurs pursuant to Section 2(c)), the outstanding Principal will be paid in 12 equal monthly installments on the Interest Dates (as defined in Section 2(a) below. The last day of the 36th month after the Issuance Date (or the 42nd month if the Maturity Date Extension occurs) will be the "**Maturity Date**". On the Maturity Date, the Company shall pay to the Holder an amount in cash representing all outstanding Principal, accrued and unpaid Interest and accrued and unpaid Late Charges on such Principal and Interest. Other than as specifically permitted by this Note, the Company may not prepay any portion of the outstanding Principal, accrued and unpaid Interest or accrued and unpaid Late Charges on Principal and Interest, if any.

2. INTEREST; INTEREST RATE.

(a) Interest on this Note shall commence accruing on the Issuance Date and shall be computed on the basis of a 365-day year, and shall be payable (i) for the first 24 months following the Issuance Date (or the first 30 months following the Issuance Date, if the Maturity Date Extension occurs pursuant to Section 2(c) below), in arrears for each Quarter on January 1, April 1, July 1 and October 1 of each year, and (ii) for the 25th through 36th months following the Issuance Date (or the 31st through 42nd months following the Issuance Date, if the Maturity Date Extension (as defined in Section 2(c)) occurs), in arrears for each calendar month on the first day of the following calendar month (each date that interest is payable is an "**Interest Date**"), with the first Interest Date being April 1, 2015, and shall compound on each Interest Date. Interest shall be payable on each Interest Date, to the record Holder of this Note on the applicable Interest Date, in cash (the "**Interest**").

(b) Prior to the payment of Interest on an Interest Date, Interest on this Note shall accrue at the rate of eight percent (8%) per annum (the "**Interest Rate**"). From and after the occurrence and during the continuance of any Event of Default (as defined in Section 4(a) below), the Interest Rate shall automatically be increased to twelve percent (12%). In the event that such Event of Default is subsequently cured, the adjustment referred to in the preceding sentence shall cease to be effective as of the calendar day immediately following the date of such cure; provided that the Interest as calculated and unpaid at such increased rate during the continuance of such Event of Default shall continue to apply to the extent relating to the days after the occurrence of such Event of Default through and including the date of such cure of such Event of Default.

(c) The Company may, in its sole discretion, upon notice to Holder, extend the Maturity Date by 6 months, if Company gives Holder notice of such extension during the first 24 months following the Issuance Date (such extension being the "**Maturity Date Extension**").

3. RESERVED.

4. RIGHTS UPON EVENT OF DEFAULT.

(a) Event of Default. Each of the following events shall constitute an "**Event of Default**":

(i) the Company's failure to pay to the Holder any amount of Principal, Interest, Late Charges or other amounts when and as due under this Note or any other agreement, document, certificate or other instrument delivered in connection with the transactions contemplated hereby, except, in the case of a failure to pay Interest and Late Charges when and as due, only if such failure remains uncured for a period of at least five (5) days;

(ii) bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for the relief of debtors shall be instituted against the Company and, shall not be dismissed within thirty (30) days of their initiation; or

(iii) the commencement by the Company of a voluntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the execution of a composition of debts, or the occurrence of any other similar federal, state or foreign proceeding, or the admission by it in writing of its inability to pay its debts generally as they become due.

5 . VOTING RIGHTS. The Holder shall have no voting rights as the holder of this Note, except as required by law (including, without limitation, the Delaware General Corporation Law) and as expressly provided in this Note.

6. RESERVED.

7. AMENDING THE TERMS OF THIS NOTE. Excluding a Maturity Date Extension, the prior written consent of the Holder shall be required for any change or amendment to this Note.

8. TRANSFER. This Note may be offered, sold, assigned or transferred by the Holder without the consent of the Company.

9. REISSUANCE OF THIS NOTE.

(a) Transfer. If this Note is to be transferred, the Holder shall surrender this Note to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Note (in accordance with Section 9(c)), registered as the Holder may request, representing the outstanding Principal being transferred by the Holder and, if less than the entire outstanding Principal is being transferred, a new Note (in accordance with Section 9(c)) to the Holder representing the outstanding Principal not being transferred.

(b) Lost, Stolen or Mutilated Note. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of this Note, the Company shall execute and deliver to the Holder a new Note (in accordance with Section 9(c)) representing the outstanding Principal.

(c) Issuance of New Notes. Whenever the Company is required to issue a new Note pursuant to the terms of this Note, such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the Principal remaining outstanding (or in the case of a new Note being issued pursuant to Section 9(a), the Principal designated by the Holder which, when added to the principal represented by the other new Notes issued in connection with such issuance, does not exceed the Principal remaining outstanding under this Note immediately prior to such issuance of new Notes), (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the Issuance Date of this Note, (iv) shall have the same rights and conditions as this Note, and (v) shall represent accrued and unpaid Interest and Late Charges on the Principal and Interest of this Note, from the Issuance Date.

10. REMEDIES, CHARACTERIZATIONS, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note and Note Purchase Agreement at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Note. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder may cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available remedies, to seek an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Note.

11. PAYMENT OF COLLECTION, ENFORCEMENT AND OTHER COSTS. If (a) this Note is placed in the hands of an attorney for collection or enforcement or is collected or enforced through any legal proceeding or the Holder otherwise takes action to collect amounts due under this Note or to enforce the provisions of this Note or (b) there occurs any bankruptcy, reorganization, receivership of the Company or other proceedings affecting Company creditors' rights and involving a claim under this Note, then the Company shall pay the reasonable costs incurred by the Holder for such collection, enforcement or action or in connection with such bankruptcy, reorganization, receivership or other proceeding, including, without limitation, attorneys' fees and disbursements. The Company expressly acknowledges and agrees that no amounts due under this Note shall be affected, or limited, by the fact that the purchase price paid for this Note was less than the original Principal amount hereof.

12. CONSTRUCTION; HEADINGS. This Note shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Note are for convenience of reference and shall not form part of, or affect the interpretation of, this Note. Terms used in this Note but defined in the Note Purchase Agreement shall have the meanings ascribed to such terms on the Closing Date in such Note Purchase Agreement unless otherwise consented to in writing by the Holder.

13. FAILURE OR INDULGENCE NOT WAIVER. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party.

14. NOTICES; CURRENCY; PAYMENTS.

(a) Notices. Whenever notice is required to be given under this Note, unless otherwise provided herein, such notice shall be given in accordance with Section 6.1 of the Note Purchase Agreement. The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Note, including in reasonable detail a description of such action and the reason therefore.

(b) Currency. All dollar amounts referred to in this Note are in United States Dollars ("**U.S. Dollars**"), and all amounts owing under this Note shall be paid in U.S. Dollars.

(c) Payments. Whenever any payment of cash is to be made by the Company to any Person pursuant to this Note, unless otherwise expressly set forth herein, such payment shall be made in lawful money of the United States of America by a check drawn on the account of the Company and sent to such Person at such address as previously provided to the Company in writing (which address, in the case of each of the Buyers, shall initially be as set forth on the Note Purchase Agreement), provided that the Holder may elect to receive a payment of cash via wire transfer of immediately available funds by providing the Company with prior written notice setting out such request and the Holder's wire transfer instructions. Whenever any amount expressed to be due by the terms of this Note is due on any day which is not a Business Day, the same shall instead be due on the next succeeding day which is a Business Day. Any amount of Principal or Interest which is not paid when due shall result in a late charge being incurred and payable by the Company in an amount equal to interest on such amount at the rate of twelve (12%) per annum from the date such amount was due until the same is paid in full ("**Late Charge**").

15. CANCELLATION. After all Principal, accrued Interest, Late Charges and other amounts at any time owed on this Note have been paid in full, this Note shall automatically be deemed canceled, shall be surrendered to the Company for cancellation and shall not be reissued.

16. WAIVER OF NOTICE. To the extent permitted by law, the Company hereby irrevocably waives demand, notice, presentment, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note and the Note Purchase Agreement.

17. GOVERNING LAW. This Note shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Note shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. In the event that any provision of this Note is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of this Note. Nothing contained herein shall be deemed or operate to preclude the Holder from bringing suit or taking other legal action against the Company in any other jurisdiction to collect on the Company's obligations to the Holder, to realize on any collateral or any other security for such obligations, or to enforce a judgment or other court ruling in favor of the Holder. **THE COMPANY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS NOTE OR ANY TRANSACTION CONTEMPLATED HEREBY.**

18. MAXIMUM PAYMENTS. Nothing contained herein shall be deemed to establish or require the payment of a rate of interest or other charges in excess of the maximum permitted by applicable law. In the event that the rate of interest required to be paid or other charges hereunder exceed the maximum permitted by such law, any payments in excess of such maximum shall be credited against amounts owed by the Company to the Holder and thus refunded to the Company.

19. CERTAIN DEFINITIONS. For purposes of this Note, the following terms shall have the following meanings:

(a) "**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(b) "**Closing Date**" shall have the meaning set forth in the Note Purchase Agreement, which date is the date the Company initially issued Notes pursuant to the terms of the Note Purchase Agreement.

(c) "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity or a government or any department or agency thereof.

(d) "**Quarter**" means each of: (i) the period beginning on and including January 1 and ending on and including March 31; (ii) the period beginning on and including April 1 and ending on and including June 30; (iii) the period beginning on and including July 1 and ending on and including September 30; and (iv) the period beginning on and including October 1 and ending on and including December 31.

(e) "**Note Purchase Agreement**" means those certain securities purchase agreements by and among the Company and the initial Holders pursuant to which the Company issued the Notes, as may be amended from time to time.

(f) "**Subsidiary**" means, as of any date of determination, any Person which the Company, directly or indirectly) controls.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed as of the Issuance Date set out above.

CHECKPOINT THERAPEUTICS, INC.

By: /s/ Michael S. Weiss
Michael S. Weiss, President and Interim CEO

Document Number: 879422 Version: 1

Exhibit 10.5

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS COVERING SUCH SECURITIES OR THE SALE IS MADE IN ACCORDANCE WITH AN EXEMPTION UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND THE COMPANY RECEIVES AN OPINION OF COUNSEL FOR THE HOLDER OF THESE SECURITIES REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

Checkpoint Therapeutics, Inc.

COMMON STOCK WARRANT

This Warrant is issued as of this 30th day of July 2015 (the "***Issue Date***") by Checkpoint Therapeutics, Inc., a Delaware corporation (the "***Company***"), to NSC Biotech Venture Fund I, LLC, or permitted assigns (the "***Holder***").

1. Issuance of Warrant; Number and Type of Securities Subject to Warrant. Previously, the Holder made a loan to Company's parent and a portion of the loan was used for the benefit of the Company (the "***SubCo Loan***"). In consideration of the Holder's agreement to fund the SubCo Loan, the receipt and sufficiency of which are hereby acknowledged, the Company hereby grants to the Holder the right to purchase a number of shares of the Company's Common Stock (the "***Common Stock***") equal to the twenty five percent (25%) of the SubCo Loan divided by the lowest price at which equity securities are sold in the first third party financing of the Company (the "***SubCo Financing***"). In the event of a Deemed Liquidation Event occurring prior to the SubCo Financing, the price used will be the price per share to be received by the common shareholders as a result of such Deemed Liquidation Event. The exercise price of the warrant will be the par value of the Common Stock. A "***Deemed Liquidation Event***" shall mean: (A) any sale of all or substantially all of the assets of the Company; (B) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the holders of equity securities of the Company immediately prior to such consolidation, merger or reorganization, continue to hold a majority of the equity securities of the surviving entity in substantially the same proportions (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization; or (C) any transaction or series of related transactions to which the Company is a party in which in excess of fifty percent (50%) of the Company's equity securities are transferred.

2. Term; Exercise Price. This Warrant shall only be exercisable in accordance with the terms of Section 6 hereof, and shall expire on the date that is ten (10) years after the Issue Date. The per share exercise price (the "***Warrant Price***") for the purchase of shares of Common Stock issuable pursuant to this Warrant (the "***Warrant Shares***") shall be $0.0001, the par value of the Common Stock.

3. Adjustments and Notices. This Warrant shall be subject to adjustment from time to time in accordance with the following provisions.

(a) Stock Splits, Subdivisions or Combinations. If at any time on or after the date hereof the Company shall split, subdivide or otherwise change its outstanding shares of any securities receivable upon exercise of this Warrant into a greater number of securities, the Warrant Price in effect immediately prior to such subdivision shall thereby be proportionately reduced and the number of Warrant Shares shall thereby be proportionately increased; and, conversely, if at any time on or after the date hereof the outstanding number of shares of any securities receivable upon exercise of this Warrant shall be combined into a smaller number of securities, the Warrant Price in effect immediately prior to such combination shall thereby be proportionately increased and the number of Warrant Shares shall thereby be proportionately decreased, all subject to further adjustment as provided in this Section 3.

(b) Reclassification. If the Company, by reclassification of securities, reorganization of the Company (or any other entity the securities of which are at the time receivable upon the exercise of this Warrant) or otherwise (including by merger or consolidation), shall change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities that were subject to the purchase rights under this Warrant immediately prior to such reclassification or other change and the Warrant Price therefor shall be appropriately adjusted, all subject to further adjustment as provided in this Section 3.

(c) No Impairment. The Company shall not, by amendment of its Certificate of Incorporation or Bylaws, each as amended to date, or through a reorganization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Warrant by the Company, but shall at all times in good faith assist in carrying out the provisions of this Warrant and in taking all such action as may be necessary or appropriate to protect the Holder's rights under this Warrant against impairment.

(d) Fractional Shares. No fractional Warrant Shares shall be issuable upon exercise or conversion of the Warrant and the number of Warrant Shares to be issued shall be rounded to the nearest whole Warrant Share. If a fractional Warrant Share arises upon any exercise or conversion of the Warrant, the Company shall eliminate such fractional Warrant Share by paying the Holder an amount computed by multiplying the fractional interest by the fair market value of a full Warrant Share.

4. No Voting or Dividend Rights. Nothing contained in this Warrant shall be construed as conferring upon the holder hereof the right to vote or to consent to receive notice as a stockholder of the Company on any other matters or any rights whatsoever as a stockholder of the Company. No dividends or interest shall be payable or accrued in respect of this Warrant or the interest represented hereby or the shares purchasable hereunder until, and only to the extent that, this Warrant shall have been exercised.

5. Shares to be Fully Paid; Reservation of Shares. The Company covenants and agrees that all Warrant Shares will, upon issuance and payment of the applicable Warrant Price, be duly authorized, validly issued, fully paid and nonassessable, and free of all preemptive rights, liens and encumbrances, except for restrictions on transfer provided for herein. The Company shall at all times reserve and keep available out of its authorized and unissued Common Stock, solely for the purpose of providing for the exercise of the rights to purchase all Warrant Shares granted pursuant to this Warrant, such number of shares of Common Stock as shall, from time to time, be sufficient therefor.

6. Exercise of Warrant. Subject to Section 4, this Warrant may be exercised in whole or in part, at any time, by the surrender of this Warrant, together with the Notice of Exercise and Investment Representation Statement in substantially the forms attached hereto as Attachment 1 and Attachment 2, respectively (subject to appropriate revision if this Warrant is adjusted pursuant to Section 3 hereof), duly completed and executed at the principal office of the Company, and accompanied by payment in full of the applicable aggregate Warrant Price in cash or by check with respect to the Warrant Shares being purchased. Prior to exercise of the Warrant, the Holder shall notify the Company of its desire to exercise the Warrant. This Warrant shall be deemed to have been exercised immediately prior to the close of business on the date of its surrender for exercise as provided above, and the person or entity entitled to receive the Warrant Shares issuable upon such exercise shall be treated for all purposes as holder of such shares of record as of the close of business on such date.

7. Notice of Proposed Transfer. Prior to any proposed transfer of this Warrant or the Warrant Shares received on the exercise of this Warrant (together, the "***Securities***"), unless there is in effect a registration statement under the Securities Act of 1933, as amended (the "***Act***") covering the proposed transfer, the Holder thereof shall give written notice to the Company of such Holder's intention to effect such transfer. Each such notice shall describe the manner and circumstances of the proposed transfer in sufficient detail, and shall, if the Company so requests, be accompanied (except in transactions in compliance with Rule 144) by either (i) an unqualified written opinion of legal counsel who shall be reasonably satisfactory to the Company addressed to the Company and reasonably satisfactory in form and substance to the Company's counsel, to the effect that the proposed transfer of the Securities may be effected without registration under the Act, or (ii) a "no action" letter from the Securities and Exchange Commission (the "***Commission***") to the effect that the transfer of such Securities without registration will not result in a recommendation by the staff of the Commission that action be taken with respect thereto, whereupon the Holder of the Securities shall be entitled to transfer the Securities in accordance with the terms of the notice delivered by the Holder to the Company; provided, however, no such registration statement or opinion of counsel shall be necessary for a transfer by a Holder to any affiliate of such Holder. Each certificate evidencing the Securities transferred as above provided shall bear the appropriate restrictive legend set forth above, except that such certificate shall not bear such restrictive legend if in the opinion of counsel for the Company such legend is not required in order to establish compliance with any provisions of the Act.

8. Certificate of Adjustment. Whenever the Warrant Price or number or type of Warrant Shares issuable upon exercise of this Warrant is adjusted, as herein provided, the Company shall promptly deliver to the record holder of this Warrant a certificate of the Secretary of the Company setting forth the nature of such adjustment and a brief statement of the facts requiring such adjustment.

9. Replacement of Warrants. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of the Warrant, and in the case of any such loss, theft or destruction of the Warrant, on delivery of an indemnity agreement or security reasonably satisfactory in form and amount to the Company, and reimbursement to the Company of all reasonable expenses incidental thereto, and upon surrender and cancellation of the Warrant if mutilated, the Company will execute and deliver, in lieu thereof, a new Warrant of like tenor.

10. Amendment, Waiver, etc. Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought; provided, however, that any provisions hereof may be amended, waived, discharged or terminated upon the written consent of the Company and a Requisite Majority. For purposes hereof, "***Requisite Majority***" shall mean Holders of at least a majority of the Warrant Shares then issuable upon exercise of then outstanding warrants of like tenor to this Warrant issued by the Company (the "***Offering Warrants***"); provided, however, that no such amendment or waiver may disproportionately and adversely affect the Holder relative to the holders of all other Offering Warrants without the Holder's consent. Any amendment effected in accordance with this Section shall be binding upon all holders of the Offering Warrants, each future holder of the Offering Warrants, and the Company. By acceptance hereof, the Holder acknowledges that in the event the required consent is obtained, any term of this Warrant may be amended or waived with or without the consent of the Holder.

11. Successors and Assigns. This Warrant and the rights evidenced hereby shall inure to the benefit of and be binding upon the successors of the Company and the successors and assigns of the Holder. The provisions of this Warrant are intended to be for the benefit of all Holders from time to time of this Warrant, and shall be enforceable by any such Holder.

12. Severability. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

13. Miscellaneous. This Warrant shall be governed by the laws of the State of New York as such laws are applied to contracts to be entered into and performed entirely in New York. The headings in this Warrant are for purposes of convenience and reference only, and shall not be deemed to constitute a part hereof.

ISSUED this 30th day of July 2015.

Checkpoint Therapeutics, Inc.

By: /s/ Michael S. Weiss
Michael S. Weiss
President and Interim CEO

Attachment 1

NOTICE OF EXERCISE

TO: Checkpoint Therapeutics, Inc.

1. The undersigned hereby elects to purchase _____ shares of _____ of Checkpoint Therapeutics, Inc. (the "Warrant Shares") pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price in full, together with all applicable transfer taxes, if any.

2. Please issue a certificate or certificates representing said number of Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____
(Name)

_____
(Address)

_____

_____

(Date)

(Name of Warrant Holder)

By: _____

Title: _____

Attachment 2
INVESTMENT REPRESENTATION STATEMENT

Shares of _____ of
Checkpoint Therapeutics, Inc.

In connection with the purchase of the shares of _____ of Checkpoint Therapeutics, Inc., the undersigned hereby represents to Checkpoint Therapeutics, Inc. (the "Company") as follows:

(A) The undersigned is an accredited investor (as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Act")). The undersigned acknowledges that an investment in the Company is highly speculative and represents that it is able to fend for itself in the transactions contemplated by this Statement, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investments, and has the ability to bear the economic risks (including the risk of a total loss) of its investment. The undersigned represents that it has had the opportunity to ask questions of the Company concerning the Company's business and assets and to obtain any additional information which it considered necessary to verify the accuracy of or to amplify the Company's disclosures, and has had all questions which have been asked by it satisfactorily answered by the Company.

(B) The undersigned understands that no liquid public market now exists for the securities being issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities being obtained hereby.

(C) The undersigned understands that the securities issued upon exercise of the Warrant (the "Securities"), and any securities issued in respect thereof or exchange therefor, may bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS COVERING SUCH SECURITIES OR THE SALE IS MADE IN ACCORDANCE WITH AN EXEMPTION UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND THE COMPANY RECEIVES AN OPINION OF COUNSEL FOR THE HOLDER OF THESE SECURITIES REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT AND ANY APPLICABLE STATE SECURITIES LAWS."

(D) By executing this Statement, the undersigned further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to any Securities issuable upon exercise of the Warrant.

(E) The undersigned understands that the Securities issuable upon exercise of the Warrant at the time of issuance and exercise may not be registered under the Act, and applicable state securities laws, on the ground that the issuance of such securities is exempt pursuant to Section 4(2) of the Act and state law exemptions relating to offers and sales not by means of a public offering, and that the Company's reliance on such exemptions is predicated on the undersigned's representations set forth herein.

(F) The undersigned agrees that in no event will it make a disposition of any Securities acquired upon the exercise of the Warrant unless and until (i) it shall have notified the Company of the proposed disposition and shall have furnished the Company with a statement of the circumstances surrounding the proposed disposition, and (ii) if reasonably required by the Company it shall have furnished the Company with an opinion of counsel reasonably satisfactory to the Company and Company's counsel to the effect that (A) appropriate action necessary for compliance with the Act and any applicable state securities laws has been taken or an exemption from the registration requirements of the Act and such laws is available, and (B) the proposed transfer will not violate any of said laws.

(G) The undersigned acknowledges that the Securities issuable upon exercise of the Warrant must be held indefinitely unless subsequently registered under the Act or an exemption from such registration is available. The undersigned is aware of the provisions of Rule 144 promulgated under the Act which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale occurring not less than one year after a party has purchased and paid for the security to be sold, the sale being through a "broker's transaction" or in transactions directly with a "market makers" (as provided by Rule 144(f)) and the number of shares being sold during any three-month period not exceeding specified limitations.

[Signature on Next Page]

Dated: _____

_____
(Print Name of Holder)

By: _____
(signature)

Name: _____
(print name of person signing)

Title: _____

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "**Agreement**") is dated as of March 2, 2015 (the "**Effective Date**") by and between Checkpoint Therapeutics, Inc., a Delaware corporation organized having its place of business at 3 Columbus Circle, New York, NY 10019 ("**CTI**"), and Dana-Farber Cancer Institute, Inc. located at 450 Brookline Ave., Boston, MA 02115 ("**DFCI**"). CTI, on the one hand, and DFCI, on the other hand, shall each be referred to herein as a "**Party**" or, collectively, as the "**Parties**."

RECITALS:

WHEREAS, DFCI is the owner of certain rights in technologies as later defined; and

WHEREAS, CTI is engaged in the research, development, manufacturing and commercialization of pharmaceutical products, and CTI is interested in developing and commercializing products based on the Licensed Patents; and

WHEREAS, DFCI desires to grant a license to DFCI Patents to CTI in order to benefit the public by disseminating the results of its research via the commercial development, manufacture, distribution and use of Licensed Products (as defined below).

WHEREAS, CTI desires to license from DFCI and DFCI wishes to license to CTI, on an exclusive basis, the right to use, develop and commercialize DFCI Patents in and for a defined field of use.

NOW, THEREFORE, in consideration of the foregoing and of the various promises and undertakings set forth herein, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 "Affiliate" means a Person or entity that controls, is controlled by or is under common control with a Party, but only for so long as such control exists. For the purposes of this Section 1.1, the word "**control**" (including, with correlative meaning, the terms "**controlled by**" or "**under common control with**") means the actual power, either directly or indirectly through one or more intermediaries, to direct the management and policies of such Person or entity, whether by the ownership of at least 50% of the voting stock of such entity, or by contract or otherwise. TG Therapeutics, Inc. shall be deemed an Affiliate.

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1 . 2 "**Antibody**" means any antibody, any gene expressing such an antibody, any hybridoma producing such antibody, or any fragment, variant, derivative or construct thereof, or antibody fusion protein produced therefrom (including PEDgylated or multimeric versions thereof, whether polyclonal, monoclonal, multi-specific antibodies (e.g., bi-specific antibodies), human, humanized, chimeric, murine, synthetic, or from any other source), including without limitation (a) the full immunoglobin molecules (e.g. the IgG, IgM,IgE, IgA, and IgD molecules), and (b) the antigen binding portions including Fab, Fab', F(ab')2, Fv, dAb, and CDR fragments, chimeric antibodies, diabodies, polypeptides, linear antibodies and single-chain antibodies (scFv) that contain any portion of an immunoglobulin that is sufficient to confer specific binding to an antigen.

1.3 **"Calendar Quarter**" means each three month period commencing January 1, April 1, July 1 or October 1, provided however that (a) the first Calendar Quarter of the Term shall extend from the Effective Date to the end of the first full Calendar Quarter thereafter, and (b) the last Calendar Quarter of the Term shall end upon the termination or expiration of this Agreement.

1.4 **"Calendar Year"** means the period beginning on the 1st of January and ending on the 31st of December of the same year, provided however that (a) the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the same calendar year as the Effective Date, and (b) the last Calendar Year of the Term shall commence on January 1 of the Calendar Year in which this Agreement terminates or expires and end on the date of termination or expiration of this Agreement.

1.5 **"Combination Product"** means a product (a) containing a Licensed Product together with one or more other active ingredients, or (b) with one or more products, devices, pieces of equipment or components, but sold for an integrated price (e.g., with the purchase of one product the customer gets a coupon for the other) or for a single price.

1.6 **"Commercialization"** or **"Commercialize"** means any and all activities undertaken at any time for a particular Licensed Product and that relate to the manufacturing, marketing, promoting, distributing, importing or exporting for sale, offering for sale, and selling of the Licensed Product, and interacting with Regulatory Authorities regarding the foregoing.

1.7 **"Commercially Reasonable Efforts"** means, with respect to the efforts to be expended by a Party or such Party's applicable Affiliate with respect to any objective, such reasonable, diligent, and good faith efforts normally used to accomplish a similar objective under similar circumstances by a similarly-situated company. Commercially Reasonable Efforts will not mean that a Party commits that it or such Party's applicable Affiliate will actually accomplish the applicable task.

1.8 **"Controlled**" means, with respect to (a) DFCI Patents, (b) Know-How, (c) Antibodies, or (d) DFCI Materials, that a Party or one of its Affiliates owns or has a license or sublicense to such DFCI Patents, Know-How, Antibodies or DFCI Material (or in the case of DFCI Material, has the right to physical possession of such material) and has the ability to grant a license or sublicense to, or assign its right, title and interest in and to, such DFCI Patents, Know- How, Antibodies, or DFCI Material as provided for in this Agreement without violating the terms of any agreement or other arrangement with any Third Party.

1.9 **"Covered"** means, with respect to a Licensed Product, that the practicing, manufacturing, importing, using, selling, or offering for sale of such Licensed Product would, but for ownership of or a license granted hereunder under DFCI's relevant DFCI Patents, infringe a Valid Claim of DFCI's relevant DFCI Patents in the country in which the activity occurs (or, in the case of a Valid Claim that has not yet issued, would infringe such Valid Claim if it were to issue).

1.10 **"Derivative**" means a DFCI Antibody that has (a) been modified via isotype switching; (b) undergone a modification of effector function; (c) been adapted to enable the antibody to carry payloads; (d) been altered to change the expression characteristics, stability or biological half-life of the antibody; or (e) been mutated using an affinity maturation strategy designed to modify the affinity of either the variable regions and/or the constant regions of the antibody for any ligands, antigens or receptors. Derivatives may be full length antibodies, monoclonal and polyclonal antibodies, multispecific antibodies (e.g., bi-specific antibodies) and antibody fragments (including Fab, Fab', F(ab')2, Fy fragments, diabodies, linear antibodies and single-chain antibodies), in each case, of any origin, whether human, humanized, chimeric or otherwise.

1.11 **"Development" or "Develop"** means, with respect to a Licensed Product, the performance of all preclinical and clinical development (including, without limitation, toxicology, pharmacology, test method development and stability testing, process development, formulation development, quality control development, statistical analysis), clinical trials, and manufacturing and regulatory activities that are required to obtain Regulatory Approval of such Licensed Product.

1.12 **DFCI Antibodies**" means the Antibodies supplied by or on behalf of DFCI to CTI under this Agreement as identified inSchedule 4.

1.13 **"DFCI Know-How**" means any and all Know-How that (a) is Controlled by DFCI or any of its Affiliates as of the Effective Date and (b) was developed in the laboratory of Dr. Wayne Marasco in the performance of research directly pertaining to the DFCI Patents and (c) is necessary for CTI to research, Develop, manufacture, use, or Commercialize Licensed Products. The DFCI Know-How is described in Schedule 2 hereto.

1.14 **"DFCI Materials"** means all materials Controlled by DFCI and supplied by DFCI to CTI under this Agreement as identified in Schedule 3, together with any progeny or unmodified derivatives that may be developed by CTI or DFCI. For the avoidance of doubt, "DFCI Materials" excludes the DFCI Antibodies and Derivatives.

1.15 **"DFCI Patents"** means (a) those patents and patent applications set forth onSchedule 1 hereto; (b) any additions, divisionals, continuations, conversion, supplemental examinations, extensions, term restorations, registrations, reinstatements, amendments, reissuances, corrections, substitutions, re-examinations, registrations, revalidations, supplementary protection certificates, renewals, and foreign counterparts of the patents and patent applications mentioned in clause (a) above; (c) all patents issuing from any of the patents and patent applications mentioned in clause (a) or (b) above and any foreign counterparts of any such patents and patent applications, and which shall include, in any case, patents surviving post grant review and inter partes review.

1.16 **"DFCI Technology"** means the DFCI Patents, DFCI Know-How, DFCI Antibodies, Derivatives, or DFCI Materials.

1.17 **"EMA"** means the European Medicines Agency or any successor agency.

1.18 **"European Commission"** means the authority within the European Union that has the legal authority to grant Regulatory Approvals in the European Union based on input received from the EMA or other competent Regulatory Authorities.

1.19 **"FDA"** means the United States Food and Drug Administration, or a successor federal agency thereto.

1.20 **"Field"** means all prophylactic, palliative, therapeutic or diagnostic uses in humans or animals, excluding use in chimeric antigen receptor technology.

1.21 **"First Commercial Sale"** means, with respect to a Licensed Product in any country, the first commercial transfer or disposition for value of such Licensed Product in such country to a Third Party, by CTI, by an Affiliate of CTI or by a Sublicensee after Regulatory Approval therefor has been obtained in such country, for cash or non-cash consideration to which a fair market value can be assigned for purposes of determining Net Sales.

1.22 "**GAAP**" means United States generally accepted accounting principles.

1.23 **"Governmental Body"** means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal); (d) multi- national or supranational organization or body; or (e) individual, entity, or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.24 **"Know-How"** means any scientific or technical information, results and data of any type whatsoever, in any intangible form whatsoever, that is not in the public domain or otherwise publicly known and is not claimed or disclosed in a patent or pending patent application, including practices, protocols, regulatory filings, scientific techniques, works of authorship, plans, data (including, but not limited to, pharmacological, biological, chemical, toxicological, clinical and analytical information, quality control, trial and stability data), data analyses, reports, studies and procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), summaries and information contained in submissions to and information from ethical committees, the FDA or other Regulatory Authorities, and manufacturing process and development information. The fact that an item is known to the public shall not be taken to exclude the possibility that a compilation including the item, and/or a development relating to the item, is (and remains) not known to the public. "Know-How" excludes DFCI Patents, DFCI Antibodies, and DFCI Materials.

1.25 **"Law"** or **"Laws"** means all applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the binding effect of law of any Governmental Body.

1.26 **"Licensed Product"** means any pharmaceutical product, in any dosage form, preparation, composition, formulation, presentation or package configuration, (a) that is Covered in whole or in part by a Valid Claim in the DFCI Patents, (b) that incorporates, constitutes, or contains DFCI Antibodies or Derivatives as an active ingredient, or (c) that shares at least *% of the amino acid sequence identity (combined or in the aggregate) to all the complementarity determining regions (CDRs) of any DFCI Antibodies or Derivatives and made using DFCI Technology.

1.27 **"Licensed Process"** means processes which, (a) in the course of being practiced, is Covered in whole or in part by a Valid Claim in the DFCI Patents, or (b) which incorporates or uses DFCI Antibodies or Derivatives in whole or in part.

1.28 **"NDA"** means a New Drug Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. CFR § 314.3 et seq., a Biologics License Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. CFR § 601, and any equivalent application submitted in any country, including a European Marketing Authorization Application, together, in each case, with all additions, deletions or supplements thereto.

1.29 **"NDA Approval"** means the receipt of notice from the relevant US Regulatory Authority that an NDA for a Licensed Product has met all the criteria for marketing approval.

1.30 **"Net Sales"** means the gross income derived by CTI or its Affiliates or Sublicensees to unrelated Third Parties for a Licensed Product in bona-fide arms-length transactions, less the following deductions, which may not exceed reasonable and customary amounts in the country in which the transaction occurs:

(a) Normal and customary trade, quantity, cash and discounts and credits allowed and taken;

(b) Discounts, refunds, rebates, chargebacks, retroactive price adjustments, and any other allowances given and taken which effectively reduce the net selling price, including, without limitation, Medicaid rebates, institutional rebates or volume discounts;

(c) Product returns and allowances;

(d) Administrative fees paid to group purchasing organizations (e.g., Medicare) and government-mandated rebates;

(e) Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

* Confidential material redacted and filed separately with the Commission.

(f) Any tax, tariff or duties imposed on the sale, delivery or use of the Licensed Product, including, without limitation, sales, use, excise or value added taxes and customs and duties, but all only to the extent included as a separate line item (e.g., "taxes") in the gross amount invoiced.

(g) Bad debt actually written off during the accounting period (provided, that any bad debt write-off so taken which is later reversed shall be added back to Net Sales in the accounting period in which the reversal occurs).

No deduction shall be made for any item of cost incurred by CTI, its Affiliates or Sublicensees in Developing or Commercializing Licensed Products except as permitted pursuant to clauses (a) through (g) of the foregoing.

Net Sales includes the fair market value of any non-cash consideration from sale of Licensed Products received by CTI, its Affiliates or Sublicensees. Licensed Products are considered "sold" when billed, invoiced, or payment is received, whichever occurs first.

Notwithstanding the foregoing, amounts invoiced by CTI and its Affiliates and Sublicensees for sales of Licensed Products among CTI and its Sublicensees and their respective Affiliates for resale shall not be included in the computation of Net Sales except where such purchasing party is an end user or consumer of Licensed Products.

Net Sales of any Combination Product (as defined below) for the purpose of calculating royalties due under this Agreement shall be determined on a country-by-country basis as follows: the Net Sales of the Combination Product (prior to application of the following adjustment) shall be multiplied by the fraction A/(A+B), where A is the net selling price in such country of a Licensed Product without the additional active ingredient in the Combination Product, if sold separately for the same dosage as contained in the Combination Product, and B is the net selling price in such country of any other active ingredients (or delivery device) in the combination if sold separately for the same dosage (or form) as contained in the Combination Product. All net selling prices of the elements of such end-user product or service shall be calculated as the average net selling price of the said elements during the applicable accounting period for which the Net Sales are being calculated. In the event that, in any country, no separate sale of either such above-designated Licensed Product (containing only such Licensed Product and no other active ingredients) or any one or more of the active ingredients included in such Combination Product are made during the accounting period in which the sale was made or if the net selling price for an active ingredient cannot be determined for an accounting period, Net Sales for purposes of determining payments under this Agreement shall be calculated by multiplying the sales price of the Combination Product by the fraction C/(C+D) where C is the standard fully-absorbed manufacturing cost of the Licensed Product portion of the combination, and D is the standard fully-absorbed manufacturing cost of the other active ingredients or components included in the Combination Product, as determined by CTI using its standard accounting procedures consistently applied. In the event that the standard fully-absorbed manufacturing cost of the Licensed Product and/or the other active ingredients or components included in such Combination Product cannot be determined, Net Sales allocable to the Licensed Product in each such country shall be determined by mutual agreement reached in good faith by the parties prior to the end of the accounting period in question based on an equitable method of determining same that takes into account, on a country-by-country basis, all relevant factors (including variations in potency, the relative contribution of each active ingredient in the combination, and relative value to the end user of each active ingredient).

1.31 **"Person"** means any natural person, corporation, firm, business trust, joint venture, association, organization, company, partnership or other business entity, or any government or agency or political subdivision thereof.

1.32 **"Phase I Trial"** means a clinical trial of a Licensed Product in human patients designated as a Phase I Trial and conducted primarily for the purpose of determining the safety of and/or the metabolism and pharmacologic actions of the Licensed Product in humans, as described under 21 CFR § 312.21(a) (as hereafter modified or amended) and any of its foreign equivalents. For purposes of this definition, Phase I Trial shall specifically exclude trials in healthy volunteers.

1.33 **"Phase II Trial"** means a clinical trial of a Licensed Product, designated as a Phase II Trial and the principal purpose of which is to make a preliminary determination that such Licensed Product is safe and active in a patient population for its intended use and is designed to obtain sufficient information about such Licensed Product's efficacy to permit the design of a Phase III Trial(s), and generally consistent with 21 CFR § 312.21(b). For purposes of this definition, Phase II trial shall specifically exclude expansion cohorts from Phase I Trial(s).

1.34 **"Phase III Trial"** means a clinical trial of a Licensed Product in human patients, which is designated as a Phase III Trial or a pivotal trial and is designed (a) to establish that the Licensed Product is safe and efficacious for its intended use; (b) to define warnings, precautions and adverse reactions that are associated with the Licensed Product in the dosage range to be prescribed; and (c) to be, either by itself or together with one or more other clinical trials having a comparable design and size, the final human clinical trial in support of Regulatory Approval of the Licensed Product, and (d) consistent with 21 CFR § 312.21(c) (as hereafter modified or amended) and any of its foreign equivalents.

1.35 **"Regulatory Authority"** means (a) the FDA, (b) the EMA or the European Commission, or (c) any regulatory body with similar regulatory authority over pharmaceutical or biotechnology products in any other jurisdiction anywhere in the world.

1.36 **"Regulatory Approval"** means any and all approvals, licenses, registrations, or authorizations of the relevant Regulatory Authority, necessary for the Development, manufacture, use, storage, import, transport and Commercialization of a given Licensed Product in a particular country or jurisdiction. For the avoidance of doubt, Regulatory Approval outside of the United States shall include any pricing or marketing approval needed prior to the sale of a Licensed Product in the Field.

1.37 **"Royalty Term"** means, on a Licensed Product-by-Licensed Product and country-by-country basis, the period from the First Commercial Sale of a given Licensed Product in such country until the later of (i) ten (10) years after First Commercial Sale of the applicable Licensed Product in such country, or (ii) the expiry of the last-to-expire DFCI Patent containing a Valid Claim to the Licensed Product in such country.

1.38 "Sale Event" means a (i) a merger, share exchange or other reorganization ("**Merger**"), (ii) the sale by one or more stockholders of a majority of the voting power of the CTI ("**Stock Sale**") or (iii) a sale of all or substantially all of the assets of CTI (or that portion of its assets related to the subject matter of this Agreement) ("**Asset Sale**") in which for (i), (ii), and (iii) above, the stockholders of CTI prior to such transaction do not own a majority of the voting power of the acquiring, surviving or successor entity, as the case may be. Notwithstanding the foregoing, a Sale Event shall not include a bona fide financing transaction in which voting control of CTI transfers to one or more persons or entities who acquire shares of CTI capital stock from CTI in exchange for either an investment in CTI.

1.39 "**Sublicense Revenue**" means any payments or other consideration that CTI actually receives from a Sublicensee as consideration for the grant of a Sublicense, including, without limitation, milestone payments, license fees, license maintenance fees and equity. Sublicense Revenue excludes (i) purchases of equity or debt of CTI, (ii) payments made for CTI's performance of any research, Development, or Commercialization of any Licensed Product, (iii) royalties on Net Sales (or, in the case of a profit sharing deal structure, shares of net profits) which are covered in Section 5.9, and (iv) any payment or reimbursement of any costs or expenses incurred by CTI for filing, prosecution, maintenance, or defense of any DFCI Patents. In the event such consideration received from a Sublicensee is not cash, Sublicense Revenue shall be calculated by CTI based on the fair market value of such consideration, at the time of the transaction, assuming an arm's length transaction made in the ordinary course of business

1.40 "Sublicensee" means a Person, other than an Affiliate of CTI, to which CTI (or its Affiliate) has, pursuant to Section 2.3, granted sublicense rights under any of the license rights granted under Section 2.1. **"Sublicense**" shall be construed accordingly.

1.41 "Tax" or **"Taxes"** means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

1.42 "Third Party" means any Person other than DFCI, CTI or Affiliates of either of them, or any Sublicensees.

1.43 "Third Party Action" means any claim or action made by a Third Party against a Party that claims that a Licensed Product, or its use, Development, manufacture or sale infringes such Third Party's intellectual property rights.

1.44 "United States" or **"US"** means the United States of America and its territories and possessions.

1.45 "**Valid Claim**" means (a) a claim of an issued and unexpired patent that has not been held permanently revoked, invalid or unenforceable by a patent office, court or other governmental agency of competent jurisdiction in a final and non-appealable judgment (or judgment from which no appeal was taken within the allowable time period) and that is not admitted to be invalid or unenforceable through reissue, disclaimer or otherwise (i.e. only to the extent the subject matter is disclaimed or is sought to be deleted or amended through reissue or (b) a claim of a pending patent application within DFCI Patents that has not been abandoned, finally rejected or expired without the possibility of appeal or refiling, provided that (i) Valid Claim shall exclude any such pending claim in an application that has not been granted within the latter of five (5) years after the Effective Date or seven (7) years following the earliest priority filing date for such application (unless and until such claim is granted) and (ii) Valid Claim will exclude any such pending claim that does not have a reasonable bona fide basis for patentability, in either case of (i) or (ii), unless and until such claim is granted. Notwithstanding the foregoing, in the event that a claim in a pending patent application is involved in an interference action declared by the US Patent and Trademark Office or any analogous patentability determination by any other national patent office, and, at the time such proceeding is filed or initiated such claim is a Valid Claim, the time period set forth in subsection (i) above will be stayed for the pendency of such proceeding.

ARTICLE II
LICENSES AND OTHER RIGHTS

2.1 Grant of License to CTI.

(a) Subject to the terms and conditions of this Agreement and the reserved rights described in Section 2.4, DFCI hereby grants to CTI, and CTI hereby accepts, an exclusive, worldwide, royalty-bearing right and license (with the right to sublicense, subject to the provisions of Section 2.4) under the DFCI Patents to (i) research, Develop, manufacture, have manufactured, use, import and Commercialize and have Commercialized the Licensed Products, in and for the Field and (ii) to practice and have practiced any Licensed Processes, in and for the Field. DFCI and its Affiliates grant no licenses or rights by implication, estoppel or otherwise under any other patent applications or patents owned in whole or in part by DFCI other than as expressly set forth herein.

(b) Subject to the terms and conditions of this Agreement, DFCI hereby grants CTI a non-exclusive license under DFCI's rights in and to the DFCI Materials listed in Schedule 3 solely in support of the exercise of CTI's license rights under Section 2.1(a). CTI shall not have the right and shall be prohibited from selling, transferring, or distributing the DFCI Materials to end users, except in the case where such end users are CTI Affiliates or Sublicensees under this Agreement. This Section 2.1(b) shall not affect the rights granted to CTI hereunder to research, Develop, manufacture, have manufactured, use, import and Commercialize and have Commercialized Licensed Products made from or using such DFCI Materials.

2.2 Affiliates. CTI is entitled to extend its licenses under this Article II to its Affiliates, consistent with all of the terms and conditions of this Agreement. If CTI does extend its license and an Affiliate assumes obligations under the Agreement, CTI shall be responsible and liable for the acts or omissions of the Affiliate in the exercise of rights under this Agreement. If DFCI has a claim arising under this Agreement against an Affiliate, DFCI may seek a remedy directly against CTI and may, but is not required to, seek a remedy against the Affiliate. Any termination of the Agreement under Article X as to CTI also constitutes termination as to any Affiliates.

2.3 Grant of Sublicenses by CTI. CTI shall have the right, in its sole discretion, to grant Sublicenses, in whole or in part, under the license granted in Section 2.1; provided, however, that the granting by CTI of a Sublicense shall not relieve CTI of any of its obligations hereunder; and provided, further, that CTI's right to grant a Person a Sublicense shall be subject to CTI including within such Sublicense express provisions binding the Sublicensee to terms and conditions consistent with those contained herein. CTI shall be and remain fully responsible and primarily liable for the compliance by Sublicensees with the terms and conditions of this Agreement (as applicable to them) as if such Sublicensees were CTI hereunder. CTI shall promptly provide a copy of each executed sublicense agreement and any modifications of the sublicense agreement (provided that such copy may be redacted to remove commercially sensitive terms that are not necessary to confirm compliance with the terms and conditions of this Agreement) following execution of such agreement.

2.4 Reserved Rights. The licenses granted by DFCI are subject to the following reserved rights.

(a) The rights of the United States of America, as set forth in Public laws 96- 517 and 98-620, the regulations promulgated thereunder, and the policy of any funding agencies. Any rights granted hereunder, which are greater than permitted by Public Laws 96-517 and 98- 620, are subject to modification as required to conform to the provisions of those statutes.

(b) DFCI's right to make and use the DFCI Know-How, DFCI Antibodies, and DFCI Materials for its own teaching, education and research purposes, both laboratory and clinical. Additionally, DFCI reserves the rights to practice under the DFCI Technology for its own internal research, public service, teaching and educational purposes, without payment of royalties, provided that the exercise of such reserved rights by DFCI shall not (a) be subject to any intellectual property rights granted to any commercial third party nor (b) include any human use or clinical administration without prior written approval from CTI.

(c) DFCI's right to supply DFCI Know How, DFCI Antibodies, and DFCI Materials to other academic, governmental or not-for-profit organizations for non-commercial research purposes.

2.5 Government Rights and Requirements. Notwithstanding anything hereunder, any and all licenses and other rights granted hereunder are limited by and subject to the rights and requirements of the United States Government which may arise out of its sponsorship of the research which led to the conception or reduction to practice of inventions covered by the DFCI Patents. The United States Government is entitled, as a right, under the provisions of 35 U.S.C. §§ 200-212 and applicable regulations of Title 37 of the Code of Federal Regulations: (i) to a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on the behalf of the United States Government any of the DFCI Patents throughout the world and (ii) to exercise march in rights on DFCI Patents.

2.6 Delivery of DFCI Know-How, DFCI Antibodies, and DFCI Materials. DFCI shall deliver to CTI DFCI Know-How, DFCI Antibodies, and DFCI Materials within sixty (60) days of the Effective Date of this Agreement.

ARTICLE III
DILIGENCE

3.1 Diligence by CTI. CTI shall use Commercially Reasonable Efforts to Develop and to Commercialize Licensed Products targeting CA-IX, PD-L1 and GITR in the Field. The Parties acknowledge that CTI may Develop and Commercialize Licensed Products that are a Combination Product containing one or more DFCI Antibodies or Derivatives.

3.2 Projected Milestone Dates. CTI shall use its commercially reasonable efforts to meet the following milestones ("Milestones") by the dates specified in this paragraph, subject to annual adjustment as described below.

(a) Milestone Dates for a Licensed Product Targeting CA-IX

Milestone	**Achievement Date**
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date

For purposes of this Section 3.2, DFCI will consider efforts of an Affiliate or Sublicensee as efforts of CTI.

(b) Milestone Dates for a Licensed Product Targeting PD-L1

* Confidential material redacted and filed separately with the Commission.

Milestone	Achievement Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date

(c) Milestone Dates for a Licensed Product Targeting GITR

Milestone	Achievement Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date
– *	* from the Effective Date

* Confidential material redacted and filed separately with the Commission.

3.3 Adjustments. The parties acknowledge that since the program is in early pre- clinical development that the dates included in the Milestone table above are rough estimates to provide DFCI a preliminary projection of what can be achieved by what dates, the accuracy of which the parties agree is impossible to predict and will be based on many factors completely outside the control of CTI and its Diligence Efforts. On an annual basis, with its report contained below, CTI will, in good faith, update the dates in the Milestones table above to provide DFCI an updated assessment of the timing of the upcoming milestones. Upon providing such update, the table above shall be deemed amended notwithstanding Section 11.5 hereof.

3.4 Development and Commercialization Reports. Within 60 days of the Effective Date and on or before each anniversary of the Effective Date, CTI shall provide to DFCI a written report describing the efforts by CTI, or any Affiliates or Sublicensees, to bring one or more Licensed Products to the marketplace. The report must be in sufficient detail to permit DFCI to monitor CTI' compliance with the due diligence provisions of this Agreement.

CTI shall include at least the following in these reports: (a) a summary of CTI's progress toward meeting the goals and objectives that had been established for the previous year; (b) a summary of CTI's goals and objectives for the ensuing year for developing and commercializing Licensed Products, including an identification of Licensed Products that CTI intends to develop, if any; and (c) to the extent not covered by the foregoing, a summary of CTI's progress in meeting the Milestone timelines above.

If multiple technologies are covered by this Agreement, the progress report must provide the information set forth above for each Licensed Product.

3.5 Failure to Perform. CTI's failure to use commercially reasonable efforts to perform any due diligence requirement provided in Section 3.1 through 3.4 is grounds for DFCI to terminate this Agreement according to Section 10.2(d); provided that DFCI shall only have the right to terminate this Agreement with respect to the specific Licensed Product for which such failure is claimed and the License shall remain in full force and effect for the remaining Licensed Products. In the alternative, DFCI may convert the exclusive licenses granted under this Agreement to a non-exclusive license, as further provided in Section 3.6, as to the specific Licensed Product for which such failure is claimed.

3.6 Conversion to Non-exclusive License. If the exclusive license granted under this Agreement is converted to a non-exclusive license for any Licensed Product, this Agreement is automatically amended as follows as it relates to such Licensed Product; (a) the exclusive license of Section 2.1 becomes a non-exclusive license, (b) CTI loses the right to grant sublicenses under Section 2.3; provided that any sublicense granted prior to such conversion shall continue and not be affected by such conversion, (c) the obligations of Sections 3.1 through 3.4 continue to apply, (d) the obligation under Section 3.10 no longer applies, (e) CTI has no further rights or obligations under Article VI; provided that DFCI shall keep CTI apprised of any new filings of patent applications and issuance of patents that fall within the DFCI Patents, and (f) DFCI has the sole right to pursue apparent infringements and the terms of Article VI no longer apply.

3.7 Costs and Expenses. As between DFCI and CTI, CTI shall be solely responsible for all costs and expenses related to Development, manufacture and Commercialization of the Licensed Products, including without limitation costs and expenses associated with all preclinical activities and clinical trials, and all regulatory filings and proceedings relating to Licensed Product.

3.8 .Patent Marking. CTI agrees that with respect to each unit or package of Licensed Products sold in a given country, CTI shall comply with the customary patent marking laws and practices of such country as to the applicable DFCI Patents.

3.9 Trademarks. As between DFCI and CTI, CTI shall have the sole authority to select trademarks for Licensed Products and shall own all such trademarks. DFCI does not grant CTI the right to use any trademarks of DFCI or its Affiliates.

3.10 U.S. Manufacture. CTI shall manufacture Licensed Products leased, used or sold in the United States substantially in the United States as required by 35 U.S.C. 204 and 37 C.F.R. 401 et. seq., as amended. CTI shall also require any Affiliate(s) or Sublicensee(s) to comply with this U.S. manufacture requirement. Notwithstanding the foregoing, if CTI or its Affiliate(s) or Sublicensee(s) determines that it is not commercially feasible or reasonable to manufacture such Licensed Products in the United States or determines that it is necessary to have additional manufacturers outside the United States for back-up supply or to supply Licensed Products outside the United States, then DFCI agrees to make reasonable efforts to assist CTI, or its Affiliate(s) or Sublicensee(s), as applicable, at CTI' expense, in obtaining any necessary permission from the appropriate government authorities to manufacture such Licensed Products outside the United States.

3.11 Other Government Laws. CTI shall comply with, and ensure that its Affiliates and Sublicensees comply with, all government statutes and regulations that relate to Licensed Products. These include but are not limited to FDA statutes and regulations, the Export Administration Act of 1979, as amended, codified in 50 App. U.S.C. 2041 et seq. and the regulations promulgated thereunder or other applicable export statutes or regulations.

3.12 Publicity. CTI, its Affiliate and Sublicensees are not permitted to use the names of DFCI, its related entities or its employees, or any adaptations thereof, in any advertising, promotional or sales literature, or in any securities report required by the Securities and Exchange Commission (except as required by law), without the prior written consent of DFCI in each case. However CTI may (a) refer to publications in the scientific literature by employees of DFCI or (b) state that a license from DFCI has been granted as provided in this Agreement.

3.13 Other Agreements. In the event that CTI determines to conduct a clinical trial of a Licensed Product in the Field of Use in the United States, CTI shall consider in good faith and discuss with DFCI the potential of engaging DFCI to serve as a clinical site for such clinical trial; provided that (a) DFCI has the appropriate expertise and patient population to conduct the clinical trial, and (b) DFCI is economically competitive with other sites having substantially similar expertise and patient populations to conduct such clinical trial.

ARTICLE IV
REGULATORY MATTERS

4.1 Regulatory Filings. As between CTI and DFCI, CTI (or its applicable Affiliate) shall own and maintain all regulatory filings made after the Effective Date for Licensed Products and all Regulatory Approvals for Licensed Products. Once per year, representatives from DFCI may visit CTI and review all such regulatory filings, provided such representatives do not have a conflict of interest or involvement with any competitive companies or technologies and agree to CTI's confidentiality agreement.

ARTICLE V
Financial Provisions

5.1 Upfront Fee. Within thirty (30) days of the Effective Date, CTI shall pay DFCI an up-front, non-creditable, non-refundable license fee in the amount of One Million Dollars ($1,000,000).

5.2 Maintenance Fee. Within thirty (30) days following the second anniversary of the Effective Date and each anniversary thereafter, CTI shall pay DFCI an annual license maintenance fee in the amount of * Dollars ($*). Such fees are creditable against milestone payments due pursuant to Section 5.8, royalties due pursuant to Section 5.9 or Sublicense Revenue Share Payments (as defined in Section 5.11).

5.3 Equity. Within thirty (30) days after the Effective Date, CTI shall issue to DFCI five percent (5%) of the common stock of CTI on a Fully-Diluted Basis (as defined below), after giving effect to such issuance (collectively, the "Shares"), provided, however, that DFCI shall execute a Share Purchase Agreement in a form mutually agreeable to DFCI and CTI. The Shares shall be of the same class (and be subject to the same rights) as the shares issued to CTI's non-corporate founders, which is CTI's common stock. It is acknowledged that the corporate founders will receive class A common stock, which is identical to the common stock but for super majority voting rights.

5.4 Equity Representations and Warranties. CTI hereby represents and warrants to DFCI that:

(a) the capitalization table attached hereto as Appendix X (the "Cap Table") sets forth all of the outstanding capital stock of CTI on a Fully-Diluted Basis as of the Effective Date of this Agreement;

(b) Other than as set forth in the Cap Table, as of the Effective Date, there are no outstanding shares of capital stock, convertible securities, outstanding warrants, options or other rights to subscribe for, purchase or acquire from CTI any capital stock of CTI and there are no contracts or binding commitments providing for the issuance of, or the granting of rights to acquire, any capital stock of CTI or under which CTI is, or may become, obligated to issue any of its securities; and

* Confidential material redacted and filed separately with the Commission.

(c) the Shares, when issued pursuant to the terms hereof, shall, upon such issuance, be duly authorized, validly issued, fully paid and non-assessable.

5.5 Equity Anti-Dilution. If, at any time, prior to the achievement of the Funding Threshold (as defined below), CBI issues Additional Securities (as defined below), CBI shall issue additional shares of common stock to DFCI such that DFCI's shareholdings in CBI shall not fall below five percent (5%), on a Fully Diluted Basis, as calculated after giving effect to the dilutive issuance (the "Anti-Dilution Shares"). Any issuances of Anti-Dilution Shares shall be in partial consideration for the license granted under the Agreement and DFCI shall not be required to pay any further consideration for such shares. Such issuances shall continue until such time as CTI has achieved the Funding Threshold. Thereafter, no additional Anti-Dilution Shares shall be due to DFCI pursuant to this Section 5.5 and DFCI's shareholdings in CTI will be subject to dilution.

5.6 Equity Definitions. The following terms shall have the following meanings:

(a) "Additional Securities" shall mean shares of capital stock, convertible securities, warrants, options or other rights to subscribe for, purchase or acquire from CBI any capital stock of CTI, except shares issued to employees, directors or consultants provided that such shares are issued pursuant to a stock option plan approved by CTI and provided further that the transaction is primarily for non-financing purposes.

(b) "Fully Diluted Basis" shall mean, as of a specified date, the number of shares of common stock of CTI then outstanding (assuming conversion of all outstanding stock other than common stock into common stock) plus the number of shares of common stock of CTI issuable upon exercise or conversion of then outstanding convertible securities, options, rights or warrants of CTI (which shall be determined without regard to whether such securities are then vested, exercisable or convertible) but shall exclude shares issued to employees, directors or consultants provided that such shares are issued pursuant to a stock option plan approved by CTI and provided further that the transaction is primarily for non-financing purposes.

(c) "Funding Threshold" shall mean a total gross investment, since the date of CTI's incorporation, of Ten Million U.S. Dollars ($10,000,000) in cash in exchange for CBI capital stock.

5.7 Equity Participation Rights. Until an IPO, DFCI shall, in addition, have the opportunity to participate on a pro-rata basis as an investor in any additional rounds of equity raised by CTI. Until an IPO, if CTI proposes to sell any equity securities or securities that are convertible into equity securities of CTI (excluding customary exceptions, such as (but not limited to) the grant or issuance of compensatory equity to employees, consultants, etc., equity issuances in connection with strategic transactions, vendor financing, loans, etc.), then DFCI and/or its Assignee (meaning (a) any entity to which DFCI's participation rights under this section have been assigned either by DFCI or another entity, or (b) any entity that is controlled by DFCI will have the right to purchase up to DFCI's pro rata share (as of the date of the offering) of the securities issued in each offering on the same terms and conditions as are offered to the other purchasers in each such financing. CTI shall provide ten days advanced written notice of each such financing, including reasonable detail regarding the terms and purchasers in the financing. DFCI rights under this Section 5.7 shall terminate upon a public offering covering the offer and sale of any of CTI's equity to the public ("IPO") or acquisition by a Third Party.

5.8 Milestone Payments.

(a) **Product-based Milestones.** As further partial consideration for DFCI's grant of the rights and licenses to CTI hereunder, CTI shall pay to DFCI the following one-time, product-based milestone payments with regard to each Licensed Product (as specifically set forth below) to achieve the respective event, up to three (3) Licensed Products per product-based milestone. CTI will pay the relevant milestone payment within 90 days of such achievement.

Product-based Milestones	Milestone Payment	
*	$	*
*	$	*
*	$	*
*	$	*
*	$	*
*	$	*

If any of the above milestones are triggered as a result of a combination approval of two or more Licensed Products or combination clinical trial of two or more Licensed Products, only one milestone payment shall be due to DFCI as if the combination was a single Licensed Product.

b. **Aggregate Net Sales Achievement Milestones**: As further consideration for DFCI's grant of the rights and licenses to CTI hereunder, CTI shall pay to DFCI the following one-time milestone payments upon first achievement of worldwide Net Sales (as specifically set forth below) by CTI and its Affiliates and Sublicensees. CTI will pay the relevant milestone payment within 90 days of such achievement.

Aggregate Net Sales Achievement Milestones		
The first time aggregate worldwide Net Sales for all Licensed Products exceeds $* in any Calendar Year	$	*
The first time aggregate worldwide Net Sales for all Licensed Products exceeds $* in any Calendar Year	$	*
The first time aggregate worldwide Net Sales for all Licensed Products exceeds $* in any Calendar Year	$	*

* Confidential material redacted and filed separately with the Commission.

5.9 Royalty, Etc. Payments for Licensed Products.

(a) With respect to Net Sales of all Licensed Products: As further consideration for DFCI's grant of the rights and licenses to CTI hereunder, CTI shall pay to DFCI a royalty on aggregate annual worldwide Net Sales of all such Licensed Products by CTI and its Affiliates and Sublicensees (but excluding Net Sales of a given Licensed Product after its applicable Royalty Term), at the percentage rates set forth below:

Annual Worldwide Net Sales of All Licensed Products per Calendar Year (US Dollars)	**Incremental Royalty Rate**
For that portion of Net Sales of such Licensed Products from$* up to and including $*	*%
For that portion of Net Sales of such Licensed Products from $* up to and including $*	*%
For that portion of Net Sales of such Licensed Products that is greater than $*	*%

(b) In no event shall the manufacture of a Licensed Product give rise to a royalty/payment in the nature of royalties obligation until the particular unit of Licensed Product is sold; but if Net Sales of a particular unit of Licensed Product might or might not be subject to a royalty/payment in the nature of royalties payment (e.g., manufactured in Country A where the Royalty Term has expired but sold in Country B where the Royalty Term has not expired), the sale shall be deemed to be subject to a royalty/payment in the nature of royalties payment. For clarity, CTI's obligation to pay royalties to DFCI under Section 5.9(a) is imposed only once with respect to the same unit of Licensed Product regardless of the number of DFCI Patents pertaining thereto or the number of times such Licensed Product has been sold or transferred to a Person.

(c) On a Licensed Product by Licensed Product and country-by-country basis, upon expiration of the Royalty Term for a Licensed Product in a country, the rights, licenses and sublicenses granted to CTI hereunder with respect to such Licensed Product in such country shall continue in effect but become fully paid-up, royalty-free, and perpetual.

(d) In the event the total royalty burden payable by CTI on Licensed Products exceeds*% (i.e., the total percentage royalties on net sales payable to DFCI and any Third Person), then CTI may deduct all Third Party Royalties from any royalty amounts due DFCI hereunder, provided that in no event shall the royalty rates set forth in Section 5.9(a) (as adjusted pursuant to Section 5.9(b)) be reduced by more than *% pursuant to this Section 5.9(d).

(e) In the event that the DFCI Patents do not contain any Valid Claim Covering the composition of matter for any of the active pharmaceutical ingredients of a Licensed Product in a particular country, royalties due to DFCI will be reduced by * percent (*%) of the applicable royalty rate as set forth in Section 5.9(a) for that Licensed Product in such country.

(f) In the event that a Licensed Product in a country is not Covered by a Valid Claim of a Licensed Patent, royalties with respect to such Licensed Product in such country shall be reduced by * percent (*%) of the applicable royalty rate as set forth in Section 5.9(a) and shall be due for the period commencing with the First Commercial Sale of such Licensed Product in such country and ending * (*) years from date of such First Commercial Sale.

* Confidential material redacted and filed separately with the Commission.

(g) Notwithstanding the above, in no event shall the royalty rates set forth in Section 5.9(a) be reduced under 5.9(d), (e), and (f) above by more than [*]% collectively.

5.10 Timing of Royalty Payment. Royalties/payments in the nature of royalties payable under Section 5.9 shall be payable on actual Net Sales and shall accrue at the time provided therefor by US GAAP. Royalty/payment in the nature of royalties obligations that have accrued during a particular Calendar Quarter shall be paid, on a Calendar Quarter basis, within 90 days after the end of each Calendar Quarter during which the royalty/payment in the nature of royalties obligation accrued; provided that within 50 days after the conclusion of each Calendar Year CTI shall provide notice to DFCI of any adjustments necessary to account for any royalties/payment in the nature of royalties which were overpaid or underpaid for such prior Calendar Year's Calendar Quarters, and the Parties shall promptly true-up based on such adjustments, provided however, the lapse of such 50-day period shall not impact the right of CTI to credit any over-payments discovered during an audit against future royalties due under Section 5.9 hereof.

5.11 Sublicense Revenue. CTI shall pay to DFCI [*] percent ([*]%) of all Sublicense Revenue received by CTI ("**Sublicense Revenue Share Payments**"). Sublicense Revenue Share Payments shall be paid, on a Calendar Quarter basis, within 90 days after the end of each Calendar Quarter during which the respective Sublicense Revenue is received.

5.12 Royalty Reports and Records Retention. Within 60 days after the end of each Calendar Quarter during which Licensed Products have been sold, CTI shall deliver to DFCI, together with the applicable royalty/payment in the nature of royalties payment due, a written report, on a Licensed Product-by-Licensed Product (and specifying non-Covered status, as applicable) and country-by-country basis, of (a) (a) Number of Licensed Products manufactured and sold by CTI, and any Affiliates or Sublicensees, in each country; (b) gross invoiced (or otherwise charged) amounts of sales, by CTI and its Affiliates and Sublicensees, of Licensed Products subject to royalty payments for such Calendar Quarter (and, if non-Covered, subject to royalty/payment in the nature of royalties payments for such Calendar Quarter), (c) amounts deducted by category (following the definition of Net Sales) from such gross invoiced amounts to calculate Net Sales, (d) Net Sales subject to royalty or royalty/payment in the nature of royalties payments for such Calendar Quarter and Calendar Year to date, and (e) the corresponding royalty or royalty/payment in the nature of royalties, and (f) the nature and amount of Sublicense Revenue received by CTI. Such report shall be deemed "Confidential Information" of CTI subject to the obligations of Article VII of this Agreement. For three years after each sale of a Licensed Product (whether Covered or not), CTI shall keep (and shall ensure that its Affiliates and Sublicensees shall keep) complete and accurate records of such sale in sufficient detail to confirm the accuracy of the royalty or royalty/payment in the nature of royalties calculations hereunder.

5.13 Sale Event Payment. Upon the occurrence of a Liquidation Event, CTI shall pay DFCI a one-time fee within thirty (30) days of the closing of such Liquidation Event (the "**Sale Event Payment**"), the amount of which shall be dependent on the date of such closing, as follows:

[*] Confidential material redacted and filed separately with the Commission.

Date of Closing of Sale Event	Fee	
If such closing occurs prior to the second anniversary of the Effective Date	$	*
If such closing occurs on or after the second anniversary of the Effective Date but before the third anniversary of the Effective Date	$	*
If such closing occurs on or after the third anniversary of the Effective Date but before the fourth anniversary of the Effective Date	$	*
If such closing occurs on or after the fifth anniversary of the Effective Date but before the expiration or termination of this Agreement	$	*

Notwithstanding anything to the contrary, the Sale Event Payment is payable only once under this Agreement, with respect to the initial occurrence thereof, regardless of the number of Sale Events that occur.

5.14 Books and Audits.

CTI shall keep, and shall require its Affiliates and Sublicensees to keep, true books of account containing an accurate record (together with supporting documentation) of all data necessary for determining the amounts payable to DFCI. CTI shall keep it records at its principal place of business or the principal place of business of the appropriate division of CTI to which this Agreement relates and shall require its Affiliates and Sublicenses to keep their books and records in the same manner.

(a) Commencing on the earlier of (i) the First Commercial Sale (of the first Licensed Product to have a First Commercial Sale) or (ii) receipt of Sublicense Revenue, and continuing until one Calendar Year after the conclusion of the final Royalty Term, upon the written request of DFCI, and not more than once in each Calendar Year, CTI shall permit, shall cause its Affiliates to permit, an independent certified public accounting firm of nationally recognized standing selected by DFCI (who has not been engaged by DFCI to provide services in any other capacity at any time during the three-year period before such selection), and reasonably acceptable to CTI or such Affiliate, to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of CTI and its Affiliates to verify the accuracy of the royalty payments and Sublicense Revenue Share Payments. Such review may cover: (i) the records for the Calendar Year ending not more than three years before the date of such request, and (ii) only those periods that have not been subject to a prior audit.

(b) If such accounting firm concludes that additional amounts were owed during such period, CTI shall pay the additional royalties and/or royalties/payment in the nature of royalties within 15 days after the date such public accounting firm delivers to CTI such accounting firm's written report. If such accounting firm concludes that an overpayment was made, such overpayment shall be fully creditable against amounts payable in subsequent payment periods. If CTI disagrees with such calculation, CTI may contest such calculation in writing – at which point the parties will work in good faith to submit the matter to a mediator fo resolution. If the parties are unable to reach an agreement via mediation, then CTI may initiate a court action to seek to recover the additional payment or to increase the amount of credit or reimbursement. DFCI shall pay for the cost of any audit by DFCI, unless CTI has underpaid DFCI by 5% or more for a specific royalty period, in which case CTI shall pay for the reasonable costs of audit, as well as any additional sum that would have been payable to DFCI had the CTI reported correctly, plus interest as set forth in Section 5.16.

* Confidential material redacted and filed separately with the Commission.

(c) Each Party shall treat all information that it receives under this Section 5.12 in accordance with the confidentiality provisions of Article VII of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with the audited Party obligating such firm to retain all such financial information in confidence pursuant to such confidentiality agreement, except to the extent necessary for a Party to enforce its rights under the Agreement.

5.15 Mode of Payment and Currency. All payments to DFCI under this Agreement, whether or not in respect of Net Sales or milestone events, shall be made by deposit of US Dollars in the requisite amount to the following, which DFCI may from time to time amend by advance written notice to CTI.

by check:

Fiscal Manager
Office of Research and Technology Ventures Dana Farber Cancer Institute
450 Brookline Ave.
Boston, MA 02215
Ref: *

by wire transfer:

Bank: Bank of America
Bank Address: 100 Federal Street, Boston, MA 02110 Account #*
ABA #*
Reference: *

Conversion of sales or expenses recorded in local currencies to Dollars will be performed in a manner consistent with CTI's normal practices used to prepare its audited financial statements for external reporting purposes, provided that such practices use a widely accepted source of published exchange rates. Based on the resulting Net Sales in US Dollars, the then applicable royalties/payment in the nature of royalties shall be calculated.

* Confidential material redacted and filed separately with the Commission.

5.16 Late Payments. If a Party does not receive payment of any sum due to it on or before the due date therefor, simple interest shall thereafter accrue on the sum due to such Party from the due date until the date of payment at a rate equal to the lesser of (a) US dollar one- month LIBOR plus 300 basis points, or (b) the maximum rate permissible under applicable Law. Accrual and payment of interest shall not be deemed to excuse or cure breaches of contract arising from late payment or nonpayment. Waiver or deferral by DFCI of any payment owed under any paragraph under this Article V may not be construed as a waiver or deferral of any subsequent payment owed by CTI to DFCI.

5.17 Taxes. All amounts due hereunder exclude all applicable sales, use, and other taxes and duties, and CTI shall be responsible for payment of all such taxes (other than taxes based on DFCI's income) and duties and any related penalties and interest, arising from the payment of amounts due under this Agreement. The Parties agree to cooperate with one another and use Commercially Reasonable Efforts to avoid or reduce tax withholding or similar obligations in respect of royalties, payments in the nature of royalties, milestone payments, and other payments made by CTI to DFCI under this Agreement. To the extent CTI is required to withhold taxes on any payment to DFCI, CTI shall pay the amounts of such taxes to the proper governmental authority in a timely manner and promptly transmit to DFCI official receipts issued by the appropriate taxing authority and/or an official tax certificate, or such other evidence as DFCI may reasonably request, to establish that such taxes have been paid. DFCI shall provide CTI any tax forms that may be reasonably necessary in order for CTI to not withhold tax or to withhold tax at a reduced rate under an applicable bilateral income tax treaty. DFCI shall use Commercially Reasonable Efforts to provide any such tax forms to CTI at least 45 days before the due date for any payment for which DFCI desires that CTI apply a reduced withholding rate. Each Party shall provide the others with reasonable assistance to enable the recovery, as permitted by applicable law, of withholding taxes, value added taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the Party bearing such withholding tax or value added tax. DFCI shall indemnify and hold CTI harmless from and against any penalties, interest or other tax liability arising from any failure by CTI (at the express request of DFCI) to withhold or by reduction (at the express request of DFCI) in its withholding.

5.18 Currency Conversion. If any currency conversion is required in connection with any payment owed to DFCI, the conversion will be made at the buying rate for the transfer of such other currency as quoted by the Wall Street Journal on the last business day of the applicable accounting period in the case of any payment payable with respect to a specified accounting period or, in the case of any other payment, the last business day before the date the payment is due.

ARTICLE VI
Patents

6.1 Patent Prosecution and Maintenance.

(a) **DFCI Patents**. DFCI shall use commercially reasonable efforts to file, prosecute and maintain DFCI Patents in DFCI's name. CTI shall bear the cost of all reasonable, documented patent expenses incurred prior to the Effective Date and associated with the filing, prosecuting, and maintenance of all patent applications and patents included within the DFCI Patents, and such amounts shall be due to DFCI within thirty (30) days of the Effective Date. The amount owed for Past Patent Expenses incurred as of February 10, 2015 is $215,959.77. CTI shall bear the cost of all reasonable, documented patent expenses incurred on or after the Effective Date, continuing for the life of this Agreement, and associated with the filing, prosecuting, and maintenance of all patent applications and patents included within the DFCI Patents. Said amounts for on-going patent expenses shall be paid to DFCI within thirty (30) days of CTI's receipt of an invoice from DFCI Patents. Notwithstanding the foregoing, if DFCI grants any third party a license to any patent or patent application included within the DFCI Patents, CTI's obligation to bear ongoing patent costs shall be reduced by a pro rata amount, based on the number of licensees having rights with respect to such patent or patent application.

(b) **New or Revised Applications**. DFCI will, upon forming an intention to file or revise one or more patent applications which are DFCI Patents subject to the License grant in Article II, promptly inform CTI of such intention, and will provide CTI with the opportunity to comment on the content of such DFCI patent application before so filing or revising. DFCI shall consider any such reasonable CTI comments in good faith.

(c) **Liaising.** DFCI shall keep CTI promptly and regularly informed of the course of the filing and prosecution of DFCI Patents or related proceedings (e.g. interferences, oppositions, reexaminations, reissues, revocations or nullifications) in a timely manner, and to reasonably take into consideration the advice and recommendations of CTI.

(d) **Election Not to File/Prosecute/Maintain DFCI Patents** CTI acknowledges and agrees that DFCI shall not be required to file, prosecute or maintain the DFCI Patents, provided, however, if DFCI decides to not pursue or maintain any such DFCI Patents then DFCI shall provide CTI with at least 30 days' notice before discontinuing the filing, prosecution or maintenance of such DFCI Patents so that CTI may assume responsibility for such activities in DFCI's name but at CTI's expense. In such event, CTI will no longer owe any royalty obligation on account of such (country-level) DFCI Patents assumed by CTI. Similarly, to the extent CTI does not want to continue funding the patent costs of any portion of DFCI Patents, then such portion of DFCI Patents will no longer be included as DFCI Patents.

6.2 Certification under Drug Price Competition and Patent Restoration Act. Each of DFCI and CTI shall provide within a reasonable time written notice to the other of any certification of which they become aware filed pursuant to 21 U.S.C. Section 355(b)(2)(A) (or any amendment or successor statute thereto) claiming that any DFCI Patents covering a Licensed Product, or the manufacture or use of each of the foregoing, are invalid or unenforceable, or that infringement will not arise from the manufacture, use or sale in the US of a Licensed Product by a Third Party.

6.3 Listing of Patents. CTI shall have the sole right to determine which of the DFCI Patents, if any, shall be listed for inclusion in the Approved Drug Products with Therapeutic Equivalence Evaluations publication pursuant to 21 U.S.C. Section 355, or any successor Law in the United States, together with any comparable Laws in any other country. DFCI will co- operate with CTI to list any of said DFCI Patents.

6.4 Enforcement of Patents.

(a) **Notice.** If either DFCI or CTI believes that a DFCI Patent is being infringed in the Field by a Third Party or if a Third Party claims that any DFCI Patent is invalid or unenforceable, the Party possessing such knowledge or belief shall notify the other and provide it with details of such infringement, misappropriation or claim that are known by such Party.

(b) **Action by DFCI.**

(i) **Procedure.** DFCI is responsible for enforcing its DFCI Patents and prosecuting apparent infringers when, in its judgment, such action may be reasonably necessary and justified. CTI may request DFCI to take steps to protect the DFCI Patents from an apparent infringement. However, before DFCI must respond to the request, CTI shall supply DFCI (i) an opinion of qualified legal counsel demonstrating to DFCI's reasonable satisfaction that an infringement of the DFCI Patents exists in a particular country and (ii) with written evidence demonstrating to DFCI's reasonable satisfaction that a Substantial Infringement of the DFCI Patents exists in a particular country ("Substantial Infringer").

(ii) DFCI has three months from the date of receiving satisfactory written evidence from CTI of a Substantial Infringement to decide whether it will seek to terminate the Substantial Infringement. DFCI shall give CTI notice of its decision by the end of this three-month period. If DFCI notifies CTI that it intends to prosecute the alleged infringer, then DFCI has six (6) months from the date of its notice to CTI to either (a) cause the Substantial Infringement to terminate or (b) initiate legal proceedings against the infringer. If any such suit is brought by DFCI in its own name, or jointly with CTI if required by law, it will be at DFCI's expense and on its own behalf, but DFCI shall not be obligated to bring more than one such suit at a time.

(iii) **CTI's Right to Join.** CTI independently has the right to join any legal proceeding brought by DFCI under this Section 6.4 and fund up to fifty percent of the cost of the legal proceeding from the date of joining. If CTI elects to join as a party plaintiff pursuant to this paragraph 6.4(b)(iii), CTI may jointly participate in the action with DFCI, but DFCI's counsel will be lead counsel.

(c) **Action by CTI.**

(i) **Procedure.** If DFCI notifies CTI within the first three-month period that it does not intend to prosecute the Substantial Infringement or, if DFCI fails to cause the Substantial Infringement to terminate or bring legal proceeding to compel termination within six (6) months of the date of its notice to CTI, then CTI may initiate legal proceedings against the alleged infringer, at CTI's expense according to the terms of this Section 6.4. Before CTI commences any legal proceeding with respect to the Substantial Infringement, CTI shall consider in good faith the views of DFCI, particularly as they relate to the potential effects on the public interest. CTI has the right to join DFCI as a party-plaintiff if required by law, at CTI's expense.

(ii) **DFCI's Right To Join.** DFCI independently has the right to join any legal proceeding brought by CTI under this Section 6.4 and fund up to fifty percent of the cost of the legal proceeding from the date of joining. If DFCI elects to join as a party plaintiff pursuant to this Section 6.4, DFCI may jointly participate in the action with CTI, but CTI's counsel will be lead counsel.

(iii) **Reduction of Royalties.** If CTI initiates legal proceedings under this Section 6.4 in any country and DFCI does not independently join the proceeding, License may deduct up to * percent (*%) of CTI's documented costs and expenses of the proceeding (including reasonable attorney fees) from running and minimum royalties payable to DFCI under Section 5.9(a) of this Agreement from sales of Licensed Products covered by the patent(s)-in suit. However, CTI may not reduce DFCI's royalty payments by more than * percent of the amount otherwise due under Article V. If * percent (*%) of CTI's costs and expenses exceed the amount of royalties deducted by CTI for any calendar year, CTI may, to that extent, reduce the royalties due to DFCI in succeeding calendar quarters for so long as CTI is actively engaged in legal proceedings to terminate the Substantial Infringement. However, CTI may not reduce total royalties due to DFCI in a given calendar quarter by more than * percent (*%). CTI's right to reduce royalty payments to DFCI under this paragraph 6.4(c)(iii) applies only for so long as the Substantial Infringement continues.

(iv) **Settlement.** Regardless of whether DFCI is joined or joins any legal proceeding initiated by CTI, no settlement, consent judgment or other voluntary final disposition of the legal proceeding may be entered into without the consent of DFCI.

6.5 Cooperation. If one party initiates legal proceedings to enforce the DFCI Patents pursuant to this Article VI, the other party shall cooperate with and supply all assistance reasonably requested by the party initiating the proceedings, at the initiating party's request and expense.

6.6 Distribution of Amounts Paid by Third Parties. Any amounts recovered by the Party initiating an Action pursuant to this Section 6.6, whether by settlement or judgment, shall be allocated in the following order: to reimburse the Parties for all out-of-pocket costs and expenses incurred in connection therewith, including attorneys' fees. If such recovery is insufficient to cover all such costs and expenses of both Parties, it will be shared pro-rata in proportion to the relative amount of such costs and expenses incurred by each Party. If after such reimbursement any funds remain from such damages, the remaining amount of such recovery shall be allocated CTIas follows: the portion thereof attributable to "lost sales" shall be retained by CTI and shall be deemed to be Net Sales for the Calendar Quarter in which the amount is actually received by CTI and CTI shall pay to DFCI a royalty on such portion based on the royalty rates set forth in Section 5.9(a), and the portion thereof not attributable to "lost sales" shall be allocated 50% to DFCI and 50% to CTICTI.

6.7 Declaratory Judgment Actions. In the event that any third party initiates a declaratory judgment action alleging the invalidity or unenforceability of the DFCI Patents, or if any third party brings an infringement action against CTI or its Affiliates or Sublicensees because of the exercise of the rights granted CTI under this Agreement, then CTI shall have the right to defend such action under its own control and at its own expense; provided, however, that the parties shall mutually agree that DFCI may assume control of such defense, at its own expense, if DFCI in good-faith believes that assuming control of such defense is beneficial to the Parties. CTI shall NOT enter into any settlement, consent judgment or other voluntary final disposition of any action under this Section 6.7 without the consent of the other party, which consent shall not be unreasonably withheld unless the settlement includes any express or implied admission of liability or wrongdoing on DFCI's part, in which case DFCI's right to grant or deny consent is absolute and at its sole discretion. Any recovery shall be first applied to reimburse each party pro rata for any out-of pocket expenses it may have incurred with respect to defense of such action and the remainder shall be retained entirely by the party controlling the action; provided, however, that any recovery for infringement will be distributed as described in Section 6.6.

* Confidential material redacted and filed separately with the Commission.

ARTICLE VII
CONFIDENTIALITY

7.1 Definitions. CTI and DFCI each recognizes that during the Term, it may be necessary for a Party (the "**Disclosing Party**") to provide Confidential Information (as defined herein) to another Party (the "**Receiving Party**") that is highly valuable, the disclosure of which would be highly prejudicial to such Party. The disclosure and use of Confidential Information shall be governed by the provisions of this Article VII. Neither CTI nor DFCI shall use the other's Confidential Information except as expressly permitted in this Agreement. For purposes of this Agreement, "**Confidential Information**" means all information (including information relating to the business, operations and products of a Party or any of its Affiliates) disclosed by the Disclosing Party to the Receiving Party and which reasonably ought to have been understood to be confidential and/or non-public information at the time disclosed to the Receiving Party, or which is designated in writing by the Disclosing Party as "Confidential" (or equivalent), or which when disclosed orally to the Receiving Party is declared to be confidential by the Disclosing Party and is so confirmed in a writing delivered to the Receiving Party within 30 days after such oral disclosure, including but not limited to any technical information, Know-How, trade secrets, or inventions (whether patentable or not), that such Party discloses to another Party under this Agreement, or otherwise becomes known to another Party by virtue of or that relates to this Agreement. **Obligation.** DFCI and CTI agree that they will disclose the other Party's Confidential Information to its own (or its respective Affiliate's, or with respect to CTI, its Sublicensees') officers, employees, consultants and agents only if and to the extent necessary to carry out their respective responsibilities under this Agreement or in accordance with the exercise of their rights under this Agreement, and such disclosure shall be limited to the maximum extent possible consistent with such responsibilities and rights. Except as set forth in the foregoing sentence, no Party shall disclose Confidential Information of the other to any Third Party without the other's prior written consent. In all events, however, any and all disclosure to a Third Party (or to any such Affiliate or Sublicensee) shall be pursuant to the terms of a non- disclosure/nonuse agreement no less restrictive than this Article VII. The Party which disclosed Confidential Information of the other to any Third Party (or to any such Affiliate or Sublicensee) shall be responsible and liable for any disclosure or use by such Third Party, Affiliate or Sublicensee (or its disclosees) which would have violated this Agreement if committed by the Party itself. No Party shall use Confidential Information of the other except as expressly allowed by and for the purposes of this Agreement. Each Party shall take such action to preserve the confidentiality of each other's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information (but in no event less than a reasonable standard of care). Upon expiration or termination of this Agreement, each Party, upon the other's request, shall return or destroy (at Disclosing Party's discretion) all the Confidential Information disclosed to the other Party pursuant to this Agreement, including all copies and extracts of documents, within 60 days after the request, except for one archival copy (and such electronic copies that exist as part of the Party's computer systems, network storage systems and electronic backup systems) of such materials solely to be able to monitor its obligations that survive under this Agreement.

7.2 Exceptions. The non-use and non-disclosure obligations set forth in this Article VII shall not apply to any Confidential Information, or portion thereof, that the Receiving Party can demonstrate by competent evidence:

(a) at the time of disclosure is in the public domain;

(b) after disclosure, becomes part of the public domain, by publication or otherwise, through no fault of the Receiving Party or its disclosees;

(c) is made available to the Receiving Party by an independent Third Party without obligation of confidentiality; provided, however, that to the Receiving Party's knowledge, such information was not obtained by said Third Party, directly or indirectly, from the Disclosing Party hereunder; or

(d) is independently developed by an employee of the Receiving Party not accessing or utilizing the Disclosing Party's information.

In addition, the Receiving Party may disclose information that is required to be disclosed by law, by a valid order of a court or by order or regulation of a governmental agency including but not limited to, regulations of the SEC or in the course of arbitration or litigation; provided, however, that in all cases the Receiving Party shall give the other party prompt notice of the pending disclosure and make a reasonable effort to obtain, or to assist the Disclosing Party in obtaining, a protective order or confidential-treatment order preventing or limiting (to the greatest possible extent and for the longest possible period) the disclosure and/or requiring that the Confidential Information so disclosed be used only for the purposes for which the law or regulation required, or for which the order was issued.

7.3 Third Party Information. The Parties acknowledge that the defined term "Confidential Information" shall include not only a Disclosing Party's own Confidential Information but also Confidential Information of a Third Party which is in the possession of a Disclosing Party. CTI and DFCI agree not to disclose to the other any Confidential Information of a Third Party which is in the possession of such Party, unless the other has given an express prior written consent (which specifies the owner of such Confidential Information) to receive such particular Confidential Information.

7.4 Press Release Announcing the Execution of the License Agreement and Related Disclosures. Either Party may make an initial press release announcing the execution of this Agreement, including any matter covered by this Agreement, and the Development or Commercialization of Licensed Products, but such Party shall provide the text of such planned disclosure to the other Party sufficiently in advance of the scheduled disclosure to afford such other Party a reasonable opportunity to review and comment upon the proposed text and the timing of such disclosure, and shall consider all reasonable comments of the other Party regarding such disclosure. (Provided, that no Party shall use the trademark or logo of the other Party, its Affiliates or their respective employee(s) in any publicity, promotion, news release or public disclosure relating to this Agreement or its subject matter, except as may be required by Law or required by the rules of an applicable US national securities exchange or except with the prior express written permission of such other Party, such permission not to be unreasonably withheld.)

ARTICLE VIII
REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 Representations and Warranties. (a) CTI represents and warrants to DFCI, and (b) DFCI represents to CTI, in each case as of the Effective Date:

(a) Such Party is a corporation duly organized and validly existing under the Laws of the jurisdiction of its incorporation;

(b) Such Party has all right, power and authority to enter into this Agreement, and to perform its obligations under this Agreement;

(c) Such Party has taken all action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement;

(d) This Agreement is a legal and valid obligation of such Party, binding upon such Party and enforceable against such Party in accordance with the terms of this Agreement, except as enforcement may be limited by applicable bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and by general equitable principles;

(e) To the best of such party's knowledge, the execution, delivery and performance of this Agreement by such Party does not conflict with, breach or create in any Third Party the right to accelerate, terminate or modify any agreement or instrument to which such Party is a party or by which such Party is bound;

(f) To the best of such party's knowledge, all consents, approvals and authorizations from all governmental authorities or other Third Parties required to be obtained by such Party in connection with the execution and delivery of this Agreement have been obtained; and the execution, delivery and performance of this Agreement by such Party does not violate any Law of any Governmental Body having authority over such Party;

(g) No person or entity has or will have, as a result of the execution and delivery of or as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or upon such Party for any commission, fee or other compensation as a finder or broker because of any act by such Party or its Affiliates, agents or Sublicensees; and

(h) To the best of such party's knowledge, no agreement between it and any Third Party is in conflict with the rights granted to any other party pursuant to this Agreement.

8.2 Additional Representations and Warranties of DFCI. DFCI represents to CTI, to the best of its knowledge as of the Effective Date, that no consent by any Third Party or Governmental Body is required with respect to the execution and delivery of this Agreement by DFCI or the consummation by DFCI of the transactions contemplated hereby;

8.3 Disclaimer. Notwithstanding the representations and warranties set forth in this Article VIII, CTI acknowledges and accepts the risks inherent in attempting to Develop and Commercialize any pharmaceutical product. There is no implied representation that the Licensed Products can be successfully Developed or Commercialized.

8 . 4 DFCI MAKES NO WARRANTY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY PATENT, TRADEMARK, SOFTWARE, NON-PUBLIC OR OTHER INFORMATION, DFCI MATERIALS, DFCI ANTIBODIES, KNOW-HOW, OR TANGIBLE RESEARCH PROPERTY, LICENSED OR OTHERWISE PROVIDED TO CTI HEREUNDER AND HEREBY DISCLAIMS THE SAME.

8.5 DFCI DOES NOT WARRANT THE VALIDITY OF THE DFCI PATENTS LICENSED HEREUNDER AND MAKES NO REPRESENTATION WHATSOEVER WITH REGARD TO THE SCOPE OF THE LICENSED DFCI PATENTS OR THAT SUCH DFCI PATENTS MAY BE EXPLOITED BY CTI, AFFILIATE OR SUBLICENSEE WITHOUT INFRINGING OTHER PATENTS. DFCI MAKES NO REPRESENTATION THAT DFCI ANTIBODIES, DFCIMATERIALS OR THE METHODS USED IN MAKING OR USING SUCH DFCI MATERIALS OR DFCI ANTIBODIES ARE FREE FROM LIABILITY FOR PATENT INFRINGEMENT.

ARTICLE IX
INDEMNIFICATION; LIMITATION OF LIABILITY; INSURANCE

Indemnification and Defense.

9.1 CTI shall indemnify, defend and hold harmless DFCI and its trustees officers, medical and professional staff, employees, and agents and their respective successors, heirs and assigns (the "Indemnitees"), against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon the Indemnitees, or any one of them, in connection with any claims, suits, actions, demands or judgments arising out any theory of product liability (including but not limited to action in the form of tort, warranty, strict liability) concerning any product, process or service relating to, or developed by CTI, its Affiliates or Sublicensees pursuant to (a) any right or license granted under this Agreement or (b) arising out of any other activities to be carried out by CTI pursuant to this agreement.

9.2 CTI's indemnification under Section 9.1 does not apply to any liability, damage, loss or expense to the extent that it is attributable to (a) the grossly negligent activities of the Indemnitees, or (b) the intentional wrongdoing or intentional misconduct of the Indemnitees.

9.3 CTI shall, at its own expense, provide attorneys reasonably acceptable to DFCI to defend against any actions brought or filed against any party indemnified hereunder with respect to the subject of indemnity contained herein, whether or not such actions are rightfully brought.

9.4 If any such action is commenced or claim made or threatened against DFCI or other Indemnitees as to which CTI is obligated to indemnify it (them) or hold it (them) harmless, DFCI or the other Indemnitees shall promptly notify CTI of such event. CTI shall assume the defense of, and may settle, that part of any such claim or action commenced or made against DFCI (or other Indemnitees) which relates to CTI 's indemnification and CTI may take such other steps as may be necessary to protect it. CTI will not be liable to DFCI or other Indemnitees on account of any settlement of any such claim or litigation affected without CTI 's consent. The right of CTI to assume the defense of any action is limited to that part of the action commenced against DFCI and/or Indemnitees that relates to CTI 's obligation of indemnification and holding harmless.

9.5 CTI shall require any Affiliates or Sublicensee(s) to indemnify, hold harmless and defend DFCI under the same terms set forth in Sections 9.1 – 9.4.

9.6 DFCI shall indemnify, defend and hold CTI and its Affiliates and each of their respective agents, employees, officers and directors (the "**CTI Indemnitees**") harmless from and against any and all actions, judgments, settlements, liabilities, damages, penalties, fines, losses, costs and expenses (including reasonable attorneys' fees and expenses) to the extent arising out of any and all Claims related to (a) DFCI's performance of its obligations or exercise (by it or its Affiliates) of its or their rights under this Agreement; or (b) breach by DFCI of its representations and warranties set forth in Article VIII or (c) resulting from the gross negligence or willful misconduct of any DFCI Indemnitee; provided, however, that DFCI's obligations pursuant to this Section 9.6 shall not apply (x) to the extent that such claims or suits result from the gross negligence or willful misconduct of any of the CTI Indemnitees or (y) with respect to claims or suits arising out of a breach by CTI of this Agreement, including without limitation its representations and warranties set forth in Article VIII.

Insurance.

9.7 At such time as any product, process or service relating to, or developed pursuant to, this Agreement is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by CTI or by a Sublicensee, Affiliate or agent of CTI, CTI shall, at its sole cost and expense, procure and maintain policies of commercial general liability insurance in amounts not less than $2,000,000 per incident and $2,000,000 annual aggregate and naming the Indemnitees as additional insureds. Such commercial general liability insurance must provide (a) product liability coverage and (b) contractual liability coverage for CTI's indemnification under Sections 9.1 through 9.5 of this Agreement. If CTI elects to self-insure all or part of the limits described above (including deductibles or retentions which are in excess of $250,000 annual aggregate), such self-insurance program must be acceptable to the DFCI and the DFCI's associated Risk Management Foundation. The minimum amounts of insurance coverage required under these provisions may not be construed to create a limit of CTI's liability with respect to its indemnification obligation under Sections 9.1 through 9.5 of this Agreement.

9.8 CTI shall provide DFCI with written evidence of such insurance upon request of DFCI. CTI shall provide DFCI with written notice at least fifteen (15) days prior to the cancellation, non-renewal or material change in such insurance; if CTI does not obtain replacement insurance providing comparable coverage within such fifteen (15) day period, DFCI has the right to terminate this Agreement effective at the end of such fifteen (15) day period without any notice or additional waiting periods.

9.9 CTI shall maintain such comprehensive general liability insurance beyond the expiration or termination of this Agreement during (a) the period that any product, process, or service, relating to, or developed pursuant to, this Agreement is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by CTI or by a Sublicensee, Affiliate or agent of CTI and (b) a reasonable period after the period referred to in 9.8 (a) above which in no event shall be less than fifteen (15) years.

9.10 CTI shall require any Affiliates or Sublicensee(s) to maintain insurance in favor of DFCI and the Indemnitees under the same terms set forth in Sections 9.7 – 9.9.

ARTICLE X
TERM AND TERMINATION

10.1 **Term.** The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in this Article X, shall continue in full force and effect, on a country-by-country and Licensed Product-by-Licensed Product basis until the Royalty Term in such country with respect to such Licensed Product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country. (The **"Term"** shall mean the period from the Effective Date until the earlier of termination of this Agreement as provided in this Article X or expiration of this Agreement upon the expiration of the last-to- expire Royalty Term.) The Parties confirm that subject to the foregoing sentence, this Agreement shall not be terminated or invalidated by any future determination that any or all of the DFCI Patents have expired or been invalidated.

10.2 **Termination by DFCI.** DFCI has the right to immediately terminate this Agreement and all licenses granted hereunder, or at DFCI's option to convert the exclusive license granted in Article 2.1 to a non-exclusive license in accordance with Section 3.6, by providing CTI with written notice of such, upon the occurrence of any of the following events.

(a) CTI's Board of Director's has agreed that CTI will cease to carry on its business with respect to Licensed Products.

(b) CTI fails to pay when due any undisputed royalty or other undisputed payment that has become due and is payable under Article V of this Agreement and has not cured the default by making the required payment, together with interest due, within ninety days of receiving a written notice of default from DFCI requesting such payment.

(c) An officer of the CTI is convicted of a felony relating to the manufacture, use, sale or importation of Licensed Products.

(d) CTI materially breaches any other provision of this Agreement (including but not limited to due diligence obligations under Article III and insurance obligations under Section 9.7 – Section 9.10), unless CTI has cured the breach within ninety days of receiving written notice from DFCI specifying the nature of the breach; provided, however, that the due diligence obligations shall be determined on a Licensed Product by Licensed Product basis.

10.3 Termination for insolvency. DFCI or CTI may terminate this Agreement immediately upon written notice, with no further notice obligation or opportunity to cure, if DFCI or CTI shall become insolvent, shall make an assignment for the benefit of creditors, or shall have a petition in bankruptcy filed for or against it (which is not dismissed within 60 days of such filing).

10.4 Notwithstanding Sections 10.2 and 10.3, in the event of a good-faith dispute as to whether any alleged breach, default, failure or any other act or omission gives rise to a right of termination under this Agreement, is in fact a breach, default, failure or other act or omission that gives rise to a right of termination under this Agreement, termination of this Agreement in respect of such alleged breach, default, failure or other act or omission shall not take effect unless and until (y) such dispute is resolved in accordance with Section 10.7 below in favor of the Party alleging such breach, default, failure or other act or omission or (z) the non-terminating Party's denial that the alleged breach, default, failure or other act or omissions is in fact a breach, default, failure or other act or omission giving rise to a right of termination hereunder ceases to be in good faith.

10.5 Termination by CTI. CTI has the right to terminate this Agreement without cause by giving DFCI one hundred and eighty days prior written notice in whole or on a Licensed Product by Licensed Product basis. Any milestones achieved by CTI during this one hundred and eight day period will be due and payable to DFCI.

10.6 Effect of Termination

(a) **No release.** Upon termination of this Agreement for any reason, nothing in this Agreement may be construed to release either party from any obligation that matured prior to the effective date of the termination.

(b) **Survival.** The provisions of Section 6.1(a) (patent expenses) Article V (Financial Provisions), Section 3.1.2(Publicity –paragraph 10.6(c) (Inventory), Article IX (Indemnification), Sections 9.7 – 9.10 (Insurance), Article VIII (Representations and Warranties) and Section 10.7 (Dispute Resolution) survive termination or expiration of this Agreement.

(c) **Inventory.** CTI, any Affiliate(s) and any Sublicensees whose sublicenses are not converted as provided in paragraph 10.6(d) below, may, after the effective date of termination, sell all Licensed Products that are in inventory as of the date of written notice of termination, and complete and sell Licensed Products which the licensed entity(ies) can reasonably demonstrate were in the process of manufacture as of the date of written notice of termination, provided that CTI shall pay to DFCI the royalties thereon as required by Article V and shall submit the reports required by Section 5.10 on the sales of Licensed Products.

(d) **Sublicenses.** Any sublicenses will terminate contemporaneously with this Agreement; provided, however, that any sublicenses that are not in default under the sublicense agreement shall, at DFCI's written approval, survive and remain in full force and effect so long as the sublicensee agrees to be bound by all of the provisions of this Agreement, if not otherwise already provided for in the sublicense agreement. Such approval by DFCI shall not be unreasonably withheld and shall not require the payment of additional consideration.

10.7 Dispute Resolution.

(a) **Negotiation between the Parties.** The parties shall first attempt to resolve any controversy that arises from this Agreement, or claim for breach of the Agreement, by good faith negotiations, first between their respective business development representatives and then, if necessary, between senior representatives for the parties, such as the Senior Vice- President for Research or President of DFCI and the CEO or President of CTI.

(b) **Non-Binding Mediation.** If the controversy or claim cannot be settled through good faith negotiation between the parties, the parties agree first to try in good faith to settle their dispute by non-binding mediation under the Mediation Rules of the American Arbitration Association, before resorting to arbitration, litigation or other dispute resolution procedure.

ARTICLE XI
MISCELLANEOUS PROVISIONS

11.1 Relationship of the Parties. Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, joint venture or employer-employee relationship between the Parties. No Party shall have any right or authority to commit or legally bind any other Party in any way whatsoever including, without limitation, the making of any agreement, representation or warranty and each Party agrees to not purport to do so.

11.2 Assignment.

(a) Any assignment not in accordance with this Section 11.2 shall be void.

(b) No assignment shall relieve the assigning Party of any of its responsibilities or obligations hereunder.

(c) CTI may not transfer or assign its rights or licenses or delegate its obligations under this Agreement, in whole or in part, by operation of law or otherwise, to any Third Party without the prior written consent of DFCI, which consent shall not be unreasonably withheld, conditioned or delayed; provided that, notwithstanding the foregoing, CTI may assign its rights or licenses and/or delegate its obligations under this Agreement to an Affiliate or in connection with a Sale Event. As a condition to any permitted assignment hereunder, the assignee must expressly assume, in a writing delivered to DFCI and signed by a duly authorized officer of the assignee (and in a form reasonably acceptable to DFCI) all of CTI's obligations under this Agreement, whether arising before, at or after the assignment.

11.3 Further Actions. Each Party agrees to execute, acknowledge and deliver such further instruments and to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.4 Force Majeure. No Party shall be liable to any other Party or be deemed to have breached or defaulted under this Agreement for failure or delay in the performance of any of its obligations under this Agreement (other than obligations for the payment of money) for the time and to the extent such failure or delay is caused by or results from acts of God, earthquake, riot, civil commotion, terrorism, war, strikes or other labor disputes, fire, flood, failure or delay of transportation, omissions or delays in acting by a governmental authority, acts of a government or an agency thereof or judicial orders or decrees or restrictions or any other like reason which is beyond the control of the respective Party. The Party affected by force majeure shall provide the other Party with full particulars thereof as soon as it becomes aware of the same (including its best estimate of the likely extent and duration of the interference with its activities), and shall use Commercially Reasonable Efforts to overcome the difficulties created thereby and to resume performance of its obligations hereunder as soon as practicable, and the time for performance shall be extended for a number of days equal to the duration of the force majeure.

11.5 Entire Agreement of the Parties; Amendments. This Agreement and the Schedules hereto constitute and contain the entire understanding and agreement of the Parties respecting the subject matter hereof and cancel and supersede any and all prior or contemporaneous negotiations, correspondence, understandings and agreements between the Parties, whether oral or written, regarding such subject matter (provided, that any and all previous nondisclosure/nonuse obligations are not superseded and remain in full force and effect in addition to the nondisclosure/nonuse provisions hereof). Each Party acknowledges that it has not relied, in deciding whether to enter into this Agreement on this Agreement's expressly stated terms and conditions, on any representations, warranties, agreements, commitments or promises which are not expressly set forth within this Agreement. No modification or amendment of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of each Party.

11.6 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, excluding application of any conflict of laws principles.

11.7 Notices and Deliveries. Any notice, request, approval or consent required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given if and only if delivered in person, by email or by express courier service to the Party to which it is directed at its physical or email address shown below or such other physical or email address as such Party shall have last given by such written notice to the other Party.

If to CTI, addressed to:

Checkpoint Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019
Attention: Michael S. Weiss, Executive Chairman
Email: msw@opuspointpartners.com

If to DFCI, addressed to:

Michelle Erin Johnson
Dana-Farber Cancer Institute, Inc.
450 Brookline Avenue, BP304E
Boston, MA 02115
Email: michelle.e.johnson@outlook.com
Ref: *

11.8 Waiver. No waiver of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of the waiving Party. A waiver by a Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof.

11.9 Rights and Remedies are Cumulative. Except to the extent expressly set forth herein, all rights, remedies, undertakings, obligations and agreements contained in or available upon violation of this Agreement shall be cumulative and none of them shall be in limitation of any other remedy or right authorized in law or in equity, or any undertaking, obligation or agreement of the applicable Party.

11.10 Severability. This Agreement is severable. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be to any extent prohibited by or invalid under applicable Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement (or of such provision). The Parties shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.

11.11 Third Party Beneficiaries. Except for the rights of Indemnified Parties pursuant to Article IX hereof and the rights of Sublicensees set forth in Sections 2.3 and 10.6(d), the terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective successors or permitted assigns and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person, including without limitation Sublicensees. The enforcement of any obligation of DFCI under this Agreement shall only be pursued by CTI or such Indemnified Party, and not Sublicensees (except as set forth in Sections 2.3 and 10.6(d)).

11.12 No Implied License. No right or license is granted to CTI hereunder by implication, estoppel, or otherwise to any know-how, patent or other intellectual property right owned or controlled by DFCI or its Affiliates, except by an express license granted hereunder. No right or license is granted to DFCI hereunder by implication, estoppel, or otherwise to any know-how, patent or other intellectual property right owned or controlled by CTI or its Affiliates, except by an express license granted hereunder.

* Confidential material redacted and filed separately with the Commission.

11.13 No Right of Set-Off. Except as expressly provided in Article 5 of this Agreement, CTI shall not have a right to set-off any royalties, milestones or other amount due to DFCI under this Agreement against any damages incurred by CTI for a breach by DFCI of this Agreement.

11.14 Equitable Relief. Each Party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other Party, that the other Party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a Party's breach or threatened breach of such covenants and agreements may cause the opposed Party irreparable harm and significant injury, the amount of which will be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each Party agrees that an opposed Party shall be entitled to seek specific performance, an order restraining any breach or threatened breach of Article VII and all other provisions of this Agreement, and any other equitable relief (including but not limited to temporary, preliminary and/or permanent injunctive relief). This right shall be in addition to and not exclusive of any other remedy available to such other Party at law or in equity.

11.15 Interpretation. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no provision of this Agreement shall be interpreted for or against a Party because that Party or its attorney drafted the provision.

11.16 Construction. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Articles, Sections and Schedules shall be deemed references to Articles and Sections of, and Schedules to, this Agreement unless the context shall otherwise require.

11.17 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will be deemed to be one and the same instrument. A facsimile or a portable document format (.pdf) copy of this Agreement, including the signature pages, will be deemed an original.

[*the remainder of this page has been left blank intentionally*]

IN WITNESS WHEREOF, the Parties have caused this License Agreement to be executed and delivered by their respective duly authorized officers as of the day and year first above written.

CHECKPOINT THERAPEUTICS, INC.

By: /s/ Michael S. Weiss

Name: Michael S. Weiss

Title: Executive Chairman

DANA -FARBER CANCER INSTITUTE, INC.

By: 

Name: 0.Prem Das, Ph.D.
Chief Research Business Development Officer
Title: Dana-Farber Cancer Institute

Schedule 1

DFCI Patents

CA-IX

Institution Number	Application Number	Type of Patent Filing	Application Date	Patent Issued Number	Patent Issued Date	Filing Country
*	*	*	*			*
*	*	*	*			*
IP1084.03	12/095,773	ORD	03-Nov-2008	8,466,263	18-Jun-2013	United States
*	*	*	*	*	*	*
*	*	*	*			*
*	*	*	*			*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*

PD-L1

Institution Number	Application Number	Type of Patent Filing	Application Date	Patent Issued Number	Patent Issued Date	Filing Country
*	*	*	*			*
*	*	*	*			*
*	*	*	*			*

GITR

Institution Number	Application Number	Type of Patent Filing	Application Date	Patent Issued Number	Patent Issued Date	Filing Country
*	*	*	*			*

* Confidential material redacted and filed separately with the Commission.

Schedule 2

DFCI Know-How

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- *
- *
- *
- *
- *
- *
- *
- *

* Confidential material redacted and filed separately with the Commission.

Schedule 3 – DFCI Materials

*

Schedule 4 – DFCI Antibodies

Anti-CA-IX
Anti-GITR
Anti-PD-L1

* Confidential material redacted and filed separately with the Commission.

Exhibit 10.7

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

DFCI Agreement no. A08409.01

Amendment 1 to Exclusive License Agreement between
Checkpoint Therapeutics, Inc. and Dana-Farber Cancer Institute, Inc.

This first amendment ("Amendment 1"), made effective as of October 5, 2015 ("Amendment 1 Effective Date"), is between the Dana-Farber Cancer Institute, Inc., a Massachusetts non-profit organization having offices at 450 Brookline Avenue, Boston, MA 02215 ("DFCI"), and Checkpoint Therapeutics, Inc., a Delaware corporation with offices at 3 Columbus Circle, New York, NY 10019 ("CTI"), collectively the "Parties" with reference to the following:

WHEREAS, DFCI and CTI entered into an Exclusive License Agreement made effective as of March 2, 2015 ("Agreement") covering intellectual property developed in the laboratory of Dr. Wayne Marasco at DFCI with respect to PD-L1, GITR and CAIX antibodies;

WHEREAS, the Parties now wish to add additional PD-L1 antibodies, know-how and intellectual property developed in the laboratory of Dr. Wayne Marasco to the DFCI Technology licensed under the original Agreement, and include additional fees in consideration thereof;

WHEREAS, the Parties hereto agree that this Amendment 1 is hereby made an integral part of the Agreement, incorporated therein by this reference;

WHEREAS, capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to such terms in the Agreement;

NOW, THEREFORE, in consideration of the premises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Schedules 2 (DFCI Know-How) and 4 (DFCI Antibodies) are hereby amended to include intellectual property, know-how and PD-L1 Antibodies pertaining to DFCI C2104, developed in the laboratory of Dr. Wayne Marasco, and more specifically described in Exhibit A, which is incorporated herein by reference and attached hereto.

2. Article 3.2b (Milestone Dates for a Licensed Product Targeting PD-L1) is hereby amended to include the following additional diligence milestone:

Milestone	**Achievement Date**
Developability Assessment	One hundred twenty (120) days from the Amendment 1 Effective Date

"Developability Assessment" means in-silico or in-vitro assessment of affinity, productivity, aggregation, stability, heterogeneity, solubility, viscosity, and potential for immunogenicity of an antibody sequence or protein included in this Amendment 1. □

3. Article 5 (Financial Provisions) is hereby amended to include the following payments, in consideration of the additional rights granted by DFCI to CTI under this Amendment 1:

   a. **Amendment Upfront Fee**. A non-creditable, non-refundable Amendment Upfront Fee in the sum of twenty-five thousand U.S. dollars ($25,000) shall be due and payable by CTI to DFCI upon execution of this Amendment 1.

b. **Developability Assessment Milestone Payment.** Upon conclusion of the one hundred twenty (120) day Developability Assessment period, CTI shall pay to DFCI a Milestone Payment in the sum of * U.S. dollars ($*) if CTI elects to continue with research and clinical development of Antibodies containing any fragment, variant, derivative, or improvement of the novel PD-L1 Antibody light chain sequences contained hereunder in Exhibit A.

4. Article 10 (Term and Termination) is hereby amended to include the following termination provision:

a. **Amendment 1 Termination.** Upon conclusion of the one hundred twenty (120) day Developability Assessment period, if CTI elects not to continue with research and clinical development of Antibodies containing any fragment, variant, derivative, or improvement of the novel PD-L1 Antibody light chain sequences contained hereunder in Exhibit A, this Amendment 1 shall immediately terminate.

Except as amended above, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment 1 to be duly executed by their respective authorized representatives.

Dana-Farber Cancer Institute, Inc.		**Checkpoint Therapeutics, Inc.**	
By:	/s/ Michelle Cox	By:	Mike Weiss
Name:	Michelle Cox	Name:	Mike Weiss
Title:	Vice President, Research Operations	Title:	Executive Chairman
Date:	10/16/2015	Date:	10/16/2015

* Confidential material redacted and filed separately with the Commission.

EXHIBIT A

DFCI Invention #C2104 entitled "Affinity Matured Human Anti-PD-L1 Clones 42 & 50":

*

* Confidential material redacted and filed separately with the Commission.

Exhibit 10.8

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

CONFIDENTIAL

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "**Agreement**") is dated as of March 17, 2015 (the "**Effective Date**") by and between NeuPharma, Inc., a Delaware corporation having its place of business at 1175 Chess Dr, Ste 206, Foster City, CA 94404 (" **Licensor**"), and Coronado Biosciences, Inc., a Delaware corporation with its place of business at 3 Columbus Circle, 15th Floor, New York, New York 10019 ("**Coronado**"). Coronado, on the one hand, and Licensor, on the other hand, shall each be referred to herein as a "**Party**" or, collectively, as the "**Parties**."

RECITALS:

WHEREAS, Coronado is engaged in the research, development, manufacturing and commercialization of pharmaceutical products, and Coronado is interested in developing and commercializing products containing or comprising the Compounds; and

WHEREAS, Coronado desires to license from Licensor and Licensor wishes to license to Coronado, on an exclusive basis, the right to use, develop and commercialize Licensor Technology in Field and in the Territory.

NOW, THEREFORE, in consideration of the foregoing and of the various promises and undertakings set forth herein, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 **"Affiliate"** means a Person or entity that controls, is controlled by or is under common control with a Party, but only for so long as such control exists. For the purposes of this Section 1.1, the word "**control**" (including, with correlative meaning, the terms "**controlled by**" or "**under common control with**") means the actual power, either directly or indirectly through one or more intermediaries, to direct the management and policies of such Person or entity, whether by the ownership of at least 50% of the voting stock of such entity, or by contract or otherwise. For purposes of this Agreement, TG Therapeutics, Inc. shall be deemed an Affiliate of Coronado and all of its other Affiliates.

1.2 **"Calendar Quarter**" means each three month period commencing January 1, April 1, July 1 or October 1, provided however that (a) the first Calendar Quarter of the Term shall extend from the Effective Date to the end of the first full Calendar Quarter thereafter, and (b) the last Calendar Quarter of the Term shall end upon the termination or expiration of this Agreement.

1.3 **"Calendar Year"** means the period beginning on the 1st of January and ending on the 31st of December of the same year, provided however that (a) the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the same calendar year as the Effective Date, and (b) the last Calendar Year of the Term shall commence on January 1 of the Calendar Year in which this Agreement terminates or expires and end on the date of termination or expiration of this Agreement.

1.4 **"Change of Control"** means any transaction in which a Party: (a) sells, conveys or otherwise disposes of all or substantially all of its property or business; or (b)(i) merges, consolidates with, or is acquired by any other Person; or (ii) effects any other transaction or series of related transactions, other than for capital raising purposes; in each case of subsection (i) or (ii), such that the stockholders of such Party immediately prior thereto, in the aggregate, no longer own, directly or indirectly, beneficially or legally, at least fifty percent (50%) of the outstanding voting securities or capital stock of the surviving Person following the closing of such merger, consolidation, other transaction or series of related transactions. As used in this Section 1.4, **"Person"** means any corporation, firm, partnership or other legal entity.

1.5 **"Combination Product"** means a product (a) containing a Licensed Product together with one or more other active ingredients that have independent biologic or chemical activity when present alone, or (b) a Licensed Product together with one or more products, devices, pieces of equipment or components thereof, but sold for an integrated price (e.g., with the purchase of one product the customer gets a coupon for the other) or for a single price. For clarity, drug delivery vehicles and excipients shall not be deemed to be "active ingredients".

1.6 **"Commercialization"** or **"Commercialize"** means any and all activities undertaken at any time for a particular Licensed Product and that relate to the manufacturing, marketing, promoting, distributing, importing or exporting for sale, offering for sale, and selling of the Licensed Product, and interacting with Regulatory Authorities regarding the foregoing.

1.7 **"Commercially Reasonable Efforts"** means the carrying out of obligations or tasks in a manner consistent with the efforts a Party devotes to research, development or marketing of a pharmaceutical product or products of similar market potential, profit potential or strategic value resulting from its own research efforts or for its own benefit, taking into account technical, regulatory and intellectual property factors, target product profiles, product labeling, past performance, costs, economic return, the regulatory environment and competitive market conditions in the therapeutic or market niche, all based on conditions then prevailing, and subject to and in consideration of, in each case, the resources available to such Party and within such Party's organization for such efforts, but in no event less than the high professional standards and level of efforts, resources and urgency applied by other pharmaceutical companies of similar size to their high-priority development candidates and pharmaceutical products of a similar stage of product life, safety, efficacy and commercial potential.

1.8 "**Compounds**" means (i) Licensor's proprietary epidermal growth factor receptor ("**EGFR**") inhibitor(s) and Bruton's tyrosine kinase ("BTK") inhibitor(s) described on Schedule 1, (ii) any other salts, solvates, esters, metabolites, hydrates, intermediates, stereoisomers, polymorphs, and degradation products of the compounds described in clause (i), and (iii) any other inhibitor(s) primarily targeting EGFR or BTK newly discovered by Licensor within six months after Effective Date or under a sponsored research agreement with Coronado and any other salts, solvates, esters, metabolites, hydrates, intermediates, stereoisomers, polymorphs, and degradation products of such EGFR or BTK inhibitor(s).

1 . 9 **“Controlled**” means, with respect to (a) Patent Rights, (b) Know-How or (c) biological, chemical or physical material, that a Party or one of its Affiliates owns or has a license or sublicense to such Patent Rights, Know-How or material (or in the case of material, has the right to physical possession of such material) and has the ability to grant a license or sublicense to, or assign its right, title and interest in and to, such Patent Rights, Know-How or material as provided for in this Agreement without violating the terms of any agreement or other arrangement with any Third Party.

1.10 “**Coronado Improvements**” means any invention (i) developed by Coronado or its Affiliates’ as a result of its exercise of the licenses granted to Coronado and its Affiliates pursuant to Section 2.1; and (ii) that, if used without a license under the Valid Claims of Licensor Patents, the making, using or selling of such invention would infringe one or more of the Valid Claims of Licensor Patents. Notwithstanding the foregoing, Coronado Improvements excludes any such inventions first owned, licensed, or otherwise Controlled by any Acquiring Entity prior to the date of the transaction by which such Acquiring Entity first became an Acquiring Entity, or any inventions conceived or reduced to practice by or on behalf of the Acquiring Entity following the date of such transaction by employees or agents of the Acquiring Entity who do not have access to the Licensor Know-How or Licensor’s Confidential Information. “Acquiring Entity” means (a) any entity that acquires all or substantially all of the stock, assets (or all or substantially all of the assets or business thereof related, in either case, to this Agreement), and (b) any Affiliate of such an entity.

1 . 1 1 **“Coronado Technology”** means all Patent Rights Controlled by Coronado or its Affiliates outside the Territory covering Coronado Improvements. Notwithstanding the foregoing, Coronado Technology excludes any Patent Rights first owned, licensed, or otherwise Controlled by any Acquiring Entity prior to or following the date of the transaction by which such Acquiring Entity first became an Acquiring Entity.

1 . 1 2 **“Covered”** means that the use, manufacture, sale, offer for sale, development, commercialization or importation of the subject matter in question by an unlicensed entity would infringe a Valid Claim of a Patent Right; provided that infringement of any Valid Claim of a pending patent application shall be determined as if such Valid Claim were issued or granted.

1 . 1 3 **“Development” or “Develop”** means, with respect to a Licensed Product, the performance of all non-clinical, preclinical and clinical development (including, without limitation, toxicology, pharmacology, test method development and stability testing, process development, formulation development, quality control development, statistical analysis), clinical trials, manufacturing, regulatory activities that are required to obtain and maintain Regulatory Approval of such Licensed Product.

1.14 **“EMA”** means the European Medicines Agency or any successor agency.

1.15 **“European Commission”** means the authority within the European Union that has the legal authority to grant Regulatory Approvals in the European Union based on input received from the EMA or other competent Regulatory Authorities.

1.16 **"FDA"** means the United States Food and Drug Administration, or a successor federal agency thereto.

1.17 **"Field"** means all uses of the Licensed Products.

1.18 **"First Commercial Sale"** means, with respect to a Licensed Product in any country, the first commercial transfer or disposition for value of such Licensed Product in such country to a Third Party by Coronado, an Affiliate of Coronado or a Sublicensee after Regulatory Approval therefor has been obtained in such country.

1.19 "**GAAP**" means United States generally accepted accounting principles.

1.20 "**Generic Product**" refers to any pharmaceutical product that is introduced in the applicable country by an entity other than Coronado or its Affiliates or Sublicensees, which contains the same or equivalent (by FDA or other Regulatory Authority standards, on a country-by-country basis) active pharmaceutical ingredient(s) as contained in a Licensed Product sold by Coronado or its Affiliate or Sublicensee in such country, including any such pharmaceutical product that is AB-rated or determined to be bioequivalent to a Licensed Product by the FDA or is otherwise substitutable for a Licensed Product or is similarly rated by other Regulatory Authorities outside the United States, on a country-by-country basis. For the avoidance of doubt, a Generic Product will not necessarily infringe a Licensor Patent.

1.21 **"Governmental Body"** means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal); (d) multi-national or supranational organization or body; or (e) individual, entity, or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.22 **"Know-How"** means any scientific or technical information, results and data of any type whatsoever, in any tangible or intangible form whatsoever, that is not in the public domain or otherwise publicly known, including, without limitation, discoveries, inventions, trade secrets, databases, practices, protocols, regulatory filings, methods, processes, techniques, software, works of authorship, plans, concepts, ideas, biological and other materials, reagents, specifications, formulations, formulae, data (including, but not limited to, pharmacological, biological, chemical, toxicological, clinical and analytical information, quality control, trial and stability data), case reports forms, data analyses, reports, studies and procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), summaries and information contained in submissions to and information from ethical committees, the FDA or other Regulatory Authorities, and manufacturing process and development information, results and data, whether or not patentable, all to the extent not claimed or disclosed in a patent or pending patent application. The fact that an item is known to the public shall not be taken to exclude the possibility that a compilation including the item, and/or a development relating to the item, is (and remains) not known to the public. "Know-How" includes any rights including copyright, moral, trade-secret, database or design rights protecting such Know-How. "Know-How" excludes Patent Rights.

1.23 **"IND"** shall mean any Investigational New Drug Application (including any amendments thereto) filed with the FDA pursuant to 21 C.F.R. §321 before the commencement of clinical trials of a Licensed Product, or any comparable filings with any Regulatory Authority in any other jurisdiction.

1.24 **"Indication"** shall mean a generally acknowledged disease, disorder or condition, a significant manifestation of a disease, disorder or condition, or a symptom associated with a disease, disorder or condition for which use of a Licensed Product is indicated, as would be identified in the Licensed Product's label under applicable regulations of a Regulatory Authority. For example, first line Lung cancer would be one indication and relapsed or refractory Lung cancer would be considered another indication if conducted in two studies for the purpose of including both patient populations as indications in the Licensed Products label.

1.25 **"Law"** or **"Laws"** means all applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the binding effect of law of any Governmental Body.

1.26 **"Licensed Product"** means any product, that contains or comprises, in part or in whole, a Compound (alone or with one or more other active ingredients)in any dosage form, formulation, presentation or package configuration.

1.27 **"Licensor Know-How**" means any and all Know-How that (a) is Controlled by Licensor or any of its Affiliates as of the Effective Date or at any time thereafter during the Term and (b) pertains directly and particularly to the Compounds and (c) is from time to time expressly identified in writing by Licensor to Coronado as constituting Licensor Know-How. The Licensor Know-How shall include, but not be limited to, the Know-How listed on Schedule 2 hereto. For clarity, any and all Know-How which Licensor determines, in its reasonable discretion, not to so expressly identify as being within the definition of Licensor Know-How shall not constitute Licensor Know-How.

1.28 **"Licensor Patents"** means all Patent Rights that are Controlled by Licensor or any of its Affiliates as of the Effective Date or at any time thereafter during the Term and that Cover the Compound or a Licensed Product or their manufacture or use. The Licensor Patents shall include, but not be limited to, all Patent Rights set forth on Schedule 3 hereto.

1.29 **"Licensor Technology"** means the Licensor Patents and the Licensor Know-How.

1.30 **"Licensor Territory"** means Asia except for Japan, India and Russia.

1.31 "**Major Market**" means any of the (a) United States, (b) the European Union (either in its entirety or including at least one Major Market EU Country, as determined by Coronado in its sole discretion), or (c) Japan.

1.32 "**Major Market EU Country**" means any of France, Germany and the United Kingdom.

1.33 **"NDA"** means a New Drug Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. CFR § 314.3 et seq., and any equivalent application submitted in any country, including a European Marketing Authorization Application, together, in each case, with all additions, deletions or supplements thereto.

1.34 **"Net Sales"** means the gross amount invoiced or otherwise charged by Coronado, its Affiliates and Sublicensees ("Selling Party") to Third Parties in arm's length transactions for sales of a Licensed Product, less:

(a) Normal and customary trade, quantity, cash and discounts and credits allowed and taken;

(b) Discounts, refunds, rebates, chargebacks, retroactive price adjustments, and any other allowances given and taken which effectively reduce the net selling price (other than such which have already diminished the gross amount invoiced such as those outlined in Section 1.34(a) above), including, without limitation, Medicaid rebates, institutional rebates or volume discounts;

(c) Product returns and allowances granted to such Third Party;

(d) Administrative fees paid to group purchasing organizations (e.g., Medicare) and government-mandated rebates;

(e) Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

(f) Any tax, tariff or duties imposed on the production, sale, delivery or use of the Licensed Product, including, without limitation, sales, use, excise or value added taxes and customs and duties, but all only to the extent included as a separate line item (e.g., "taxes") in the gross amount invoiced; and

(g) Bad debt actually written off during the accounting period, as reported by the Selling Party in accordance with GAAP, applied on a consistent basis (provided, that any bad debt write-off so taken which is later reversed shall be added back to Net Sales in the accounting period in which the reversal occurs

Licensed Products are considered "sold" when billed out or invoiced or, in the event such Licensed Products are not billed out or invoiced, when the consideration for sale of the Products is received. If a sale, transfer or other disposition with respect to Licensed Products involves consideration other than cash or is not at arm's length, then the Net Sales from such sale, transfer or other disposition shall be calculated from the average selling price for such Licensed Product during the calendar quarter in the country where such sale, transfer or disposition took place. Notwithstanding the foregoing, Net Sales shall not include, and shall be deemed zero with respect to, (i) Licensed Products used by Coronado, its Affiliates, or Sublicensees for their internal use, (ii) the distribution of promotional samples of Licensed Products provided free of charge, (iii) Licensed Products provided for clinical trials or research, development, or evaluation purposes, or (iv) sales of Licensed Products among Coronado and its Sublicensees and their respective Affiliates for resale.

Net Sales of any Combination Product shall be determined on a country-by-country basis as follows: the Net Sales of the Combination Product (prior to application of the following adjustment) shall be multiplied by the fraction A/(A+B), where A is the net selling price in such country of a Licensed Product without the additional active ingredient in the Combination Product, if sold separately for the same dosage as contained in the Combination Product, and B is the net selling price in such country of any other active ingredients in the combination if sold separately for the same dosage (or form) as contained in the Combination Product. All net selling prices of the elements of such Combination Product shall be calculated as the average net selling price of the said elements during the applicable accounting period for which the Net Sales are being calculated. In the event that, in any country, no separate sale of either such above-designated Licensed Product (containing only such Licensed Product and no other active ingredients) or any one or more of the active ingredients included in such Combination Product are made during the accounting period in which the sale was made or if the net selling price for an active ingredient cannot be determined for an accounting period, Net Sales for purposes of determining payments under this Agreement shall be calculated by multiplying the sales price of the Combination Product by the fraction C/(C+D) where C is the standard fully-absorbed manufacturing cost of the Licensed Product portion of the combination, and D is the standard fully-absorbed manufacturing cost of the other active ingredients or components included in the Combination Product, as determined by Coronado using its standard accounting procedures consistently applied. In the event that the standard fully-absorbed manufacturing cost of the Licensed Product and/or the other active ingredients or components included in such Combination Product cannot be determined or agreed upon by the Parties, Net Sales allocable to the Licensed Product in each such country shall be determined in accordance with Section 11.7 below, on a country-by-country basis, considering all relevant factors (including variations in potency, the relative contribution of each active ingredient in the combination, and relative value to the end user of each active ingredient).

1.35 **"Non-Royalty Income"** means the gross consideration received by Coronado and/or its Affiliates from a Sublicensee or an assignee (who is not an Affiliate) in consideration of the grant of a sublicense under the Licensed Patents or an assignment of this Agreement. This consideration includes without limitation license, option, distribution or license maintenance fees, assignment fees and bonus or milestone payments as well as debt forgiveness and the like actually received by Coronado, directly or indirectly, from a Sublicensee or assignee (who is not an Affiliate), but excludes amounts received as a royalty on Net Sales for which Licensor receives an earned royalty under Section 5.4 and excludes the purchase of equity securities.

1.36 "**Paragraph IV Certification**" means a certification pursuant to the Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417), as amended, which shall include but not be limited to any such certification pursuant to 21 U.S.C. §355(b)(2)(A)(iv) or 21 U.S.C. §355(j)(2)(A)(vii)(IV), or any reasonably similar or equivalent certification or notice in the United States or any jurisdiction outside the United States, included in (or made with respect to or in connection with) a regulatory filing concerning a Licensed Product and challenging the validity, infringement, or enforceability of any Licensor Patent.

1.37 **"Patent Right"** means: (a) an issued or granted patent, including any extension, supplemental protection certificate, registration, confirmation, reissue, reexamination, extension or renewal thereof; (b) a pending patent application, including any continuation, divisional, continuation-in-part, substitute or provisional application thereof; and (c) all counterparts or foreign equivalents of any of the foregoing issued by or filed in any country or other jurisdiction.

1.38 **"Person"** means any natural person, corporation, firm, business trust, joint venture, association, organization, company, partnership or other business entity, or any government or agency or political subdivision thereof.

1.39 **"Phase I Trial"** means a clinical trial of a Licensed Product in human patients conducted primarily for the purpose of determining the safety, tolerability and preliminary activity of the Licensed Product, including, without limitation, for determining the maximum tolerated dose, or optimal dose. For purposes of this Agreement, a Phase I trial shall specifically exclude a study in healthy volunteers.

1.40 "**Phase II Trial**" means a clinical trial of a Licensed Product in human patients commenced after identifying the maximum tolerated dose, or a lower dose if it is determined to be the optimal dose by Coronado, conducted primarily for the purpose of obtaining sufficient information about the Licensed Product's safety and efficacy to permit the design of a Phase III Trial.

1.41 **"Phase III Trial"** means a clinical trial of a Licensed Product in human patients, which trial is designed (a) to establish that the Licensed Product is safe and efficacious for its intended use; (b) to define warnings, precautions and adverse reactions that are associated with the Licensed Product in the dosage range to be prescribed; (c) to be, either by itself or together with one or more other clinical trials having a comparable design and size, the pivotal human clinical trial in support of an application for Regulatory Approval or label expansion of the Licensed Product, and (d) consistent with 21 CFR § 312.21(c) (as hereafter modified or amended), or with respect to a jurisdiction other than the United States, a similar clinical study).

1.42 **"Product Milestone Events"** means the first, second, third, fourth, fifth, sixth and seventh milestone events specified in Section 5.2.

1.43 **"Regulatory Authority"** means (a) the FDA, (b) the EMA or the European Commission, or (c) any regulatory body with similar regulatory authority over pharmaceutical or biotechnology products in any other jurisdiction anywhere in the world.

1.44 **"Regulatory Approval"** means any and all approvals, licenses, registrations, or authorizations of the relevant Regulatory Authority, necessary for the Development, manufacture, use, storage, import, transport and Commercialization of a given Licensed Product in a particular country or jurisdiction. For the avoidance of doubt, Regulatory Approval outside of the United States shall include any pricing or marketing approval needed prior to the sale of a Licensed Product in the Field.

1.45 **"Regulatory Filing"** shall mean any filing or application with any Regulatory Authority, including INDs and NDAs with respect to a Licensed Product.

1.46 **"Royalty Term"** means, on a Licensed Product-by-Licensed Product and country-by-country basis, the period from the First Commercial Sale of a given Licensed Product in such country until the later of (a) expiry of the last-to-expire Licensor Patent containing a Valid Claim to the Compound in such country; or (b) the 10^{th} anniversary of the First Commercial Sale of such Licensed Product in such country. In a country where no Licensor Patent containing a Valid Claim with respect to the Compound has ever existed nor ever exists, the Royalty Term means on a product-by-product and country-by-country basis, the period from the First Commercial Sale of such product in such country until the 10^{th} anniversary of such First Commercial Sale of such product in such country.

1.47 **"Sales Milestone Events"** means the eighth and ninth milestone events specified in Section 5.2.

1.48 "**Shares**" means shares of Coronado's common stock, par value $0.001 per share, as constituted on the Effective Date; the meaning of such term shall be adjusted appropriately to reflect the occurrence of any stock split, reverse stock split, recapitalization, reorganization or other such event.

1.49 **"Sublicensee"** means a Person, other than an Affiliate of Coronado, to which Coronado (or its Affiliate) has, pursuant to Section 2.2, granted sublicense rights under any of the license rights granted under Section 2.1. "**Sublicense**" shall be construed accordingly.

1.50 **"Tax"** or **"Taxes"** means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

1.51 "**Territory**" means worldwide, excluding the Licensor Territory.

1.52 **"Third Party"** means any Person other than Licensor, Coronado or Affiliates of either of them, or any Sublicensees.

1.53 **"Third Party Action"** means any claim or action made by a Third Party against a Party that claims that a Licensed Product, or its use, Development, manufacture or sale infringes such Third Party's intellectual property rights in the Territory.

1.54 **"United States"** or **"US"** means the United States of America and its territories and possessions.

1.55 "**Upfront Fee**" means US$500,000.

1.56 "**Upfront Shares**" means [_____] Shares.

1.57 "**Valid Claim**" means a claim of any pending patent application or any issued, unexpired United States or granted foreign patent that has not been dedicated to the public, disclaimed, abandoned or held invalid or unenforceable by a court or other body of competent jurisdiction from which no further appeal can be taken, and that has not been explicitly disclaimed, or admitted in writing to be invalid or unenforceable or of a scope not Covering a particular product or service through reissue, disclaimer or otherwise, provided that if a particular claim has not issued within five (5) years of its initial filing, it shall not be considered a Valid Claim for purposes of this Agreement unless and until such claim is included in an issued or granted Patent, notwithstanding the foregoing definition.

1.58 The definition of each of the following terms is set forth in the section of the Agreement indicated below:

"Action" has the meaning set forth in Section 6.5(b).

"Claim" has the meaning set forth in Section 9.1.

"Confidential Information" has the meaning set forth in Section 7.1.

"Controlling Party" has the meaning set forth in Section 6.5(c).

"Disclosing Party" has the meaning set forth in Section 7.1.

"Indemnified Party" has the meaning set forth in Section 9.3.

"Indemnifying Party" has the meaning set forth in Section 9.3.

"Licensor Indemnitees" has the meaning set forth in Section 9.1.

"**Notice**" has the meaning set forth in Section 7.6.

"Receiving Party" has the meaning set forth in Section 7.1.

"Term" has the meaning set forth in Section 10.1.

"Coronado Indemnitees" has the meaning set forth in Section 9.2.

ARTICLE II
LICENSES AND OTHER RIGHTS

2.1 **Grant of License to Coronado**. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Coronado and its Affiliates, and Coronado and its Affiliates hereby accept, an exclusive (even as to Licensor), royalty-bearing right and license (with the right to sublicense through multiple tiers of sublicense in accordance with the provisions of Section 2.2) under the Licensor Technology to research, Develop, have Developed, manufacture, have manufactured, use, import and Commercialize and have Commercialized the Licensed Products in and for the Field and Territory.

2.2 **Grant of Sublicenses by Coronado**. Coronado shall have the right, in its sole discretion, to grant Sublicenses, in whole or in part, under the license granted in Section 2.1; provided, however, that the granting by Coronado of a Sublicense shall not relieve Coronado of any of its obligations hereunder; and provided, Coronado shall procure that each of its Sublicensees complies with all relevant terms, restrictions and limitations in this Agreement. Notwithstanding the foregoing sentence, it is not required that a Sublicense include provisions for the Sublicensee to pay Royalties or make milestone payments directly to Licensor or to provide royalty reports directly to Licensor. Coronado shall be and remain fully responsible for the compliance by Sublicensees with the terms and conditions of this Agreement applicable to such Sublicensees. Notwithstanding the foregoing, Coronado and its Affiliates shall not have the right to grant a Sublicense to any entity engaged in the development of compounds or drugs targeting EGFR mutants (including T790+) except that Coronado may grant Sublicense to entities developing drugs targeting Her2 and also antibodies, bi-specific antibodies and/or CAR-Ts directed at EGFR mutants, without Licensor's prior written consent.

2.3 **Grantback License**. Coronado hereby grants to Licensor and its Affiliates, and Licensor and its Affiliates hereby accept, a non-exclusive, royalty-free, right and license (with the right to sublicense through multiple tiers of sublicense as set forth below) under the Coronado Technology to research, Develop, have Developed, manufacture, have manufactured, use, import and Commercialize and have Commercialized the Licensed Products outside the Territory, Licensor shall have the right to grant sublicenses under the foregoing license but only if such sublicense is pursuant to a written sublicense agreement, executed by the sublicensee and Licensor, with terms and conditions (i) consistent with the terms and conditions of this Section 2.3 and (ii) that prohibit the practice of subject matter Covered by the Coronado Technology in the Territory or with respect to products other than the Licensed Products. Licensor shall be responsible for the compliance by sublicensees with the terms and conditions of this Section 2.3 and such sublicense agreements.

2 . 4 **Bankruptcy Code**. All rights and licenses granted under or pursuant to this Agreement by Licensor to Coronado are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the US Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101 of the US Bankruptcy Code. The Parties agree that Coronado, as a licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the US Bankruptcy Code.

2 . 5 **Technology Transfer**. As soon as reasonably practicable after the Effective Date, but in no event later than thirty (30) days following the Effective Date, Licensor will provide to Coronado a copy of Licensor Know-How set forth on Schedule 2 in Licensor's Control.

ARTICLE III
DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION

3 . 1 **Diligence by Coronado.** Coronado shall use Commercially Reasonable Efforts to Develop and to Commercialize at least one Licensed Product in and for the Field in at least one Major Market. Without limiting the foregoing, Coronado shall use commercially reasonable efforts to achieve the development milestones on or before the applicable dates indicated below with respect to a Licensed Product in the Field and in the Territory:

Development Milestone	**Date**
*	* after the Effective Date
*	* after the Effective Date
*	* after the Effective Date
*	* after the Effective Date

3.2 The timelines set forth above are merely for guidance purposes and shall not be binding. In the event that Coronado anticipates that it may not achieve the Development Milestone by the Date listed above, it shall promptly notify Licensor and provided revised timelines with an explanation of the reason for the delay.

* Confidential material redacted and filed separately with the Commission.

3.3 **Responsibility and Authority for Development**. Coronado shall have the exclusive right, and sole responsibility and decision-making authority, to research and Develop any Licensed Products in and for the Field and the Territory and to conduct (either itself or through its Affiliates, agents, subcontractors and/or Sublicensees) all clinical trials and non-clinical studies Coronado believes appropriate to obtain Regulatory Approval for Licensed Products in and for the Field and the Territory.

3.4 **Commercialization**. Coronado shall have the exclusive right, and sole responsibility and decision-making authority, to Commercialize any Licensed Products in and for the Field and the Territory itself or through one or more Sublicensees or other Third Parties selected by Coronado and shall have the sole decision-making authority and responsibility in all matters relating to the Commercialization of Licensed Products.

3.5 **Manufacturing**. Coronado shall have the exclusive right, and sole responsibility and decision-making authority, to manufacture, at the clinical and/or commercial stage, any Licensed Product in and for the Field and the Territory itself or through one or more Sublicensees selected by Coronado.

3.6 **Reporting; Cooperation**. (a) The Parties shall, at least once each Calendar Quarter, provide to each other an update report regarding the progress of all research and Development efforts toward Licensed Products and regarding the progress of Commercialization of Licensed Products in their respective Territories. (b) The Parties shall use Commercially Reasonable Efforts to coordinate pre-clinical, non-clinical and CMC development activities to avoid duplication of effort and resources. The cost of any joint programs agreed by the Parties in writing will be borne *% by Coronado and *% by Licensor, unless otherwise agreed. Notwithstanding the foregoing, for specific items which are solely usable in one or the other Territories then the cost for such cost item will be borne solely by the Party for whose Territory the item is required. For clarity, if Coronado purchases any starting materials or Compounds from Licensor, the price of any such materials shall not be allocated. Additionally, the Parties agree to negotiate in good-faith a sponsored research agreement to explore the development of back-up Compounds as well as differentiated Compounds that optimize certain attributes (e.g. more selective for Bruton's tyrosine kinase (BTK) or devoid of Janus kinase 3 (JAK3) or similar adjustments to the attributes of a Compound).

3.7 **Costs and Expenses**. As between Licensor and Coronado, Coronado shall be solely responsible for all costs and expenses related to Development, manufacture and Commercialization of the Licensed Products in and for the Territory, including without limitation costs and expenses associated with all preclinical activities and clinical trials, and all regulatory filings and proceedings relating to Licensed Product.

ARTICLE IV
REGULATORY MATTERS

4.1 **Regulatory Filings.** As between Coronado and Licensor, Coronado (or its applicable Affiliate) shall own and maintain all regulatory filings made in the Territory and the Field after the Effective Date for Licensed Products and all Regulatory Approvals in the Territory and the Field for Licensed Products. Coronado shall be responsible, at its expense, for filing, obtaining and maintaining Regulatory Approvals for the Development and Commercialization of each Licensed Product in the Territory, including any such IND, NDA, as well as pricing or reimbursement approvals in the Territory. Coronado shall also obtain any export approvals required by the FDA to import or export the Licensed Product to any country within the Territory. All such filings will be in the name of Coronado, except where otherwise required by local law.

* Confidential material redacted and filed separately with the Commission.

4 . 2 **Communications with Authorities.** Coronado (or one of its Affiliates or Sublicensees) shall be responsible for and act as the sole point of contact for communications with Regulatory Authorities in connection with the Development, Commercialization, and manufacturing of Licensed Products in the Territory in the Field. At the request of Coronado, Licensor shall make available to Coronado, at no more than a reasonable charge, a qualified representative who shall, together with the representatives of Coronado, participate in and contribute to meetings with the Regulatory Authorities in the Territory with respect to regulatory matters relating solely to the Licensor Technology.

4.3 **Exchange of Data and Know-How.** During the Term, upon reasonable request by Licensor in writing to Coronado, Coronado shall provide to Licensor any Coronado Know-How required for the purpose of Development and Commercialization of the Compound and Licensed Products outside the Territory. During the Term, upon reasonable request by Coronado in writing to Licensor, Licensor shall provide to Coronado any Licensor Know-How required for the purpose of Development and Commercialization of the Compound and Licensed Products in the Territory.

4.4 **Sharing of Regulatory Filings**. Each Party shall permit the other to access, and shall provide the other Party with sufficient rights to reference and use such Party's, its Affiliates' and, to the extent it has the right to do so, its Sublicensees' Know-How, Regulatory Filings as are necessary for the Development and Commercialization of Licensed Products in each Parties respective Territory.

4.5 **Clinical Safety Reporting; Pharmacovigilance**. The Parties agree that Coroando shall be responsible for the establishment of the global safety database for the Licensed Products in the Territory and the monitoring of all clinical experiences and submission of all required reports throughout clinical Development and Commercialization of the Licensed Products in the Territory, and that Licensor shall have primary responsibility for the monitoring of all clinical experiences and submission of all required reports concerning the Licensed Products outside the Territory. In each Party's respective territory, such Party will be obligated, as part of their monitoring of all clinical experiences, to obtain follow-up information on any incomplete safety reports generated throughout the non-clinical and clinical Development and Commercialization of the Licensed Products. The Parties hereby agree to report to each other all Adverse Events and/or Serious Adverse Events with respect to the Licensed Products (whether occurring in any clinical trial conducted with regard to the Licensed Products or in connection with the commercialization of the Licensed Products in any country), within timeframes consistent with its reporting obligations under applicable Laws and in any event, if either Party is actively conducting a clinical trial under its own IND or commercializing the Licensed Products, then the other Party shall report such events no later than three (3) business days for Serious Adverse Event, and quarterly for Adverse Events, which report shall, in each case, include the circumstances and nature of such Serious Adverse Event or Adverse Event as required for reporting under applicable Laws. In addition, to the extent requested by either Party, the other Party shall promptly provide to the requesting Party any other information or materials that the requesting Party may require to provide to any Regulatory Authority with respect to any such Adverse Event or Serious Adverse Event. All disclosures made under this Section 4.5 shall be deemed Confidential Information of the disclosing Party; provided, that, the Party receiving such disclosures may, upon written notice to the disclosing Party, report the occurrence, circumstances and nature of such Adverse Event and/or Serious Adverse Event to any Regulatory Authority solely insofar as such reporting is required to comply with applicable Laws. For purposes of this section: **"Adverse Event"** means any untoward medical occurrence in a human clinical trial subject or in a patient who is administered a Compound or Product, whether or not considered related to the Compound or Product, including any undesirable sign (including abnormal laboratory findings of clinical concern), symptom or disease associated with the use of a Compound or Product, as defined more fully in 21 CFR §312.32; and **"Serious Adverse Event"** means any untoward medical occurrence that, at any dose, results in death, is life-threatening, requires inpatient hospitalization or prolongation of existing hospitalization, results in persistent or significant disability/incapacity, or is a congenital anomaly/birth defect, as more full defined in 21 CFR § 312.32.

ARTICLE V
Financial Provisions

5 . 1 **Upfront Fee and Upfront Shares**. Coronado becomes obligated on the Effective Date to pay Licensor the Upfront Fee and the Upfront Shares in partial consideration of the rights granted to Company under this Agreement. Coronado shall pay the Upfront Fee on the Effective Date. Coronado shall deliver to Licensor a stock certificate representing the Upfront Shares on the Effective Date or within five business days thereafter. Such stock certificate shall be unlegended except for a standard securities-law restrictive legend. Notwithstanding the foregoing, in lieu of the Upfront Shares, Coronado may pay US$500,000 in cash. The Upfront Fee and Upfront Shares shall be non-refundable.

5 . 2 **Commercial Milestone Payments.** As further partial consideration for Licensor's grant of the rights and licenses to Coronado hereunder, Coronado shall pay to Licensor the following one-time, non-refundable milestone payments (a) with regard to each Licensed Product (or, in the case of Milestone Events 8 and 9, combination of Licensed Products) to achieve the respective Product Milestone Event, as follows: (i) for any Licensed Product (including RX518) primarily targeting EGFR, for each of the first three Indications (up to two solid tumor Indications and up to one hematologic cancer Indication) for which a Licensed Product achieves the respective Product Milestone Event, and (ii) for any Licensed Product primarily targeting BTK, for each of the first three Indications for which a Licensed Product achieves the respective Product Milestone Event, and (b) upon achievement of each respective Sales Milestone Event by Coronado, Sublicensees or their respective Affiliates. Coronado shall promptly, but in no event later than 30 days following Coronado or its Affiliate's receipt of actual knowledge of each achievement of a milestone event, notify Licensor in writing of the achievement of such milestone event and shall pay the relevant milestone payment within 30 days thereafter. All milestone and other Article V payments shall be paid in cash.

Milestone Event	**Milestone Payment**	**Total Milestone Payments (if achieved with three Indications)**
1. *	$*	*
2. *	$* (per Indication)	$*
3. *	$* (per Indication)	$*
4. *	$* (per Indication)	$*
5. *	$* (per Indication)	$*
6. *	$* (per Indication)	$*
7. *	$* (per Indication)	$*
8. *	$*	*
9. *	$*	*

* Confidential material redacted and filed separately with the Commission.

For avoidance of doubt: it is possible that the first three Indications to achieve a particular milestone event might not be identical with the first three Indications to achieve a different particular milestone event; this non-identity would not affect the validity of the three-time milestone event achievement for either of the milestone events. Additionally, where milestone payments above are based on Indications, and for the Licensed Product primarily targeting EGFR (including RX518), the milestone will only be achieved on the first two solid tumor Indications and on the first hematologic cancer Indication.

5.3 **Deemed Achievement of Commercial Milestones**. Upon achievement of any respective Product Milestone Event with regard to a particular Indication, all "prior" milestone events shall be deemed to be thereby achieved as to such Indication; and if the milestone payment for any such "prior" milestone events so deemed to be thereby achieved has not previously been paid, it shall thereupon also be paid, forthwith (unless the deemed-achieved milestone event has already been achieved and paid for (i) two times for solid tumors or one time for hematologic cancers for any Licensed Product primarily targeting EGFR (including RX518); or (ii) three times for any Licensed Product primarily targeting BTK).

5.4 **Royalty Payments for Licensed Product**.

(a) With respect to Net Sales of all Licensed Products: As further consideration for Licensor's grant of the rights and licenses to Coronado hereunder, Coronado shall pay to Licensor a royalty on aggregate annual Net Sales of all such Licensed Products by Coronado and its Affiliates and Sublicensees (but excluding Net Sales of a given Licensed Product after its applicable Royalty Term), at the percentage rates set forth below:

Annual Net Sales of Licensed Products per Calendar Year (US Dollars)	**Incremental Royalty Rate**
For that portion of aggregate annual Net Sales of all Licensed Products that is less than or equal to US$	*%
For that portion of aggregate annual Net Sales of all Licensed Products that is greater than US$* and less than or equal to US$*	*%
For that portion of aggregate annual Net Sales of all Licensed Products that is greater than US$	*%

* Confidential material redacted and filed separately with the Commission.

(b) On a Licensed Product-by-Licensed Product and country-by-country basis, upon expiration of the Royalty Term for a Licensed Product in a country, the rights, licenses and sublicenses granted to Coronado hereunder with respect to such Licensed Product in such country shall continue in effect but become fully paid-up, royalty-free, transferable (to the extent not transferable previously), perpetual and irrevocable. For clarity, Coronado shall remain responsible for any milestone payments set forth in Section 5.2.

(c) If (a) a Licensed Product is Covered by a claim of any patent(s) or patent application(s) owned, licensed, or controlled by a Third Party in any country of the Territory, and Coronado, an Affiliate thereof, or any Sublicensee licenses such patent(s) or patent application(s) or (b) Coronado, an Affiliate thereof, or any Sublicensee reasonably determines that it is necessary or advisable to obtain a license to any patent(s) or patent application(s) owned, licensed, or controlled by a Third Party in order to minimize, mitigate, or avoid the risk of infringement-related litigation with respect to the manufacture, use, Commercialization or Development of a Licensed Product in any country of the Territory, then Coronado shall be entitled to deduct * percent (*%) of the consideration paid to any such Third Party for any such rights in a particular country (such consideration, "**Third Party Royalties**") from any payments due Licensor under Section 5.4 of this Agreement, provided that such amounts payable shall not be reduced, with respect to any Calendar Quarter, below * percent (*%) of the amounts otherwise due Licensor with respect to such Calendar Quarter without such offset (with any amount of any such consideration not used to reduced payments due Licensor hereunder as a result of such limit remaining available for deduction from amounts due Licensor in future Calendar Quarter, subject to such * percent (*%) limit in each Calendar Quarter).

(d) **Generic Competition.** On a country-by-country basis and Licensed Product-by-Licensed Product basis, if (a) a Generic Product is sold in any country by any person or entity other than Coronado or any of its Affiliates or Sublicensees prior to the tenth (10^{th}) anniversary of the First Commercial Sale of the applicable Licensed Product in such country, and (b) sales of such Generic Product are greater than * percent (*%) of total sales in a Calendar Quarter by volume of all combined sales of such Licensed Product and Generic Product in such country in such Calendar Quarter, Coronado shall pay royalties on such Licensed Product in such country during the Royalty Term for such Product in such country in each Calendar Quarter as follows:

(i) at * percent (*%) of the royalty rates set forth in Section 5.4(a) if sales of the Generic Product are less than or equal to* percent (*%) of total sales in a Calendar Quarter by volume of all combined sales of such Licensed Product and Generic Product in such country in such Calendar Quarter; and

(ii) at * percent (*%) of the royalty rates set forth in Section 5.4(a) if sales of the Generic Product are greater than* percent (*%) and less than or equal to * percent (*%) of total sales in a Calendar Quarter by volume of all combined sales of such Licensed Product and Generic Product in such country in such Calendar Quarter; and

(iii) * shall be payable under Section 5.4(a) with respect to such Licensed Product in such country if sales of the Generic Product are greater than * percent (*%) of total quarterly sales by volume of all sales of such Licensed Product in such country in such Calendar Quarter irrespective of the Royalty Term being unexpired.

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* Confidential material redacted and filed separately with the Commission.

For purposes of this Section 5.4(d), the amount of sales of Licensed Products shall be ascertained by reputable published marketing data for such country (e.g. by reference to Standard Units data collected by IMS) or as otherwise mutually agreed (such agreement to not be unreasonably withheld).

5.5 **Non-Royalty Income**. Coronado will pay Licensor the following percentage of all Non-Royalty Income received by Coronado:

(a) *% of Non-Royalty Income received prior to commencement of a Phase II Trial for a Licensed Product;

(b) *% of Non-Royalty Income received after commencement of a Phase II Trial and prior to commencing a Phase 3 Trial for a Licensed Product;

Any Non-Royalty Income payments made by Coronado to Licensor under this provision shall be first netted against milestone payments already made to Licensor under Section 5.2 and then fully creditable against any future milestone payments owed by Coronado to Licensor under Section 5.2 when the same may become due.

5.6 **Timing of Payment.** Payments in the nature of royalties payable under Section 5.4 shall be payable on actual Net Sales and shall accrue at the time provided therefor by US GAAP. Payments in the nature of royalty obligations that have accrued during a particular Calendar Quarter shall be paid, on a Calendar Quarter basis, within 60 days after the end of each Calendar Quarter during which the payment in the nature of royalties obligation accrued.

5.7 **Royalty Reports and Records Retention.** Within 60 days after the end of each Calendar Quarter during which Licensed Products have been sold, Coronado shall deliver to Licensor, together with the applicable royalty/payment in the nature of royalties payment due, a written report, on a Licensed Product-by-Licensed Product and country-by-country basis, of (a) gross invoiced (or otherwise charged) amounts of sales, by Coronado and its Affiliates and Sublicensees, of Licensed Products subject to royalty payments for such Calendar Quarter, (b) amounts deducted by category (following the definition of Net Sales) from such gross invoiced amounts to calculate Net Sales, (c) Net Sales subject to royalty or royalty/payment in the nature of royalties payments for such Calendar Quarter and Calendar Year to date and (d) the corresponding royalty or royalty/payment in the nature of royalties. Such report shall be deemed "Confidential Information" of Coronado subject to the obligations of Article VII of this Agreement. For three years after each sale of a Licensed Product (whether Covered or not), Coronado shall keep (and shall ensure that its Affiliates and Sublicensees shall keep) complete and accurate records of such sale in sufficient detail to confirm the accuracy of the royalty or royalty/payment in the nature of royalties calculations hereunder.

5.8 **Audits**.

(a) From the First Commercial Sale (of the first Licensed Product to have a First Commercial Sale) until one Calendar Year after the conclusion of the final Royalty Term, upon the written request of Licensor, and not more than once in each Calendar Year , Coronado shall permit, shall cause its Affiliates and Sublicensees to permit, an independent certified public accounting firm of nationally recognized standing selected by Licensor (who has not been engaged by Licensor to provide services in any other capacity at any time during the three-year period before such selection), to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of Coronado and its Affiliates or Sublicensees to verify the accuracy of the royalty and payment in the nature of royalties reports and payments under this Article V. Such review may cover: (i) the records for sales made in any Calendar Year ending not more than three years before the date of such request, and (ii) only those periods that have not been subject to a prior audit.

* Confidential material redacted and filed separately with the Commission.

(b) If such accounting firm concludes that additional royalties and/or royalties/payment in the nature of royalties were owed during such period, Coronado shall pay the additional royalties and/or royalties/payment in the nature of royalties within 15 days after the date such public accounting firm delivers to Coronado such accounting firm's written report. If such accounting firm concludes that an overpayment was made, such overpayment shall be fully creditable against amounts payable in subsequent payment periods or at Coronado's request, shall be reimbursed to Coronado within 30 days after the date such public accounting firm delivers such report to Coronado. If Coronado disagrees with such calculation, Coronado may contest such calculation in writing – at which point the parties will work in good faith to submit the matter to a mediator for resolution in accordance with Section 11.7. Licensor shall pay for the cost of any audit by Licensor, unless Coronado has underpaid Licensor by 5% or more for a specific royalty period, in which case Coronado shall pay for the reasonable costs of audit.

(c) Each Party shall treat all information that it receives under this Section 5.7 in accordance with the confidentiality provisions of Article VII of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with the audited Party obligating such firm to retain all such financial information in confidence pursuant to such confidentiality agreement, except to the extent necessary for a Party to enforce its rights under the Agreement.

5.9 **Mode of Payment and Currency**. All payments to Licensor under this Agreement, whether or not in respect of Net Sales or milestone events, shall be made by deposit of US Dollars in the requisite amount to such bank account as Licensor may from time to time designate by advance written notice to Coronado. Conversion of sales or expenses recorded in local currencies to Dollars will be performed in a manner consistent with Coronado's normal practices used to prepare its audited financial statements for external reporting purposes, provided that such practices use a widely accepted source of published exchange rates. Based on the resulting Net Sales in US Dollars, the then applicable royalties/payment in the nature of royalties shall be calculated.

5.10 **Late Payments**. If a Party does not receive payment of any sum due to it on or before the due date therefor, simple interest shall thereafter accrue on the sum due to such Party from the due date until the date of payment at a rate equal to the lesser of (a) US dollar one-month LIBOR plus 500 basis points, or (b) the maximum rate permissible under applicable Law. Accrual and payment of interest shall not be deemed to excuse or cure breaches of contract arising from late payment or nonpayment.

5.11 **Taxes.** All amounts due hereunder exclude all applicable sales, use, and other taxes and duties, and Coronado shall be responsible for payment of all such taxes (other than taxes based on Licensor's income) and duties and any related penalties and interest, arising from the payment of amounts due under this Agreement. The Parties agree to cooperate with one another and use Commercially Reasonable Efforts to avoid or reduce tax withholding or similar obligations in respect of royalties, payments in the nature of royalties, milestone payments, and other payments made by Coronado to Licensor under this Agreement. To the extent Coronado is required to withhold taxes on any payment to Licensor, Coronado shall pay the amounts of such taxes to the proper governmental authority in a timely manner and promptly transmit to Licensor official receipts issued by the appropriate taxing authority and/or an official tax certificate, or such other evidence as Licensor may reasonably request, to establish that such taxes have been paid. Licensor shall provide Coronado any tax forms that may be reasonably necessary in order for Coronado to not withhold tax or to withhold tax at a reduced rate under an applicable bilateral income tax treaty. Licensor shall use Commercially Reasonable Efforts to provide any such tax forms to Coronado at least 45 days before the due date for any payment for which Licensor desires that Coronado apply a reduced withholding rate. Each Party shall provide the others with reasonable assistance to enable the recovery, as permitted by applicable law, of withholding taxes, value added taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the Party bearing such withholding tax or value added tax. Licensor shall indemnify and hold Coronado harmless from and against any penalties, interest or other tax liability arising from any failure by Coronado (at the express request of Licensor) to withhold or by reduction (at the express request of Licensor) in its withholding.

ARTICLE VI
Inventions and Patents

6.1 **Patent Prosecution and Maintenance.**

(a) **Patents**. Licensor shall have primary responsibility for, and use Commercially Reasonable Efforts to pursue, the filing, prosecution, and maintenance of the Licensor Patents. Coronado will reimburse the reasonable out-of-pocket expenses incurred by Licensor in filing, prosecuting and maintaining the Licensor Patents in the Territory; provided that Coronado agreed in advance to the general scope of work for which the expenses relate in accordance with an agreed upon annual budget, to be negotiated in good faith by the parties within thirty days after the Effective Date and within thirty days after each anniversary thereof; provided that the budget will be adjusted in good faith by the Parties if any unforeseen events occur which would reasonably require additional expenditure in excess of the agreed annual budget. Licensor and its chosen patent counsel shall take all actions reasonably requested by Coronado and its patent counsel in connection with Licensor's obligations under this Section 6.1(a) with respect to filing, prosecution, and maintenance, including without limitation, facilitating and permitting direct communication with Coronado and its patent counsel.

(b) **Liaising.** Licensor shall keep Coronado informed of material actions with respect to the filing and prosecution of Licensor Patents or related proceedings (e.g. interferences, oppositions, reexaminations, reissues, revocations or nullifications) in a timely manner, and shall reasonably consider the advice of Coronado and its patent counsel, and Licensor will authorize its patent counsel to speak directly with Coronado and its counsel.

(c) **Election Not to File/Prosecute/Maintain Licensor Patents** If Licensor provides Coronado with written notification that it will no longer support or pursue the filing, prosecution, or maintenance of a specified Licensor Patent in a particular country, then (A) Licensor's responsibility for such filing, prosecution, or maintenance of such Licensor Patent in such country, and the fees and costs related thereto, will terminate on the date sixty (60) calendar days after Coronado's receipt of such written notice from Licensor, and (B) Coronado shall have the right, upon written notice to Licensor given during such sixty (60) calendar day period, to assume control of, and responsibility for, the filing, prosecution, or maintenance of such Licensor Patent in such country, at Coronado's expense. In such event, Coronado will no longer owe any royalties on account of such patents (on a country-by-country basis) and they shall no longer be deemed Licensor Patents.

6.2 **Certification under Drug Price Competition and Patent Restoration Act.** Each of Licensor and Coronado shall immediately give written notice to the other of any certification of which they become aware filed pursuant to 21 U.S.C. Section 355(b)(2)(A) (or any amendment or successor statute thereto) claiming that any Licensor Patents covering a Compound or a Licensed Product, or the manufacture or use of each of the foregoing, are invalid or unenforceable, or that infringement will not arise from the manufacture, use or sale in the US of a Licensed Product by a Third Party.

6.3 **Listing of Patents.** Coronado shall have the sole right to determine which of the Licensor Patents, if any, shall be listed for inclusion in the Approved Drug Products with Therapeutic Equivalence Evaluations publication pursuant to 21 U.S.C. Section 355, or any successor Law in the United States, together with any comparable Laws in any other country in the Territory. Licensor will co-operate with Coronado to list any of said Licensor Patents.

6.4 **Enforcement of Patents.**

(a) **Notice.** If either Party becomes aware of (i) any actual, potential, or alleged infringement of any of the rights to Licensor Patents granted to Coronado under this Agreement with respect to Licensed Products or (ii) a Paragraph IV Certification (each of subclauses (i) and (ii), an "**Infringement**") and, such Party shall give to the other Party prompt and reasonably detailed written notice of such actual, potential, or alleged infringement. Notwithstanding the foregoing, each Party shall notify the other Party within two (2) Business Days of its receipt of, or receipt of notice of, any Paragraph IV Certification.

(b) **Right to Bring an Action for Licensor's Patents.** If such Infringement is in one or more of the Major Markets in respect of Licensor Patents, Licensor shall have the right to attempt to resolve such Infringement, including by filing an infringement suit, defending against or bringing a declaratory judgment action as to such claim or taking other similar action (each, "initiation" of an "Action") and (subject to Section 6.4(d)) to compromise or settle such infringement or claim. Coronado may, in its sole discretion and at its expense, join in any such Action and in such case shall reasonably cooperate with Licensor. If Licensor does not intend to initiate an Action, Licensor shall promptly inform Coronado. If Licensor does not initiate an Action with respect to such an infringement or claim within 180 days following notice thereof, Coronado shall have the right to attempt to resolve such infringement, misappropriation or claim, including by initiating an Action, and (subject to Section 6.4(d)) to compromise or settle such infringement, misappropriation or claim. At Coronado's request, Licensor shall immediately provide Coronado with all relevant documentation (as may be requested by Coronado) evidencing that Coronado is validly empowered by the Licensor to initiate an Action. Licensor shall be under the obligation to join Coronado in its Action if Coronado determines that this is necessary to demonstrate "standing to sue." The Party initiating such Action shall have the sole and exclusive right to select counsel for any suit initiated by it pursuant to this Section 6.4. If a Party initiates an Action but then elects not to pursue the Action, the other Party shall have the right (but not the obligation) to take over the Action, in which case the second Party shall be deemed to have been the initiating Party.

(c) **Costs of an Action.** Subject to the respective indemnity obligations of the Parties set forth in Article IX and subject to Section 6.4(f), each Party involved in an Action under Section 6.5(b) shall pay its own costs and expenses incurred in connection with such Action.

(d) **Settlement**. No Party shall settle or otherwise compromise (or resolve by consent to the entry of judgment upon) any Action by admitting that any Licensor Patent is to any extent invalid or unenforceable without the other Party's prior written consent, and, in the case of Licensor, Licensor may not settle or otherwise compromise (or resolve by consent to the entry of judgment upon) an Action in a way that adversely affects or would be reasonably expected to adversely affect any of Coronado's rights or benefits hereunder with respect to any Licensor Technology or any Licensed Product, without Coronado's prior written consent.

(e) **Reasonable Assistance.** Each Party (if it is not the Party enforcing or defending Licensor's Patent Rights) shall provide reasonable assistance to the other Party, including providing access to relevant documents and other evidence and making its employees and consultants available, subject to the other Party's reimbursement of any reasonable out-of-pocket expenses incurred on an on-going basis by the non-enforcing or non-defending Party in providing such assistance.

(f) **Distribution of Amounts Recovered.** Any amounts recovered by the Party initiating an Action pursuant to this Section 6.4, whether by settlement or judgment, shall be allocated in the following order: (i) to reimburse the Party initiating such Action for any costs incurred; (ii) to reimburse the Party not initiating such Action for its costs incurred in such Action, if it joins (as opposed to taking over) such Action; and (iii) the remaining amount of such recovery shall (A) if Coronado initiated the Action, the remainder shall be allocated to Coronado and the portion thereof attributable to "lost sales" shall be deemed to be Net Sales for the Calendar Quarter in which the amount is actually received by Coronado and Coronado shall pay to Licensor a royalty on such portion based on the royalty rates set forth in Section 5.4(a), and the portion thereof not attributable to "lost sales" shall be allocated to Coronado and (B) if Licensor initiated the Action, the remainder shall be allocated to Coronado and the portion thereof attributable to "lost sales" shall be deemed to be Net Sales for the Calendar Quarter in which the amount is actually received by Coronado and Coronado shall pay to Licensor a royalty on such portion based on the royalty rates set forth in Section 5.4(a), and the portion thereof not attributable to "lost sales" shall be allocated to 50% to Licensor and 50% to Coronado.

6.5 **Third Party Actions Claiming Infringement**.

(a) **Notice**. If either Licensor or Coronado becomes aware of any Third Party Action, such Party shall promptly notify the other of all details regarding such claim or action that is reasonably available to such Party.

(b) **Right to Defend.** Coronado shall have the right, at its sole expense, but not the obligation, to defend a Third Party Action described in Section 6.5(a) and (subject to Section 6.5(f)) to compromise or settle such Third Party Action. If Coronado declines or fails to assert its intention to defend such Third Party Action within 40 days of receipt/sending of notice under Section 6.5(a), then Licensor shall have the right, at its sole expense, to defend such Third Party Action and (subject to Section 6.5(f)) to compromise or settle such Third Party Action. The Party defending such Third Party Action shall have the sole and exclusive right to select counsel for such Third Party Action.

(c) **Consultation.** The Party defending a Third Party Action pursuant to Section 6.5(b) shall be the **"Controlling Party"**. The Controlling Party shall consult with the non-Controlling Party, pursuant to an appropriate joint defense or common interest agreement, on all material aspects of the defense. The non-Controlling Party shall have a reasonable opportunity for meaningful participation in decision-making and formulation of defense strategy. The Parties shall reasonably cooperate with each other in all such actions or proceedings. The non-Controlling Party will be entitled to join the Third Party Action and be represented by independent counsel of its own choice at its own expense.

(d) **Appeal**. In the event that a judgment in a Third Party Action is entered against either Party and an appeal is available, the Controlling Party shall have the first right, but not the obligation, to file such appeal. In the event the Controlling Party does not desire to file such an appeal, it will promptly, in a reasonable time period (i.e., with sufficient time for the non-Controlling Party to take whatever action may be necessary) before the date on which such right to appeal will lapse or otherwise diminish, permit the non-Controlling Party to pursue such appeal at such non-Controlling Party's own cost and expense. If applicable Law requires the other Party's involvement in an appeal, the other Party shall be a nominal party in the appeal and shall provide reasonable cooperation to such Party at such Party's expense.

(e) **Costs of an Action**. Subject to the respective indemnity obligations of the Parties set forth in Article IX, the Controlling Party shall pay all costs and expenses associated with such Third Party Action other than the expenses of the other Party if the other Party elects to join such Third Party Action (as provided in the last sentence of Section 6.6(c)).

(f) **No Settlement without Consent.** Neither Licensor or Coronado shall settle or otherwise compromise (or resolve by consent to the entry of judgment upon) any Third Party Action by admitting that any Licensor Patent is to any extent invalid or unenforceable or that any Licensed Product, or its use, Development, importation, manufacture or sale infringes such Third Party's intellectual property rights, in each case without the other Party's prior written consent, and, in the case of Licensor, Licensor may not settle or otherwise compromise (or resolve by consent to the entry of judgment upon) a Third Party Action in a way that adversely affects or would be reasonably expected to adversely affect Coronado's rights and benefits hereunder with respect to any Licensor Technology or any Licensed Product, without Coronado's prior written consent.

ARTICLE VII
CONFIDENTIALITY

7.1 **Confidentiality Obligations**. The Parties agree that, for the Term and for five (5) years thereafter, each Party will keep completely confidential and will not disclose, and will not use for any purpose except for the purposes contemplated by this Agreement, any Confidential Information of the other Party.

7.2 **Authorized Disclosure.** Each Party may disclose Confidential Information of the other Party to the extent that such disclosure is:

(a) made in response to a valid order of a court of competent jurisdiction; provided, however, that in each case such disclosing Party will, to the extent reasonably practicable, (i) first have given written notice to the other Party and given such other Party a reasonable opportunity to take appropriate action and (ii) cooperate with such other Party as necessary to obtain an appropriate protective order or other protective remedy or treatment; provided, further, that in each case, the Confidential Information disclosed in response to such court or governmental order will be limited to that information which is legally required to be disclosed in response to such court or governmental order, as determined in good faith by counsel to the Party that is obligated to disclose Confidential Information pursuant to such order;

(b) otherwise required to be disclosed by any applicable law, rule, or regulation (including, without limitation, the U.S. federal securities laws and the rules and regulations promulgated thereunder) or the requirements of any stock exchange to which a Party is subject; provided, however, that the Party that is so required will provide such other Party with written notice of such disclosure reasonably in advance thereof to the extent reasonably practicable and reasonable measures will be taken to assure confidential treatment of such information, including such measures as may be reasonably requested by the disclosing Party with respect to such Confidential Information;

(c) made by such Party, in connection with the performance of this Agreement, to such Party's Affiliates, licensees or sublicensees, directors, officers, employees, consultants, representatives or agents, or to other Third Parties, in each case on a need to know basis and solely to use such information for business purposes relevant to and permitted by this Agreement, and provided that (i) each individual and entity to whom such Confidential Information is disclosed is bound in writing to non-use and non-disclosure obligations no less than substantially as restrictive as those set forth in this Agreement and (ii) the Party making such disclosure shall be liable for such Third Parties' compliance with such obligations; or

(d) made by such Party to existing or potential acquirers, existing or potential collaborators, licensees, licensors, sublicensees, investment bankers, accountants, attorneys, existing or potential investors, merger candidates, partners, venture capital firms or other financial institutions or investors for use of such information for business purposes relevant to this Agreement or for due diligence in connection with the financing, licensing or acquisition of such Party (or such Party's acquisition of, or merger with, a Third Party), and provided that (i) each individual and entity to whom such Confidential Information is disclosed is bound in writing to non-use and non-disclosure obligations (or in the case of attorneys or accountants, an equivalent professional duty of confidentiality) at least as restrictive as those set forth in this Agreement and (ii) the Party making such disclosure shall be liable for such Third Parties' compliance with such obligations.

7.3 **Publicity**. The Parties acknowledge that each Party may desire or be required to issue press a release or to make other public disclosures relating to the execution of this Agreement, including certain material terms of this Agreement. The Parties agree to consult with each other reasonably and in good faith with respect to the text and timing of such press release or other public disclosures announcing the execution of this Agreement prior to the issuance thereof and obtain the other Party's consent therefor, provided that a Party may not unreasonably withhold consent to such release, and that either Party may issue such press release as it determines, based on advice of counsel, are reasonably necessary to comply with laws or regulations. (Provided, that no Party shall use the trademark or logo of the other Party, its Affiliates or their respective employee(s) in any publicity, promotion, news release or public disclosure relating to this Agreement or its subject matter, except as may be required by Law or required by the rules of an applicable US national securities exchange or except with the prior express written permission of such other Party, such permission not to be unreasonably withheld.) Notwithstanding the above, once a public disclosure has been made, either Party shall be free to disclose to third parties any information contained in said public disclosure, without further pre-review. Additionally, Licensor will not disclose any terms publicly that have not been disclosed by Coronado as part of its SEC filing requirements, it is acknowledged by Licensor that Coronado will be filing for confidential treatment of certain terms of this Agreement. Following the initial press release described above, Licensor agrees to refrain from issuing press releases relating to the Licensed Products without receiving prior approval of Coronado, except as may be consistent with a Coronado press release covering the same subject matter.

7.4 **Publications**. Neither Party shall publish any information relating to the Licensed Products without the written consent of the other Party (which consent not to be unreasonably withheld or delayed), unless such information has already been publicly disclosed either prior to the Effective Date or after the Effective Date through no fault of Licensor or otherwise not in violation of this Agreement. Notwithstanding the foregoing, this provision shall not apply to the submission of abstracts for presentation at conferences nor the final posters or presentations at such conferences. Coronado will use reasonable efforts to provide advance draft copies of these abstracts, posters or presentations. Neither Party will submit any abstract or present in poster, abstract or oral presentation form at any conference in the other Party's Territory without the written consent of the other Party.

ARTICLE VIII
REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 **Representations and Warranties.** (a) Coronado represents and warrants to Licensor, and (b) Licensor represents and warrants to Coronado, in each case as of the Effective Date:

(a) Such Party is a corporation duly organized and validly existing under the Laws of the jurisdiction of its incorporation;

(b) Such Party has all right, power and authority to enter into this Agreement, and to perform its obligations under this Agreement;

(c) Such Party has taken all action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement;

(d) This Agreement is a legal and valid obligation of such Party, binding upon such Party and enforceable against such Party in accordance with the terms of this Agreement, except as enforcement may be limited by applicable bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and by general equitable principles;

(e) The execution, delivery and performance of this Agreement by such Party does not and will not conflict with, breach or create in any Third Party the right to accelerate, terminate or modify any agreement or instrument to which such Party is a party or by which such Party is bound;

(f) All consents, approvals and authorizations from all governmental authorities or other Third Parties required to be obtained by such Party in connection with the execution and delivery of this Agreement by such Party have been obtained; and the execution, delivery and performance of this Agreement by such Party does not and will not violate any Law of any Governmental Body having authority over such Party;

(g) No person or entity has or will have, as a result of the execution and delivery of or as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or upon such Party for any commission, fee or other compensation as a finder or broker because of any act by such Party or its Affiliates, agents or Sublicensees; and

(h) No agreement between it and any Third Party is in conflict with the rights granted to any other party pursuant to this Agreement.

8.2 **Additional Representations and Warranties of Licensor.** Licensor represents and warrants to Coronado as of the Effective Date that:

(a) No consent by any Third Party or Governmental Body is required with respect to the execution and delivery of this Agreement by Licensor or the consummation by Licensor of the transactions contemplated hereby;

(b) The Licensor Technology is wholly-owned by Licensor, free and clear of all mortgages, pledges, charges, liens, equities, security interests, shop rights, or other encumbrances or similar agreements, or any other obligation;

(c) To Licensor's knowledge, no claims have been asserted or threatened by any Person (i) challenging the validity, effective status, or ownership of Licensor Technology, and/or (ii) to the effect that the use, reproduction, modification, manufacturing, distribution, licensing, sublicensing, sale or any other exercise of rights in any of Licensor Technology infringes or will infringe on any intellectual property right of any Person; and no such claims have been asserted or are threatened;

(d) To Licensor's knowledge, the Licensor Patents are subsisting and are not the subject of any litigation procedure, discovery process, interference, reissue, reexamination, opposition, appeal proceedings or any other legal dispute;

(e) Licensor and its Affiliates have taken all reasonable actions necessary or appropriate to preserve the confidentiality of all trade secrets, proprietary and other confidential information material to Licensor Technology;

(f) Neither Licensor nor any Affiliate thereof is aware of any Third Party activities which would constitute misappropriation or infringement of any Licensor Technology

(g) The Licensor Patents constitute all Patent Rights owned or Controlled by Licensor that pertain directly and particularly to the research, Development, manufacture, use and Commercialization of the Licensed Products; and

(h) To Licensor's knowledge, no Third Party has filed, pursued or maintained or threatened in writing to file, pursue or maintain any claim, lawsuit, charge, complaint or other action alleging that any Licensor Technology is invalid or unenforceable.

8.3 **Disclaimer**. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, INCLUDING SECTIONS 8.1 AND 8.2, AS APPLICABLE, THE PARTIES MAKE NO REPRESENTATIONS AND GRANT NO WARRANTIES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE, AND THE PARTIES EACH SPECIFICALLY DISCLAIM ANY OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, OR EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, OR AS TO THE SUCCESS OR LIKELIHOOD OF SUCCESS OF THE RESEARCH, DEVELOPMENT OR COMMERCIALIZATION OF THE COMPOUND OR LICENSED PRODUCT UNDER THIS AGREEMENT.

ARTICLE IX
INDEMNIFICATION; LIMITATION OF LIABILITY; INSURANCE

9.1 **Indemnification by Coronado.** Coronado shall indemnify, defend and hold Licensor and its Affiliates, and each of their respective employees, officers, directors and agents (the "**Licensor Indemnitees**") harmless from and against any and all actions, judgments, settlements, liabilities, damages, penalties, fines, losses, costs and expenses (including reasonable attorneys' fees and expenses) to the extent arising out of any Third Party claim, demand, action or other proceeding (each, a "**Claim**") arising out of (a) Coronado's performance of its obligations or exercise of its rights under this Agreement; or (b) breach by Coronado of its representations and warranties set forth in Article VIII; provided, however, that Coronado's obligations pursuant to this Section 9.1 shall not apply (x) to the extent such claims or suits result from the gross negligence or willful misconduct of any of the Licensor Indemnitees, or (y) with respect to claims or suits arising out of breach by Licensor of this Agreement, including without limitation of its or their representations and warranties set forth in Article VIII.

9.2 **Indemnification by Licensor.** Licensor shall indemnify, defend and hold Coronado and its Affiliates and each of their respective agents, employees, officers and directors (the "**Coronado Indemnitees**") harmless from and against any and all actions, judgments, settlements, liabilities, damages, penalties, fines, losses, costs and expenses (including reasonable attorneys' fees and expenses) to the extent arising out of any and all Claims arising out of (a) Licensor's performance of its obligations or exercise (by it or its Affiliates) of its or their rights under this Agreement; or (b) breach by Licensor of its representations and warranties set forth in Article VIII; provided, however, that Licensor's obligations pursuant to this Section 9.2 shall not apply (x) to the extent that such claims or suits result from the gross negligence or willful misconduct of any of the Coronado Indemnitees or (y) with respect to claims or suits arising out of a breach by Coronado of this Agreement, including without limitation its representations and warranties set forth in Article VIII.

9.3 **Procedure**.

(a) The Party or other Person intending to claim indemnification under this Article IX (an "Indemnified Party") shall promptly notify the opposed Party (the "Indemnifying Party") of any Claim in respect of which the Indemnified Party intends to claim such indemnification (provided, that no delay or deficiency on the part of the Indemnified Party in so notifying the Indemnifying Party will relieve the Indemnifying Party of any liability or obligation under this Agreement except to the extent the Indemnifying Party has suffered actual prejudice directly caused by the delay or other deficiency), and the Indemnifying Party shall assume the defense thereof (with counsel selected by the Indemnifying Party and reasonably satisfactory to the Indemnified Party) whether or not such Claim is rightfully brought; provided, however, that an Indemnified Party shall have the right to retain its own counsel and to participate in the defense thereof, with the fees and expenses to be paid by the Indemnified Party unless the Indemnifying Party does not assume the defense or unless a representation of both the Indemnified Party and the Indemnifying Party by the same counsel would be inappropriate due to the actual or potential differing interests between them, in which case the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Indemnifying Party. (Provided, that in no event shall the Indemnifying Party be required to pay for more than one separate counsel no matter the number or circumstances of all Indemnified Parties.)

(b) If the Indemnifying Party shall fail to timely assume the defense of and reasonably defend such Claim, the Indemnified Party shall have the right to retain or assume control of such defense and the Indemnifying Party shall pay (as incurred and on demand) the fees and expenses of counsel retained by the Indemnified Party.

(c) The Indemnifying Party shall not be liable for the indemnification of any Claim settled (or resolved by consent to the entry of judgment) without the written consent of the Indemnifying Party. Also, if the Indemnifying Party shall control the defense of any such Claim, the Indemnifying Party shall have the right to settle such Claim; provided, that the Indemnifying Party shall obtain the prior written consent (which shall not be unreasonably withheld or delayed) of the Indemnified Party before entering into any settlement of (or resolving by consent to the entry of judgment upon) such Claim unless (i) there is no finding or admission of any violation of law or any violation of the rights of any person by an Indemnified Party, no requirement that the Indemnified Party admit negligence, fault or culpability, and no adverse effect on any other claims that may be made by or against the Indemnified Party and (ii) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party and such settlement does not require the Indemnified Party to take (or refrain from taking) any action.

(d) The Indemnified Party, and its employees and agents, shall cooperate fully with the Indemnifying Party and its legal representatives in the investigations of any Claim.

(e) Regardless of who controls the defense, each Party hereto shall reasonably cooperate in the defense as may be requested.

9.4 **Expenses**. As the Parties intend complete indemnification, all costs and expenses of enforcing any provision of this Article IX shall also be reimbursed by the Indemnifying Party..

9.5 **Limitation of Liability**. IN NO EVENT SHALL EITHER PARTY OR ITS AFFILIATES BE LIABLE TO THE OTHER PARTY FOR ANY PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES ARISING OUT OF A BREACH OF THIS AGREEMENT, PROVIDED THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE FOREGOING SHALL NOT BE CONSTRUED TO LIMIT THE INDEMNITY OBLIGATIONS SET FORTH IN SECTIONS 9.1 AND 9.2, A PARTY'S OR ITS AFFILIATES DIRECT OR INDIRECT VIOLATION OF THE SCOPE OF EXCLUSIVE RIGHTS GRANTED TO LICENSEE HEREUNDER OR EITHER PARTY'S LIABILITY FOR A BREACH OF ARTICLE VII.

9.6 **Insurance.** Coronado shall carry and maintain insurance of the types and in amounts which are reasonable and customary in the U.S. pharmaceutical industry for companies of comparable size and activities. Such insurance will insure against all liability, including but not limited to, bodily injury or property damage arising out of the manufacture, sale, distribution, marketing, Development or Commercialization of Products. Such insurance shall include commercial general liability insurance, including product liability insurance, which coverage shall have limits of liability which are commercially reasonable for the U.S. pharmaceutical industry. Such coverage shall be maintained by Coronado for not less than three (3) Calendar Years following expiration or termination of this Agreement or if such coverage is of the "claims made" type, for five (5) Calendar Years following expiration or termination of this Agreement. Upon written request from Licensor, Coronado shall promptly provide written evidence (e.g., certificates) of such insurance that is reasonably satisfactory to Licensor.

ARTICLE X
TERM AND TERMINATION

10.1 **Term and Expiration.** The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in this Article X, shall continue in full force and effect, on a country-by-country and Licensed Product-by-Licensed Product basis until the Royalty Term in such country with respect to such Licensed Product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country. (The **"Term"** shall mean the period from the Effective Date until the earlier of termination of this Agreement as provided in this Article X or expiration of this Agreement upon the expiration of the last-to-expire Royalty Term.) The Parties confirm that subject to the foregoing sentence, this Agreement shall not be terminated or invalidated by any future determination that any or all of the Licensor Patents have expired or been invalidated.

10.2 **Termination upon Material Breach.** If a Party breaches any of its material obligations under this Agreement, the Party not in default may give to the breaching Party a written notice specifying the nature of the default, requiring it to cure such breach, and, if desired, stating its intention to terminate this Agreement if such breach is not cured. If such breach is not capable of being cured, or is capable of being cured but nonetheless has not within 60 days after the receipt of such notice been cured, then the Party not in default shall (in addition to and not in lieu of all other available rights and remedies) be entitled to at its option either (a) terminate this Agreement immediately by written notice to the other Party, or (b) continue this Agreement in full force and effect and seek any legal or equitable remedies that the non-breaching Party may have. Notwithstanding the foregoing provisions, in the event of a good-faith dispute as to whether any alleged breach is in fact a breach, termination under this Section 10.2 in respect of such alleged breach shall not take effect unless and until (y) such dispute is finally resolved (by the final unappealable decision of a court or arbitrator or otherwise) in favor of the Party alleging the breach or (z) the breaching Party's denial that the alleged breach is in fact a breach ceases to be in good faith. In case of a breach of an obligation to pay money, which obligation to pay is not disputed in good faith, the cure period shall be 15 days instead of 60 days. The Parties agree that any failure by Coronado to pay when due 100% of such portion of any amount of money owing from Coronado to Licensor that is not disputed in good faith by Coronado (subject to the 15-day cure period) shall conclusively be deemed to constitute a "material" breach.

1 0 . 3 **Termination for Bankruptcy**. Licensor may terminate this Agreement immediately upon written notice to Coronado in the event that Coronado has a petition in bankruptcy filed against it that is not dismissed within 60 days of such filing, files a petition in bankruptcy, or makes an assignment for the benefit of creditors. If Coronado has before such filing or such assignment entered into a written Sublicense which complies with Section 2.2, then the Sublicensee thereunder shall have the right to, by but only by delivering to Licensor within 30 days after such termination a written election to do so and a written assumption of all of Coronado's past and future obligations, liabilities and duties under this Agreement, convert its Sublicense into a direct of license from Licensor of the same technology, for the same field and for the same territory, as had been provided for in the Sublicense and otherwise on the same terms and conditions as are set forth in this Agreement as if such Sublicensee were Coronado hereunder. Coronado may terminate this Agreement immediately upon written notice to Licensor in the event that Licensor has a petition in bankruptcy filed against it that is not dismissed within 60 days of such filing, files a petition in bankruptcy, or makes an assignment for the benefit of creditors.

10.4 **Effects of Termination/Expiration.**

(a) Articles I (Definitions), VII (Confidentiality), IX (Indemnification; Limitation of Liability; Insurance) and XI (Miscellaneous Provisions) and Sections 5.7 (Royalty Reports and Records Retention), 5.8 (Audits), 5.10 (Late Payments), 5.11 (Taxes) and 10.4 (Effects of Termination/Expiration) hereof shall survive the expiration or termination of this Agreement for any reason. In addition, upon termination of this Agreement by Coronado pursuant to Sections 10.2, then Section 6.5 (Third Party Actions Claiming Infringement) shall survive the expiration or termination of this Agreement. In addition, upon termination of this Agreement by Licensor pursuant to Sections 10.2, then Section 2.3 (Grantback License) shall survive the expiration or termination of this Agreement.

(b) Termination or expiration of this Agreement shall not relieve the Parties of any liability that accrued hereunder before the effective date of such termination or expiration. In addition, termination or expiration of this Agreement shall not preclude either Party from pursuing all rights and remedies it may have hereunder or at Law or in equity with respect to any breach of this Agreement nor prejudice either Party's right to obtain performance of any obligation.

(c) In the event of termination by Coronado pursuant to Section 10.2, the licenses granted to Coronado hereunder shall continue in effect but become fully paid-up, royalty-free, transferable (to the extent not transferable previously), perpetual and irrevocable.

(d) Upon termination of this Agreement at any time for any reason by Licensor, each Sublicense validly granted hereunder which is in good standing as of the effective date of such termination shall continue in effect as a direct license between Licensor and Sublicensee (as licensee), provided that: (i) such Sublicense complied with Section 2.2, (ii) within 30 days of a request by Licensor, Sublicensee shall provide a written acknowledgement that all payment and other obligations previously payable to Licensee under such Sublicense shall thereafter be payable and due, and be paid directly to Licensor and (iii) the Sublicensee is not a party to a proceeding in bankruptcy or insolvency filed by or against such Sublicensee, and has not made a general assignment for the benefit of its creditors. All other sublicenses in existence as of the effective date of the termination of this Agreement which fail to satisfy the foregoing conditions shall, upon such termination, terminate.

(e) In the event of termination by Licensor pursuant to Section 10.2, the licenses granted to Coronado hereunder shall terminate, and Coronado shall: (i) transfer to Licensor all Regulatory Filings Controlled by Coronado that are related solely to the Licensed Products; and (ii) Coronado shall grant to Licensor a worldwide, royalty-bearing exclusive license under the Coronado Technology to make, use, sell, offer for sale, use and import Licensed Products, provided that the transfer of Regulatory Filings and license shall be contingent upon Coronado and Licensor entering into a written agreement setting forth reasonable royalties and milestone payments to be paid by Licensor to Coronado with respect to the Coronado Technology and Regulatory Filings, the amounts of which shall reflect the stage of Licensed Product development at the time of termination.

ARTICLE XI
MISCELLANEOUS PROVISIONS

1 1 . 1 **Relationship of the Parties.** Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, joint venture or employer-employee relationship between the Parties. No Party shall have any right or authority to commit or legally bind any other Party in any way whatsoever including, without limitation, the making of any agreement, representation or warranty and each Party agrees to not purport to do so.

11.2 **Assignment.** Neither Party may assign this Agreement, or any of its rights or obligations hereunder without the other Party's prior written consent, provided that (X) neither Party will unreasonably withhold, condition, or delay any such consent sought by the other Party; and (Y) each Party will, notwithstanding anything to the contrary, be entitled, without the other Party's prior written consent, to assign or transfer this Agreement: (i) in connection with the transfer or sale of all or substantially all of such Party's assets or business (or that portion thereof related to the subject matter of this Agreement), (ii) in the event of such Party's merger, consolidation, reorganization, change of control or similar transaction, or (iii) to an Affiliate of such Party. Any permitted assignee of either Party will, as a condition to such assignment, assume all obligations of its assignor arising under this Agreement following such assignment. Any purported assignment by a Party of this Agreement, or any of such Party's rights or obligations hereunder, in violation of this Section 11.2 will be void ab initio.

1 1 . 3 **Further Actions.** Each Party agrees to execute, acknowledge and deliver such further instruments and to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.4 **Force Majeure.** No Party shall be liable to any other Party or be deemed to have breached or defaulted under this Agreement for failure or delay in the performance of any of its obligations under this Agreement (other than obligations for the payment of money) for the time and to the extent such failure or delay is caused by or results from acts of God, earthquake, riot, civil commotion, terrorism, war, strikes or other labor disputes, fire, flood, failure or delay of transportation, omissions or delays in acting by a governmental authority, acts of a government or an agency thereof or judicial orders or decrees or restrictions or any other like reason which is beyond the control of the respective Party. The Party affected by force majeure shall provide the other Party with full particulars thereof as soon as it becomes aware of the same (including its best estimate of the likely extent and duration of the interference with its activities), and shall use Commercially Reasonable Efforts to overcome the difficulties created thereby and to resume performance of its obligations hereunder as soon as practicable, and the time for performance shall be extended for a number of days equal to the duration of the force majeure.

11.5 **Entire Agreement of the Parties; Amendments.** This Agreement and the Schedules hereto constitute and contain the entire understanding and agreement of the Parties respecting the subject matter hereof and cancel and supersede any and all prior or contemporaneous negotiations, correspondence, understandings and agreements between the Parties, whether oral or written, regarding such subject matter (provided, that any and all previous nondisclosure/nonuse obligations are not superseded and remain in full force and effect in addition to the nondisclosure/nonuse provisions hereof). Each Party acknowledges that it has not relied, in deciding whether to enter into this Agreement on this Agreement's expressly stated terms and conditions, on any representations, warranties, agreements, commitments or promises which are not expressly set forth within this Agreement. No modification or amendment of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of each Party.

11.6 **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, excluding application of any conflict of laws principles. Each Party (a) irrevocably submits to the exclusive jurisdiction in the United States District Court for the Southern District of New York located in New York, New York and any State courts sitting in New York, New York (collectively, the "Courts"), for purposes of any action, suit or other proceeding arising out of this Agreement, and (b) agrees not to raise any objection at any time to the laying or maintaining of the venue of any such action, suit or proceeding in any of the Courts, irrevocably waives any claim that such action, suit or other proceeding has been brought in an inconvenient forum and further irrevocably waives the right to object, with respect to such action, suit or other proceeding, that such Courts do not have any jurisdiction over such Party.

11.7 **Arbitration of Certain Disputes**.

(a) **Application**. Notwithstanding the provision for settling disputes set forth in Section 11.6, with respect to any disputes relating to the determination of royalties and milestones due hereunder, whether a Milestone Event has been achieved under Article 5 or any valuation of components or products under Section 1.34, such dispute shall be resolved according to the procedure set forth in this Section 11.7 at the request of either Party rather than the procedure set forth in Section 11.6. Such disputes shall be resolved by binding arbitration by one (1) neutral arbitrator, mutually acceptable to the Parties, that is an expert in the commercialization of pharmaceutical therapeutics. If the Parties are unable to agree within thirty (30) days upon a mutually acceptable arbitrator, the arbitrator shall be a person with the qualifications described in the preceding sentence selected by the chief executive of Judicial Arbitration and Mediation Services.

(b) **Procedure**. For arbitration of disputes subject to this Section 11.7, each Party shall provide to the other Party such documents as the arbitrator may direct (after consulting with both Parties), which shall include, at a minimum, any such documents necessary to establish any facts in dispute. Each Party shall prepare a written brief not to exceed twenty (20) pages that details the relevant facts, and how the facts support their position, and makes a specific proposal for the resolution of the dispute. The arbitrator shall pick the proposal of one of the Parties, without change, as the final decision of the arbitrator. The arbitrator shall not have the right to vary any of the terms in the proposal of either Party before adopting his or her decision. The place of arbitration shall be New York, New York. The language of the arbitral proceedings and of all submissions and written evidence shall be English. The arbitrator shall issue an award within three (3) months of the submission of the request for arbitration. This time limit may be extended by agreement of the Parties or by the arbitrator if necessary. The decision of the arbitrator will be final, conclusive and binding on the Parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court of competent jurisdiction. The costs of the arbitration, including administrative and arbitrator's fees, will be shared equally by the Parties. Each Party will bear the cost of its own attorneys' fees and expert witness fees. All proceedings and decisions of the arbitration shall be deemed Confidential Information of each of the Parties.

11.8 **Notices and Deliveries**. All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed given upon receipt if delivered personally or mailed by registered or certified mail (return receipt requested), postage prepaid, or sent by prepaid express courier service, to the Parties at the following addresses (or at such other address for a Party as shall be specified by the notice; provided, that notices of a change of address shall be effective only upon receipt thereof):

If to Coronado, addressed to:

Coronado Biosciences, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019
Attention: Lindsay A. Rosenwald

If to Licensor, addressed to:

NeuPharma, Inc.
1175 Chess Dr, Ste 206
Foster City, CA 94404
Attention: Shawn Qian

11.9 **Waiver.** No waiver of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of the waiving Party. A waiver by a Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof.

11.10 **Rights and Remedies are Cumulative**. Except to the extent expressly set forth herein, all rights, remedies, undertakings, obligations and agreements contained in or available upon violation of this Agreement shall be cumulative and none of them shall be in limitation of any other remedy or right authorized in law or in equity, or any undertaking, obligation or agreement of the applicable Party.

11.11 **Severability.** This Agreement is severable. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be to any extent prohibited by or invalid under applicable Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement (or of such provision). The Parties shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.

11.12 **Third Party Beneficiaries**. Except for the rights of Indemnified Parties pursuant to Article IX hereof and the rights of Sublicensees set forth in Sections 10.2 and 10.4(c), the terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective successors or permitted assigns and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person, including without limitation Sublicensees.

11.13 **No Implied License.** No right or license is granted to Coronado hereunder by implication, estoppel, or otherwise to any know-how, patent or other intellectual property right owned or controlled by Licensor or its Affiliates, except by an express license granted hereunder. No right or license is granted to Licensor hereunder by implication, estoppel, or otherwise to any know-how, patent or other intellectual property right owned or controlled by Coronado or its Affiliates, except by an express license granted hereunder.

11.14 **No Right of Set-Off.** Except as expressly provided in Section 5.7(b) of this Agreement, Coronado shall not have a right to set-off any royalties, milestones or other amount due to Licensor under this Agreement against any damages incurred by Coronado for a breach by Licensor of this Agreement.

11.15 **Equitable Relief**. Each Party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other Party, that the other Party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a Party's breach or threatened breach of such covenants and agreements may cause the opposed Party irreparable harm and significant injury, the amount of which will be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each Party agrees that an opposed Party shall be entitled to seek specific performance, an order restraining any breach or threatened breach of Article VII and all other provisions of this Agreement, and any other equitable relief (including but not limited to temporary, preliminary and/or permanent injunctive relief). This right shall be in addition to and not exclusive of any other remedy available to such other Party at law or in equity.

11.16 **Interpretation.** The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no provision of this Agreement shall be interpreted for or against a Party because that Party or its attorney drafted the provision.

11.17 **Construction.** The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Articles, Sections and Schedules shall be deemed references to Articles and Sections of, and Schedules to, this Agreement unless the context shall otherwise require.

11.18 **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will be deemed to be one and the same instrument. A facsimile or a portable document format (.pdf) copy of this Agreement, including the signature pages, will be deemed an original.

[*the remainder of this page has been left blank intentionally*]

IN WITNESS WHEREOF, the Parties have caused this License Agreement to be executed and delivered by their respective duly authorized officers as of the day and year first above written.

CORONADO BIOSCIENCES, INC.

By: /s/ Michael Weiss

Name: Michael Weiss

Title: Executive Vice Chairman

NEUPHARMA, INC.

By: /s/ Shawn Qian

Name: Shawn Qian

Title: President & CEO

Schedule 1

Compounds

*

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* Confidential material redacted and filed separately with the Commission.

Schedule 2

Licensor Know-How

Licensor Know-How includes the following data and procedures related to the Compound, as follows:

1. *
2. *
3. *
4. *
5. *
6. *
7. *
8. *
9. *

* Confidential material redacted and filed separately with the Commission.

Schedule 3

Licensor Patent Rights

Case No.	Title	Country	Status	Application No.	Filing Date	Publication No.	Publication Date
*	*	*	*	*	*	*	*
*	*	*	*	*	*	*	*

* Confidential material redacted and filed separately with the Commission.

Exhibit 10.9

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

Collaboration AGREEMENT

THIS COLLABORATION AGREEMENT (the "**Agreement**") is dated as of March 3, 2015 (the "**Effective Date**") by and between Checkpoint Therapeutics, Inc., a Delaware corporation organized having its place of business at 3 Columbus Circle, New York, NY 10019 ("**CTI**"), and TG Therapeutics, Inc. located at 3 Columbus Circle, New York, NY 10019 ("TGTX"). CTI, on the one hand, and TGTX, on the other hand, shall each be referred to herein as a "**Party**" or, collectively, as the "**Parties**."

RECITALS:

WHEREAS, CTI is party to that certain license agreement (the "License Agreement") dated the date hereof with Dana Farber Cancer Institute ("DFCI");

WHEREAS, DFCI is the owner of certain rights in the DFCI Technology; and

WHEREAS, DFCI has licensed rights to the DFCI Technology to CTI; and

WHEREAS, CTI is permitted to extend the rights granted to it under the DFCI Technology to Affiliates (as defined in the License Agreement); and

WHEREAS, TGTX, an Affiliate of CTI, is engaged in the research, development, manufacturing and commercialization of pharmaceutical products, and TGTX is interested in developing and commercializing products based on the DFCI Patents; and

WHEREAS, CTI desires to collaborate with TGTX and extend to TGTX the rights granted to it under the Licensed Technology in order to benefit the public by disseminating the results of its research via the commercial development, manufacture, distribution and use of Licensed Products (as defined below); and

WHEREAS, TGTX desires to collaborate with CTI and to exercise the rights granted to CTI, on an exclusive basis, so that it can exclusively use, develop and commercialize DFCI Patents in and for a defined field of use; and

WHEREAS, in the event TGTX is no longer an Affiliate of CTI, TGTX and CTI intend for the rights extended to TGTX hereunder to continue as a Sublicense (as defined in the License Agreement) as permitted by Section 2.3 of the License Agreement

NOW, THEREFORE, in consideration of the foregoing and of the various promises and undertakings set forth herein, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 **"Affiliate"** means a Person or entity that controls, is controlled by or is under common control with a Party, but only for so long as such control exists. For the purposes of this Section 1.1, the word "**control**" (including, with correlative meaning, the terms "**controlled by**" or "**under common control with**") means the actual power, either directly or indirectly through one or more intermediaries, to direct the management and policies of such Person or entity, whether by the ownership of at least 50% of the voting stock of such entity, or by contract or otherwise. TGTX and CTI acknowledge and agree that TGTX is an Affiliate of CTI.

1.2 "**Antibody**" means any antibody, any gene expressing such an antibody, any hybridoma producing such antibody, or any fragment, variant, derivative or construct thereof, or antibody fusion protein produced therefrom (including PEDgylated or multimeric versions thereof, whether polyclonal, monoclonal, multi-specific antibodies (e.g., bi-specific antibodies), human, humanized, chimeric, murine, synthetic, or from any other source), including without limitation (a) the full immunoglobin molecules (e.g. the IgG, IgM,IgE, IgA, and IgD molecules), and (b) the antigen binding portions including Fab, Fab', F(ab')2, Fv, dAb, and CDR fragments, chimeric antibodies, diabodies, polypeptides, linear antibodies and single-chain antibodies (scFv) that contain any portion of an immunoglobulin that is sufficient to confer specific binding to an antigen.

1.3 **"Autoimmune Diseases"** means any disease which results from a loss of immune tolerance to self-antigens, including without limitation multiple sclerosis, rheumatoid arthritis, systemic lupus erythematosus, sjogren syndrome, celiac disease, Graves' disease, myasthenia gravis, Type I diabetes, idiopathic thrombocytopenic purpura, pemphigus vulgaris, among others, including any presentation or manifestation thereof.

1.4 **"Calendar Quarter**" means each three month period commencing January 1, April 1, July 1 or October 1, provided however that (a) the first Calendar Quarter of the Term shall extend from the Effective Date to the end of the first full Calendar Quarter thereafter, and (b) the last Calendar Quarter of the Term shall end upon the termination or expiration of this Agreement.

1.5 **"Calendar Year"** means the period beginning on the 1st of January and ending on the 31st of December of the same year, provided however that (a) the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the same calendar year as the Effective Date, and (b) the last Calendar Year of the Term shall commence on January 1 of the Calendar Year in which this Agreement terminates or expires and end on the date of termination or expiration of this Agreement.

1.6 **"Combination Product"** means a product (a) containing a Licensed Product together with one or more other active ingredients, or (b) with one or more products, devices, pieces of equipment or components, but sold for an integrated price (e.g., with the purchase of one product the customer gets a coupon for the other) or for a single price.

1.7 **"Commercialization"** or **"Commercialize"** means any and all activities undertaken at any time for a particular Licensed Product and that relate to the manufacturing, marketing, promoting, distributing, importing or exporting for sale, offering for sale, and selling of the Licensed Product, and interacting with Regulatory Authorities regarding the foregoing.

1.8 **"Commercially Reasonable Efforts"** means, with respect to the efforts to be expended by a Party or such Party's applicable Affiliate with respect to any objective, such reasonable, diligent, and good faith efforts normally used to accomplish a similar objective under similar circumstances by a similarly-situated company. Commercially Reasonable Efforts will not mean that a Party commits that it or such Party's applicable Affiliate will actually accomplish the applicable task.

1.9 **"Controlled**" means, with respect to (a) DFCI Patents, (b) Know-How, (c) Antibodies, or (d) DFCI Materials, that a Party or one of its Affiliates owns or has a license or sublicense to such DFCI Patents, Know-How, Antibodies or DFCI Material (or in the case of DFCI Material, has the right to physical possession of such material) and has the ability to grant a license or sublicense to, or assign its right, title and interest in and to, such DFCI Patents, Know-How, Antibodies, or DFCI Material as provided for in this Agreement without violating the terms of any agreement or other arrangement with any Third Party.

1.10 **"Covered"** means, with respect to a Licensed Product, that the practicing, manufacturing, importing, using, selling, or offering for sale of such Licensed Product would, but for ownership of or a license granted hereunder under DFCI's relevant DFCI Patents, infringe a Valid Claim of DFCI's relevant DFCI Patents in the country in which the activity occurs (or, in the case of a Valid Claim that has not yet issued, would infringe such Valid Claim if it were to issue).

1.11 **"Derivative**" means a DFCI Antibody that has (a) been modified via isotype switching; (b) undergone a modification of effector function; (c) been adapted to enable the antibody to carry payloads; (d) been altered to change the expression characteristics, stability or biological half-life of the antibody; or (e) been mutated using an affinity maturation strategy designed to modify the affinity of either the variable regions and/or the constant regions of the antibody for any ligands, antigens or receptors. Derivatives may be full length antibodies, monoclonal and polyclonal antibodies, multispecific antibodies (e.g., bi-specific antibodies) and antibody fragments (including Fab, Fab', F(ab')2, Fy fragments, diabodies, linear antibodies and single-chain antibodies), in each case, of any origin, whether human, humanized, chimeric or otherwise.

1.12 **"Development" or "Develop"** means, with respect to a Licensed Product, the performance of all preclinical and clinical development (including, without limitation, toxicology, pharmacology, test method development and stability testing, process development, formulation development, quality control development, statistical analysis), clinical trials, and manufacturing and regulatory activities that are required to obtain Regulatory Approval of such Licensed Product.

1.13 **DFCI Antibodies**" means the Antibodies supplied by or on behalf of DFCI to CTI under this Agreement as identified in Schedule 4.

1.14 **"DFCI Know-How**" means any and all Know-How that (a) is Controlled by DFCI or any of its Affiliates as of the Effective Date and (b) was developed in the laboratory of Dr. Wayne Marasco in the performance of research directly pertaining to the DFCI Patents and (c) is necessary for CTI to research, Develop, manufacture, use, or Commercialize Licensed Products. The DFCI Know-How is described in Schedule 2 hereto.

1.15 **"DFCI Materials"** means all materials Controlled by DFCI and supplied by DFCI to CTI under the License Agreement as identified in Schedule 3, together with any progeny or unmodified derivatives that may be developed by CTI or DFCI or TGTX. For the avoidance of doubt, "DFCI Materials" excludes the DFCI Antibodies and Derivatives.

1.16 **"DFCI Patents"** means (a) those patents and patent applications set forth onSchedule 3 hereto; (b) any additions, divisionals, continuations, conversion, supplemental examinations, extensions, term restorations, registrations, reinstatements, amendments, reissuances, corrections, substitutions, re-examinations, registrations, revalidations, supplementary protection certificates, renewals, and foreign counterparts of the patents and patent applications mentioned in clause (a) above; (c) all patents issuing from any of the patents and patent applications mentioned in clause (a) or (b) above and any foreign counterparts of any such patents and patent applications, and which shall include, in any case, patents surviving post grant review and inter partes review.

1.17 **"DFCI Technology"** means the DFCI Patents, DFCI Know-How, DFCI Antibodies, Derivatives, and DFCI Materials.

1.18 **"EMA"** means the European Medicines Agency or any successor agency.

1.19 **"European Commission"** means the authority within the European Union that has the legal authority to grant Regulatory Approvals in the European Union based on input received from the EMA or other competent Regulatory Authorities.

1.20 **"FDA"** means the United States Food and Drug Administration, or a successor federal agency thereto.

1.21 **"Field"** means all prophylactic, palliative, therapeutic or diagnostic uses in humans or animals for the prevention, diagnosis and treatment of hematological malignancies, including, without limitation, all Leukemia's, Lymphoma's, Multiple Myeloma and Waldentroms Macroglobulemia, but specifically excluding use in chimeric antigen receptor technology. Additionally, upon exercise of the Autoimmune Option, the Field shall include the prevention, diagnosis and treatment of Autoimmune Diseases.

1.22 **"First Commercial Sale"** means, with respect to a Licensed Product in any country, the first commercial transfer or disposition for value of such Licensed Product in the Field in such country to a Third Party, by TGTX, by an Affiliate of TGTX or by a Sublicensee after Regulatory Approval therefor has been obtained in such country, for cash or non-cash consideration to which a fair market value can be assigned for purposes of determining Net Sales.

1.23 "**GAAP**" means United States generally accepted accounting principles.

1.24 "Governmental Body" means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal); (d) multi-national or supranational organization or body; or (e) individual, entity, or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.25 "Know-How" means any scientific or technical information, results and data of any type whatsoever, in any intangible form whatsoever, that is not in the public domain or otherwise publicly known and is not claimed or disclosed in a patent or pending patent application, including practices, protocols, regulatory filings, scientific techniques, works of authorship, plans, data (including, but not limited to, pharmacological, biological, chemical, toxicological, clinical and analytical information, quality control, trial and stability data), data analyses, reports, studies and procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), summaries and information contained in submissions to and information from ethical committees, the FDA or other Regulatory Authorities, and manufacturing process and development information. The fact that an item is known to the public shall not be taken to exclude the possibility that a compilation including the item, and/or a development relating to the item, is (and remains) not known to the public. "Know-How" excludes DFCI Patents, DFCI Antibodies, and DFCI Materials.

1.26 "Law" or **"Laws"** means all applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the binding effect of law of any Governmental Body.

1.27 "Licensed Product" means any pharmaceutical product, in any dosage form, preparation, composition, formulation, presentation or package configuration, (a) that is Covered in whole or in part by a Valid Claim in the DFCI Patents, (b) that incorporates, constitutes, or contains DFCI Antibodies or Derivatives as an active ingredient, or (c) that shares at least [*]% of the amino acid sequence identity (combined or in the aggregate) to all the complementarity determining regions (CDRs) of any DFCI Antibodies or Derivatives and made using DFCI Technology.

1.28 "Licensed Process" means processes which, (a) in the course of being practiced, is Covered in whole or in part by a Valid Claim in the DFCI Patents, or (b) which incorporates or uses DFCI Antibodies or Derivatives in whole or in part.

1.29 "NDA" means a New Drug Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. CFR § 314.3 et seq., a Biologics License Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. CFR § 601, and any equivalent application submitted in any country, including a European Marketing Authorization Application, together, in each case, with all additions, deletions or supplements thereto.

[*] Confidential material redacted and filed separately with the Commission.

1.30 **"NDA Approval"** means the receipt of notice from the relevant US Regulatory Authority that an NDA for a Licensed Product has met all the criteria for marketing approval.

1.31 **"Net Sales"** means the gross income derived by TGTX or its Affiliates or Sublicensees to unrelated Third Parties for a Licensed Product in the Field in bona-fide arms-length transactions, less the following deductions, which may not exceed reasonable and customary amounts in the country in which the transaction occurs:

(a) Normal and customary trade, quantity, cash and discounts and credits allowed and taken;

(b) Discounts, refunds, rebates, chargebacks, retroactive price adjustments, and any other allowances given and taken which effectively reduce the net selling price, including, without limitation, Medicaid rebates, institutional rebates or volume discounts;

(c) Product returns and allowances;

(d) Administrative fees paid to group purchasing organizations (e.g., Medicare) and government-mandated rebates;

(e) Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

(f) Any tax, tariff or duties imposed on the sale, delivery or use of the Licensed Product, including, without limitation, sales, use, excise or value added taxes and customs and duties, but all only to the extent included as a separate line item (e.g., "taxes") in the gross amount invoiced.

(g) Bad debt actually written off during the accounting period (provided, that any bad debt write-off so taken which is later reversed shall be added back to Net Sales in the accounting period in which the reversal occurs).

No deduction shall be made for any item of cost incurred by TGTX, its Affiliates or Sublicensees in Developing or Commercializing Licensed Products except as permitted pursuant to clauses (a) through (g) of the foregoing.

Net Sales includes the fair market value of any non-cash consideration from sale of Licensed Products received by TGTX, its Affiliates or Sublicenses. Licensed Products are considered "sold" when billed, invoiced, or payment is received, whichever occurs first.

Notwithstanding the foregoing, amounts invoiced by TGTX and its Affiliates and Sublicensees for sales of Licensed Products among TGTX and its Sublicensees and their respective Affiliates for resale shall not be included in the computation of Net Sales except where such purchasing party is an end user or consumer of Licensed Products.

Net Sales of any Combination Product (as defined below) for the purpose of calculating royalties due under this Agreement shall be determined on a country-by-country basis as follows: the Net Sales of the Combination Product (prior to application of the following adjustment) shall be multiplied by the fraction A/(A+B), where A is the net selling price in such country of a Licensed Product without the additional active ingredient in the Combination Product, if sold separately for the same dosage as contained in the Combination Product, and B is the net selling price in such country of any other active ingredients (or delivery device) in the combination if sold separately for the same dosage (or form) as contained in the Combination Product. All net selling prices of the elements of such end-user product or service shall be calculated as the average net selling price of the said elements during the applicable accounting period for which the Net Sales are being calculated. In the event that, in any country, no separate sale of either such above-designated Licensed Product (containing only such Licensed Product and no other active ingredients) or any one or more of the active ingredients included in such Combination Product are made during the accounting period in which the sale was made or if the net selling price for an active ingredient cannot be determined for an accounting period, Net Sales for purposes of determining payments under this Agreement shall be calculated by multiplying the sales price of the Combination Product by the fraction C/(C+D) where C is the standard fully-absorbed manufacturing cost of the Licensed Product portion of the combination, and D is the standard fully-absorbed manufacturing cost of the other active ingredients or components included in the Combination Product, as determined by TGTX using its standard accounting procedures consistently applied. In the event that the standard fully-absorbed manufacturing cost of the Licensed Product and/or the other active ingredients or components included in such Combination Product cannot be determined, Net Sales allocable to the Licensed Product in each such country shall be determined by mutual agreement reached in good faith by the parties prior to the end of the accounting period in question based on an equitable method of determining same that takes into account, on a country-by-country basis, all relevant factors (including variations in potency, the relative contribution of each active ingredient in the combination, and relative value to the end user of each active ingredient).

1.32 **"Person"** means any natural person, corporation, firm, business trust, joint venture, association, organization, company, partnership or other business entity, or any government or agency or political subdivision thereof.

1.33 **"Phase I Trial"** means a clinical trial of a Licensed Product in human patients designated as a Phase I Trial and conducted primarily for the purpose of determining the safety of and/or the metabolism and pharmacologic actions of the Licensed Product in humans, as described under 21 CFR § 312.21(a) (as hereafter modified or amended) and any of its foreign equivalents. For purposes of this definition, Phase I Trial shall specifically exclude trials in healthy volunteers.

1.34 **"Phase II Trial"** means a clinical trial of a Licensed Product, designated as a Phase II Trial and the principal purpose of which is to make a preliminary determination that such Licensed Product is safe and active in a patient population for its intended use and is designed to obtain sufficient information about such Licensed Product's efficacy to permit the design of a Phase III Trial(s), and generally consistent with 21 CFR § 312.21(b). For purposes of this definition, Phase II trial shall specifically exclude expansion cohorts from Phase I Trial(s).

1.35 "Phase III Trial" means a clinical trial of a Licensed Product in human patients, which is designated as a Phase III Trial or a pivotal trial and is designed (a) to establish that the Licensed Product is safe and efficacious for its intended use; (b) to define warnings, precautions and adverse reactions that are associated with the Licensed Product in the dosage range to be prescribed; and (c) to be, either by itself or together with one or more other clinical trials having a comparable design and size, the final human clinical trial in support of Regulatory Approval of the Licensed Product, and (d) consistent with 21 CFR § 312.21(c) (as hereafter modified or amended) and any of its foreign equivalents.

1.36 "Regulatory Authority" means (a) the FDA, (b) the EMA or the European Commission, or (c) any regulatory body with similar regulatory authority over pharmaceutical or biotechnology products in any other jurisdiction anywhere in the world.

1.37 "Regulatory Approval" means any and all approvals, licenses, registrations, or authorizations of the relevant Regulatory Authority, necessary for the Development, manufacture, use, storage, import, transport and Commercialization of a given Licensed Product in a particular country or jurisdiction. For the avoidance of doubt, Regulatory Approval outside of the United States shall include any pricing or marketing approval needed prior to the sale of a Licensed Product in the Field.

1.38 "Royalty Term" means, on a Licensed Product-by-Licensed Product and country-by-country basis, the period from the First Commercial Sale of a given Licensed Product in such country until the later of (i) ten (10) years after First Commercial Sale of the applicable Licensed Product in such country, or (ii) the expiry of the last-to-expire DFCI Patent containing a Valid Claim to the Licensed Product in such country, provided that TGTX's obligation to pay royalties hereunder shall not extend beyond the obligation of CTI to DFCI under the License Agreement.

1.39 "Sublicensee" means a Person, other than an Affiliate of TGTX, to which TGTX (or its Affiliate) has, pursuant to Section 2.3, granted sublicense rights under any of the license rights granted under Section 2.1. **"Sublicense**" shall be construed accordingly.

1.40 "**Sublicense Revenue**" means any payments or other consideration that CTI actually receives from a Sublicensee as consideration for the grant of a Sublicense, including, without limitation, milestone payments, license fees, license maintenance fees and equity. Sublicense Revenue excludes (i) purchases of equity or debt of TGTX, (ii) payments made for GTX's performance of any research, Development, or Commercialization of any Licensed Product, (iii) (b) royalties on Net Sales (or, in the case of a profit sharing deal structure, shares of net profits) which are covered in Section 5.9, and (iv) any payment or reimbursement of any costs or expenses incurred by TGTX for filing, prosecution, maintenance, or defense of any DFCI Patents. In the event such consideration received from a Sublicensee is not cash, Sublicense Revenue shall be calculated by TGTX based on the fair market value of such consideration, at the time of the transaction, assuming an arm's length transaction made in the odinary course of business.

1.41 "Tax" or **"Taxes"** means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

1.42 **"Third Party"** means any Person other than DFCI, CTI, or Affiliates of either of them, or any Sublicensees.

1 . 4 3 **"Third Party Action"** means any claim or action made by a Third Party against a Party that claims that a Licensed Product, or its use, Development, manufacture or sale infringes such Third Party's intellectual property rights.

1.44 **"United States"** or **"US"** means the United States of America and its territories and possessions.

1.45 "**Valid Claim**" means (a) a claim of an issued and unexpired patent that has not been held permanently revoked, invalid or unenforceable by a patent office, court or other governmental agency of competent jurisdiction in a final and non-appealable judgment (or judgment from which no appeal was taken within the allowable time period) and that is not admitted to be invalid or unenforceable through reissue, disclaimer or otherwise (i.e. only to the extent the subject matter is disclaimed or is sought to be deleted or amended through reissue or (b) a claim of a pending patent application within DFCI Patents that has not been abandoned, finally rejected or expired without the possibility of appeal or refiling, provided that (i) Valid Claim shall exclude any such pending claim in an application that has not been granted within the latter of five (5) years after the Effective Date or seven (7) years following the earliest priority filing date for such application (unless and until such claim is granted) and (ii) Valid Claim will exclude any such pending claim that does not have a reasonable bona fide basis for patentability, in either case of (i) or (ii), unless and until such claim is granted. Notwithstanding the foregoing, in the event that a claim in a pending patent application is involved in an interference action declared by the US Patent and Trademark Office or any analogous patentability determination by any other national patent office, and, at the time such proceeding is filed or initiated such claim is a Valid Claim, the time period set forth in subsection (i) above will be stayed for the pendency of such proceeding.

ARTICLE II
LICENSES AND OTHER RIGHTS

2.1 **Grant of License to TGTX**.

(a) Subject to the terms and conditions of this Agreement and the License Agreement, and the reserved rights described in Section 2.4 and Section 2.5 of the License Agreement, effective immediately at the time TGTX is no longer deemed to be an Affiliate of CTI, CTI hereby grants to TGTX, and TGTX hereby accepts, an exclusive, worldwide, royalty-bearing right and license (with the right to sublicense, subject to the provisions of Section 2.3) under the DFCI Patents to (i) research, Develop, manufacture, have manufactured, use, import and Commercialize and have Commercialized the Licensed Products, in and for the Field and (ii) to practice and have practiced any Licensed Processes, in and for the Field. CTI and its Affiliates grant no licenses or rights by implication, estoppel or otherwise under any other patent applications or patents owned in whole or in part by DFCI other than as expressly set forth herein.

(b) Subject to the terms and conditions of this Agreement, effective immediately at the time TGTX is no longer deemed to be an Affiliate of CTI, CTI hereby grants TGTX a non-exclusive license under DFCI's rights in and to the DFCI Materials listed in Schedule 3 solely in support of the exercise of TGTX's license rights under Section 2.1(a). TGTX shall not have the right and shall be prohibited from selling, transferring, or distributing the DFCI Materials to end users, except in the case where such end users are CTI Affiliates or Sublicensees under this Agreement. This Section 2.1(b) shall not affect the rights granted to TGTX hereunder to research, Develop, manufacture, have manufactured, use, import and Commercialize and have Commercialized Licensed Products made from or using such DFCI Materials.

2.2 Affiliates. Effective immediately at the time TGTX is no longer deemed to be an Affiliate of CTI, TGTX is entitled to extend its licenses under this Article II to its Affiliates, consistent with all of the terms and conditions of this Agreement. If TGTX does extend its license and an Affiliate assumes obligations under the Agreement, TGTX shall be responsible and liable for the acts or omissions of the Affiliate in the exercise of rights under this Agreement. If CTI has a claim arising under this Agreement against an Affiliate, CTI may seek a remedy directly against TGTX and may, but is not required to, seek a remedy against the Affiliate. Any termination of the Agreement under Article X as to TGTX also constitutes termination as to any Affiliates.

2.3 Grant of Sublicenses by TGTX. Effective immediately at the time TGTX is no longer deemed to be an Affiliate of CTI, TGTX shall have the right, in its sole discretion, to grant Sublicenses, in whole or in part, under the license granted in Section 2.1; provided, however, that the granting by TGTX of a Sublicense shall not relieve TGTX of any of its obligations hereunder; and provided, further, that TGTX's right to grant a Person a Sublicense shall be subject to TGTX including within such Sublicense express provisions binding the Sublicensee to terms and condition consistent with those contained herein. TGTX shall be and remain fully responsible and primarily liable for the compliance by Sublicensees with the terms and conditions of this Agreement (as applicable to them) as if such Sublicensees were TGTX hereunder. TGTX shall promptly provide a copy of each executed sublicense agreement and any modifications of the sublicense agreement (provided that such copy may be redacted to remove commercially sensitive terms that are not necessary to confirm compliance with the terms and conditions of this Agreement) following execution of such agreement.

2.4 Delivery of DFCI Know-How, DFCI Antibodies, and DFCI Materials. Effective immediately at the time TGTX is no longer deemed to be an Affiliate of CTI, CTI shall deliver to TGTX DFCI Know-How, DFCI Antibodies, and DFCI Materials within sixty (60) days of the Effective Date of this Agreement.

2.5 Extension of Rights. During such time as TGTX is deemed an Affiliate of CTI, CTI extends to TGTX all of its rights under the License Agreement subject to the terms and conditions of this Agreement and the License Agreement, provided that such rights shall be limited to the Field and shall exclude the right to make and have made Licensed Products. TGTX hereby assumes the obligations of CTI under the License Agreement with respect to its exercise of rights thereunder. Such extension of rights shall automatically terminate at the time TGTX is no longer deemed to be an Affiliate of CTI. It is the intention of TGTX and CTI for this Agreement to be consistent with the License Agreement. During the term of this Agreement, if CTI shall default on any obligations owed DFCI then TGTX shall have the right to cure such defaults and set any amounts incurred by TGTX in curing such defaults against any future payments TGTX may owe to CTI.

ARTICLE III
RIGHTS, DUTIES AND DILIGENCE

3.1 Diligence by TGTX. TGTX shall use Commercially Reasonable Efforts to Develop and to Commercialize Licensed Products targeting PD-L1 and GITR in the Field. The Parties acknowledge that TGTX may Develop and Commercialize Licensed Products that are a Combination Product containing one or more DFCI Antibodies or Derivatives. Except as otherwise provided herein or agreed upon in writing, CTI agrees that it will not make, use or sell Licensed Products in the Field ("Exclusivity Covenant"). In addition, TGTX shall have the option (the "Autoimmune Option") to include Autoimmune Diseases in the Field by providing notice to CTI and making a $1,000,000 payment. Such Autoimmune Option can be exercised up to 3 years from the date hereof.

3.2 Projected Milestone Dates. TGTX shall use its commercially reasonable efforts to meet the following milestones ("Milestones") by the dates specified in this paragraph, subject to annual adjustment as described below.

For purposes of this Section 3.2, CTI will consider efforts of an Affiliate or Sublicensee as efforts of TGTX.

(a) Milestone Dates for a Licensed Product Targeting PD-L1

Milestone	Achievement Date
- *for first PD-L1 Licensed Product	* years from the Effective Date
- * for first PD-L1 Licensed Product	* years from the Effective Date
- * for first PD-L1 Licensed Product	* years from the Effective Date
- * for first PD-L1 Licensed Product	* years from the Effective Date
- * for first PD-L1 Licensed Product	* years from the Effective Date
- * for first PD-L1 Licensed Product	* years from the Effective Date
- * for first PD-L1 Licensed Product	* Years from the Effective Date

* Confidential material redacted and filed separately with the Commission.

(b) Milestone Dates for a Licensed Product Targeting GITR

Milestone	Achievement Date
- * for first GITR Licensed Product	* years from the Effective Date
- * for first GITR Licensed Product	* years from the Effective Date
- * for first GITR Licensed Product	* years from the Effective Date
- * for first GITR Licensed Product	* years from the Effective Date
- * for first GITR Licensed Product	* years from the Effective Date
- * for first GITR Licensed Product	* years from the Effective Date
- * for first GITR Licensed Product	* Years from the Effective Date

3.3 Adjustments. The parties acknowledge that since the program is in early pre-clinical development that the dates included in the Milestone table above are rough estimates to provide DFCI and CTI a preliminary projection of what can be achieved by what dates, the accuracy of which the parties agree is impossible to predict and will be based on many factors completely outside the control of TGTX and its Diligence Efforts. On an annual basis, with its report contained below, TGTX will, in good faith, update the dates in the Milestones table above to provide CTI an updated assessment of the timing of the upcoming milestones. Upon providing such update, the table above shall be deemed amended notwithstanding Section 11.5 hereof.

3.4 Development and Commercialization Reports. Within 50 days of the Effective Date and at least 10 days before each anniversary of the Effective Date, TGTX shall provide to CTI a written report describing the efforts by TGTX, or any Affiliates or Sublicensees, to bring one or more Licensed Products to the marketplace. The report must be in sufficient detail to permit CTI to monitor TGTX' compliance with the due diligence provisions of this Agreement.

* Confidential material redacted and filed separately with the Commission.

TGTX shall include at least the following in these reports: (a) a summary of TGTX' progress toward meeting the goals and objectives that had been established for the previous year; (b) a summary of TGTX' goals and objectives for the ensuing year for developing and commercializing Licensed Products, including an identification of Licensed Products that TGTX intends to develop, if any; and (c) to the extent not covered by the foregoing, a summary of TGTX' progress in meeting the Milestone timelines above.

If multiple technologies are covered by this Agreement, the progress report must provide the information set forth above for each Licensed Product.

3.5 Failure to Perform. TGTX's failure to use commercially reasonable efforts to perform any due diligence requirement provided in Section 3.1 through 3.4 is grounds for CTI to terminate this Agreement according to Section 10.2(d); provided that CTI shall only have the right to terminate this Agreement with respect to the specific Licensed Product for which such failure is claimed and the Agreement shall remain in full force and effect for the remaining Licensed Products. In the alternative, CTI may terminate the Exclusivity Covenant (if such failure occurs while TGTX is an Affiliate of CTI) or convert the exclusive licenses granted under this Agreement to a non-exclusive license (if such failure occurs after the time TGTX ceases to be an Affiliate of CTI), as further provided in Section 3.6, as to the specific Licensed Product for which such failure is claimed.

3.6 Conversion to Non-exclusive License. If (i) the Exclusivity Covenant is terminated as provided in Section 3.5 or (ii) the exclusive license granted under this Agreement is converted to a non-exclusive license for any Licensed Product as provided in Section 3.5, this Agreement is automatically amended as follows as it relates to such Licensed Product; (a) the exclusive license of Section 2.1 becomes a non-exclusive license, (b) TGTX loses the right to grant sublicenses under Section 2.3; provided that any sublicense granted prior to such conversion shall continue and not be affected by such conversion, (c) the obligations of Sections 3.1 through 3.4 continue to apply, (d) the obligation under Section 3.10 no longer applies, (e) TGTX has no further rights or obligations under Article VI; provided that CTI shall keep TGTX apprised of any new filings of patent applications and issuance of patents that fall within the DFCI Patents, and (f) CTI has the sole right to pursue apparent infringements and the terms of Article VI no longer apply.

3 . 7 Costs and Expenses. As between CTI and TGTX, (a) TGTX shall be solely responsible for all costs and expenses related to Development, and Commercialization of the Licensed Products, including without limitation costs and expenses associated with all preclinical activities and clinical trials, and all regulatory filings and proceedings relating to Licensed Products in the Field and (b) CTI shall be the sole and exclusive manufacturer of Licensed Products for TGTX, such that TGTX shall purchase all of its requirements of Licensed Products from CTI and will not make or have made Licensed Products directly or through its Affiliates or Sublicensees) unless CTI is unable to provide sufficient supplies at competitive prices, the terms of which shall be negotiated in a manufacturing and supply agreement. CTI shall be solely responsible for all costs and expenses related to CMC including without limitation, CMC development and scale-up, CMC validation, analytical method development and validation, stability testing, manufacturing, finishing and release. TGTX shall reimburse CTI for CTI's out-of-pocket cost for Licensed Product used by TGTX for its Development activities and shall pay CTI a manufacturing transfer price for Commercial supplies equal to CTI's out-of-pocket cost of Licensed Product plus the lesser of: (a) 30% of such cost and (b) 3% of Net Sales generated by the materials supplied The Parties agree to execute a manufacturing and supply agreement within a reasonable time after the execution of the Agreement on these terms and including such other customary and reasonable terms.

3 . 8 .**Patent Marking**. TGTX agrees that with respect to each unit or package of Licensed Products sold in a given country, TGTX shall comply with the customary patent marking laws and practices of such country as to the applicable DFCI Patents.

3.9 Trademarks. As between TGTX and CTI, TGTX shall have the sole authority to select trademarks for Licensed Products and shall own all such trademarks. CTI does not grant TGTX the right to use any trademarks of CTI, DFCI or its Affiliates.

3.10 U.S. Manufacture. To the extent TGTX manufactures Licensed Products (e.g. if TGTX and CTI agree that CTI will no longer be the sole manufacturer of Licensed Products), TGTX shall manufacture Licensed Products leased, used or sold in the United States substantially in the United States as required by 35 U.S.C. 204 and 37 C.F.R. 401 et. seq., as amended. TGTX shall also require any Affiliate(s) or Sublicensee(s) to comply with this U.S. manufacture requirement. Notwithstanding the foregoing, if TGTX or its Affiliate(s) or Sublicensee(s) determines that it is not commercially feasible or reasonable to manufacture such Licensed Products in the United States or determines that it is necessary to have additional manufacturers outside the United States for back-up supply or to supply Licensed Products outside the United States, then CTI agrees to make reasonable efforts to assist TGTX, or its Affiliate(s) or Sublicensee(s), as applicable, at TGTX' expense, in obtaining any necessary permission from the appropriate government authorities to manufacture such Licensed Products outside the United States.

3.11 Other Government Laws. CTI shall comply with, and ensure that its Affiliates and Sublicensees comply with, all government statutes and regulations that relate to Licensed Products. These include but are not limited to FDA statutes and regulations, the Export Administration Act of 1979, as amended, codified in 50 App. U.S.C. 2041 et seq. and the regulations promulgated thereunder or other applicable export statutes or regulations.

3.12 Publicity. TGTX, its Affiliate and Sublicensees are not permitted to use the names of CTI, DFCI, its related entities or its employees, or any adaptations thereof, in any advertising, promotional or sales literature, or in any securities report required by the Securities and Exchange Commission (except as required by law), without the prior written consent of DFCI in each case. However TGTX may (a) refer to publications in the scientific literature by employees of DFCI or CTI or (b) state that a license from DFCI or CTI has been granted as provided in this Agreement.

3 . 1 3 Other Agreements. In the event that TGTX determines to conduct a clinical trial of a Licensed Product in the Field in the United States, TGTX shall consider in good faith and discuss with DFCI the potential of engaging DFCI to serve as a clinical site for such clinical trial; provided that (a) DFCI has the appropriate expertise and patient population to conduct the clinical trial, and (b) DFCI is economically competitive with other sites having substantially similar expertise and patient populations to conduct such clinical trial.

ARTICLE IV
REGULATORY MATTERS

4 . 1 **Regulatory Filings.** As between CTI and TGTX, TGTX (or its applicable Affiliate) shall own and maintain all regulatory filings made after the Effective Date for Licensed Products and all Regulatory Approvals for Licensed Products. Once per year, representatives from CTI may visit TGTX and review all such regulatory filings, provided such representatives do not have a conflict of interest or involvement with any competitive companies or technologies and agree to TGTX's confidentiality agreement.

ARTICLE V
Financial Provisions

5 . 1 **Upfront Fee**. Within twenty (20) days of the Effective Date, TGTX shall pay CTI an up-front, non-creditable, non-refundable fee in the amount of Five Hundred Thousand Dollars ($500,000).

5 . 2 **Maintenance Fee**. Within thirty (30) days following the second anniversary of the Effective Date and each anniversary thereafter, TGTX shall pay CTI an annual license maintenance fee in the amount of * Dollars ($*). Such fees are creditable against milestone payments due pursuant to Section 5.6, royalties due pursuant to Section 5.7 or Sublicense Revenue Share Payments (as defined in Section 5.9).

5.3 Reserved

5.4 **Milestone Payments.**

(a) **Product-based Milestones.** As further partial consideration for CTI's grant of the rights to TGTX hereunder, TGTX shall pay to CTI the following one-time, product-based milestone payments with regard to each Licensed Product (as specifically set forth below) to achieve the respective event, up to two (2) Licensed Products per product-based milestone. TGTX will pay the relevant milestone payment within 60 days of such achievement.

Product-based Milestones	**Milestone Payment**
Twelfth patient dosed in a Phase I Trial in the Field	$*
First dosing of any patient in a Phase II Trial in the Field	$*
First dosing of any patient in a Phase III Trial in the Field	$*
First Commercial Sale in the United States	$*
First Commercial Sale in the European Union	$*
First Commercial Sale in Japan	$*

* Confidential material redacted and filed separately with the Commission.

If any of the above milestones are triggered as a result of a combination approval of two or more Licensed Products or combination clinical trial of two or more Licensed Products, only one milestone payment shall be due to CTI as if the combination was a single Licensed Product.

b. **Aggregate Net Sales Achievement Milestones**. As further consideration for CTI's grant of the rights to TGTX hereunder, TGTX shall pay to CTI the following one-time milestone payments upon first achievement of worldwide Net Sales (as specifically set forth below) by TGTX and its Affiliates and Sublicensees. TGTX will pay the relevant milestone payment within 90 days of such achievement.

Aggregate Net Sales Achievement Milestones	
The first time aggregate worldwide Net Sales for all Licensed Products exceeds $* in any Calendar Year	$*
The first time aggregate worldwide Net Sales for all Licensed Products exceeds $* in any Calendar Year	$*
The first time aggregate worldwide Net Sales for all Licensed Products exceeds $* in any Calendar Year	$*

5.5 Royalty, Etc. Payments for Licensed Products.

(a) With respect to Net Sales of all Licensed Products: As further consideration for CTI's grant of the rights to TGTX hereunder, TGTX shall pay to CTI a royalty of on aggregate annual worldwide Net Sales of all such Licensed Products by TGTX and its Affiliates and Sublicensees (but excluding Net Sales of a given Licensed Product after its applicable Royalty Term) at the percentage rates set forth below:

Annual Worldwide Net Sales of All Licensed Products per Calendar Year (US Dollars)	**Incremental Royalty Rate**
For Net Sales of such Licensed Products from $0 up to and including $*	*%
For that portion of Net Sales of such Licensed Products that is greater than $*	*%

(b) In no event shall the manufacture of a Licensed Product give rise to a royalty/payment in the nature of royalties obligation until the particular unit of Licensed Product is sold; but if Net Sales of a particular unit of Licensed Product might or might not be subject to a royalty/payment in the nature of royalties payment (e.g., manufactured in Country A where the Royalty Term has expired but sold in Country B where the Royalty Term has not expired), the sale shall be deemed to be subject to a royalty/payment in the nature of royalties payment. For clarity, TGTX's obligation to pay royalties to CTI under Section 5.7(a) is imposed only once with respect to the same unit of Licensed Product regardless of the number of DFCI Patents pertaining thereto or the number of times such Licensed Product has been sold or transferred to a Person.

* Confidential material redacted and filed separately with the Commission.

(c) On a Licensed Product by Licensed Product and country-by-country basis, upon expiration of the Royalty Term for a Licensed Product in a country, the rights, licenses and sublicenses granted to TGTX hereunder with respect to such Licensed Product in such country shall continue in effect but become fully paid-up, royalty-free, and perpetual.

(d) Reserved.

(e) In the event that the DFCI Patents do not contain any Valid Claim Covering the composition of matter for any of the active pharmaceutical ingredients of a Licensed Product in a particular country, royalties due to CTI will be reduced by * percent (*%) of the applicable royalty rate as set forth in Section 5.7(a) for that Licensed Product in such country.

(f) In the event that a Licensed Product in a country is not Covered by a Valid Claim of a Licensed Patent, royalties with respect to such Licensed Product in such country shall be reduced by * percent (*%) of the applicable royalty rate as set forth in Section 5.7(a) and shall be due for the period commencing with the First Commercial Sale of such Licensed Product in such country and ending ten (10) years from date of such First Commercial Sale.

(g) Notwithstanding the above, in no event shall the royalty rates set forth in Section 5.7(a) be reduced under 5.7(d), (e), and (f) above by more than *% collectively.

5.6 Timing of Royalty Payment. Royalties/payments in the nature of royalties payable under Section 5.5 shall be payable on actual Net Sales and shall accrue at the time provided therefor by US GAAP. Royalty/payment in the nature of royalties obligations that have accrued during a particular Calendar Quarter shall be paid, on a Calendar Quarter basis, within 80 days after the end of each Calendar Quarter during which the royalty/payment in the nature of royalties obligation accrued; provided that within 40 days after the conclusion of each Calendar Year TGTX shall provide notice to CTI of any adjustments necessary to account for any royalties/payment in the nature of royalties which were overpaid or underpaid for such prior Calendar Year's Calendar Quarters, and the Parties shall promptly true-up based on such adjustments, provided however, the lapse of such 50-day period shall not impact the right of TGTX to credit any over-payments discovered during an audit against future royalties due under Section 5.5 hereof.

5.7 Sublicense Revenue. TGTX shall pay to CTI * percent (*%) of all Sublicense Revenue received by TGTX ("**Sublicense Revenue Share Payments**"). Sublicense Revenue Share Payments shall be paid, on a Calendar Quarter basis, within 80 days after the end of each Calendar Quarter during which the respective Sublicense Revenue is received.

5.8 Royalty Reports and Records Retention. Within 50 days after the end of each Calendar Quarter during which Licensed Products have been sold, TGTX shall deliver to CTI, together with the applicable royalty/payment in the nature of royalties payment due, a written report, on a Licensed Product-by-Licensed Product (and specifying non-Covered status, as applicable) and country-by-country basis, of (a) (a) Number of Licensed Products manufactured and sold by TGTX, and any Affiliates or Sublicensees, in each country; (b) gross invoiced (or otherwise charged) amounts of sales, by TGTX and its Affiliates and Sublicensees, of Licensed Products subject to royalty payments for such Calendar Quarter (and, if non-Covered, subject to royalty/payment in the nature of royalties payments for such Calendar Quarter), (c) amounts deducted by category (following the definition of Net Sales) from such gross invoiced amounts to calculate Net Sales, (d) Net Sales subject to royalty or royalty/payment in the nature of royalties payments for such Calendar Quarter and Calendar Year to date, and (e) the corresponding royalty or royalty/payment in the nature of royalties, and (f) the nature and amount of Sublicense Revenue received by TGTX. Such report shall be deemed "Confidential Information" of TGTX subject to the obligations of Article VII of this Agreement. For three years after each sale of a Licensed Product (whether Covered or not), TGTX shall keep (and shall ensure that its Affiliates and Sublicensees shall keep) complete and accurate records of such sale in sufficient detail to confirm the accuracy of the royalty or royalty/payment in the nature of royalties calculations hereunder.

* Confidential material redacted and filed separately with the Commission.

5.9 CTI shall be solely responsible for paying directly to DFCI all payments due to DFCI under Section 5 of the License Agreement that arise out of the exercise of rights by TGTX under this Agreement, including, without limitation, royalties on TGTX's Net Sales.

5.10 Books and Audits.

TGTX shall keep, and shall require its Affiliates and Sublicensees to keep, true books of account containing an accurate record (together with supporting documentation) of all data necessary for determining the amounts payable to CTI. TGTX shall keep it records at its principal place of business or the principal place of business of the appropriate division of TGTX to which this Agreement relates and shall require its Affiliates and Sublicenses to keep their books and records in the same manner.

(a) Commencing on the earlier of (i) the First Commercial Sale (of the first Licensed Product to have a First Commercial Sale) or (ii) receipt of Sublicense Revenue, and continuing until one Calendar Year after the conclusion of the final Royalty Term, upon the written request of CTI, and not more than once in each Calendar Year, TGTX shall permit, shall cause its Affiliates to permit, an independent certified public accounting firm of nationally recognized standing selected by CTI (who has not been engaged by CTI to provide services in any other capacity at any time during the three-year period before such selection), and reasonably acceptable to TGTX or such Affiliate, to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of TGTX and its Affiliates to verify the accuracy of the royalty payments and Sublicense Revenue Share Payments. Such review may cover: (i) the records for the Calendar Year ending not more than three years before the date of such request, and (ii) only those periods that have not been subject to a prior audit.

(b) If such accounting firm concludes that additional amounts were owed during such period, TGTX shall pay the additional royalties and/or royalties/payment in the nature of royalties within 15 days after the date such public accounting firm delivers to TGTX such accounting firm's written report. If such accounting firm concludes that an overpayment was made, such overpayment shall be fully creditable against amounts payable in subsequent payment periods. If TGTX disagrees with such calculation, TGTX may contest such calculation in writing – at which point the parties will work in good faith to submit the matter to a mediator for resolution. If the parties are unable to reach an agreement via mediation, then TGTX may initiate a court action to seek to recover the additional payment or to increase the amount of credit or reimbursement. CTI shall pay for the cost of any audit by CTI, unless TGTX has underpaid CTI by 5% or more for a specific royalty period, in which case TGTX shall pay for the reasonable costs of audit, as well as any additional sum that would have been payable to CTI had the TGTX reported correctly, plus interest as set forth in Section 4.14.

(c) Each Party shall treat all information that it receives under this Section 5.10 in accordance with the confidentiality provisions of Article VII of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with the audited Party obligating such firm to retain all such financial information in confidence pursuant to such confidentiality agreement, except to the extent necessary for a Party to enforce its rights under the Agreement.

5.11 Mode of Payment and Currency. All payments to CTI under this Agreement, whether or not in respect of Net Sales or milestone events, shall be made by deposit of US Dollars in the requisite amount to the following, which CTI may from time to time amend by advance written notice to TGTX.

by check:

Checkpoint Therapeutics, Inc.
3 Columbus Circle

New York, NY10019

by wire transfer:

[To be provided]

Conversion of sales or expenses recorded in local currencies to Dollars will be performed in a manner consistent with TGTX's normal practices used to prepare its audited financial statements for external reporting purposes, provided that such practices use a widely accepted source of published exchange rates. Based on the resulting Net Sales in US Dollars, the then applicable royalties/payment in the nature of royalties shall be calculated.

5.12 Late Payments. If a Party does not receive payment of any sum due to it on or before the due date therefor, simple interest shall thereafter accrue on the sum due to such Party from the due date until the date of payment at a rate equal to the lesser of (a) US dollar one-month LIBOR plus 300 basis points, or (b) the maximum rate permissible under applicable Law. Accrual and payment of interest shall not be deemed to excuse or cure breaches of contract arising from late payment or nonpayment. Waiver or deferral by CTI of any payment owed under any paragraph under this Article V may not be construed as a waiver or deferral of any subsequent payment owed by TGTX to CTI.

5.13 Taxes. All amounts due hereunder exclude all applicable sales, use, and other taxes and duties, and TGTX shall be responsible for payment of all such taxes (other than taxes based on CTI's income) and duties and any related penalties and interest, arising from the payment of amounts due under this Agreement. The Parties agree to cooperate with one another and use Commercially Reasonable Efforts to avoid or reduce tax withholding or similar obligations in respect of royalties, payments in the nature of royalties, milestone payments, and other payments made by TGTX to CTI under this Agreement. To the extent TGTX is required to withhold taxes on any payment to CTI, TGTX shall pay the amounts of such taxes to the proper governmental authority in a timely manner and promptly transmit to CTI official receipts issued by the appropriate taxing authority and/or an official tax certificate, or such other evidence as CTI may reasonably request, to establish that such taxes have been paid. CTI shall provide TGTX any tax forms that may be reasonably necessary in order for TGTX to not withhold tax or to withhold tax at a reduced rate under an applicable bilateral income tax treaty. CTI shall use Commercially Reasonable Efforts to provide any such tax forms to TGTX at least 45 days before the due date for any payment for which CTI desires that TGTX apply a reduced withholding rate. Each Party shall provide the others with reasonable assistance to enable the recovery, as permitted by applicable law, of withholding taxes, value added taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the Party bearing such withholding tax or value added tax. CTI shall indemnify and hold TGTX harmless from and against any penalties, interest or other tax liability arising from any failure by TGTX (at the express request of CTI) to withhold or by reduction (at the express request of CTI) in its withholding.

5.14 Currency Conversion. If any currency conversion is required in connection with any payment owed to CTI, the conversion will be made at the buying rate for the transfer of such other currency as quoted by the Wall Street Journal on the last business day of the applicable accounting period in the case of any payment payable with respect to a specified accounting period or, in the case of any other payment, the last business day before the date the payment is due.

ARTICLE VI
Patents

6.1 Patent Prosecution and Maintenance.

(a) **DFCI Patents**. TGTX shall reimburse CTI for [*]% of the patent expenses incurred under the License Agreement.

(b) **New or Revised Applications**. CTI will, upon learning from DFCI of an intention to file or revise one or more patent applications which are DFCI Patents subject to the License grant in Article II, promptly inform TGTX of such intention, and will provide TGTX with the opportunity to comment on the content of such DFCI patent application before CTI sends comments to DFCI on such filing. CTI shall include any such reasonable TGTX comments in the comments to be sent to DFCI.

[*] Confidential material redacted and filed separately with the Commission.

(c) **Liaising.** CTI shall keep TGTX promptly and regularly informed of the course of the filing and prosecution of DFCI Patents or related proceedings (e.g. interferences, oppositions, reexaminations, reissues, revocations or nullifications) in a timely manner, and to reasonably take into consideration the advice and recommendations of TGTX.

(d) **Election Not to File/Prosecute/Maintain DFCI Patents**. TGTX acknowledges and agrees that DFCI shall not be required to file, prosecute or maintain the DFCI Patents, provided, however, if DFCI decides to not pursue or maintain any such DFCI Patents then CTI shall promptly notify TGTX so the Parties can determine if they would like to assume responsibility for such activities in DFCI's name but at the Parties expense. In such event, TGTX will no longer owe any royalty obligation on account of such (country-level) DFCI Patents assumed by the Parties. Similarly, to the extent CTI does not want to continue funding the patent costs of any portion of DFCI Patents, CTI will notify TGTX and give TGTX an opportunity to assume responsibility for such Patents at TGTX's expense and shall owe DFCI directly the royalties due under the License Agreement and shall no longer owe royalty obligation to CTI on account of such (country-level) DFCI Patents assumed by TGTX. TGTX acknowledges that if neither CTI or TGTX continue funding patent costs then such portion of DFCI Patents will no longer be included as DFCI Patents.

6.2 Certification under Drug Price Competition and Patent Restoration Act. Each of TGTX and CTI shall provide within a reasonable time written notice to the other of any certification of which they become aware filed pursuant to 21 U.S.C. Section 355(b)(2)(A) (or any amendment or successor statute thereto) claiming that any DFCI Patents covering a Licensed Product, or the manufacture or use of each of the foregoing, are invalid or unenforceable, or that infringement will not arise from the manufacture, use or sale in the US of a Licensed Product by a Third Party.

6.3 Listing of Patents. To the extent a DFCI Patent is applicable solely in the Field, TGTX shall have the sole right to determine which of such DFCI Patents, if any, shall be listed for inclusion in the Approved Drug Products with Therapeutic Equivalence Evaluations publication pursuant to 21 U.S.C. Section 355, or any successor Law in the United States, together with any comparable Laws in any other country. DFCI will co-operate with CTI to list any of said DFCI Patents.

6.4 Enforcement of Patents.

(a) **Notice.** If either TGTX or CTI believes that a DFCI Patent is being infringed in the Field by a Third Party or if a Third Party claims that any DFCI Patent is invalid or unenforceable, the Party possessing such knowledge or belief shall notify the other and provide it with details of such infringement, misappropriation or claim that are known by such Party.

(b) **Action by DFCI.**

(i) **Procedure.** TGTX acknowledges that DFCI is responsible for enforcing its DFCI Patents and prosecuting apparent infringers when, in DFCI's judgment, such action may be reasonably necessary and justified. TGTX may request that CTI request DFCI to take steps to protect the DFCI Patents from an apparent infringement. However, TGTX recognizes that before DFCI must respond to the request, TGTX shall supply CTI to provide to DFCI (i) an opinion of qualified legal counsel demonstrating to DFCI's reasonable satisfaction that an infringement of the DFCI Patents exists in a particular country and (ii) with written evidence demonstrating to DFCI's reasonable satisfaction that a Substantial Infringement of the DFCI Patents exists in a particular country ("Substantial Infringer").

(ii) DFCI has three months from the date of receiving satisfactory written evidence from CTI of a Substantial Infringement to decide whether it will seek to terminate the Substantial Infringement. DFCI shall give CTI notice of its decision by the end of this three-month period, which CTI shall promptly forward to TGTX. If DFCI notifies CTI that it intends to prosecute the alleged infringer, then DFCI has six (6) months from the date of its notice to CTI to either (a) cause the Substantial Infringement to terminate or (b) initiate legal proceedings against the infringer. If any such suit is brought by DFCI in its own name, or jointly with CTI if required by law, it will be at DFCI's expense and on its own behalf, but DFCI shall not be obligated to bring more than one such suit at a time.

(i i i) **CTI's Right to Join.** If CTI shall exercise its rights to join any legal proceeding brought by DFCI under Section 6.4 of the License Agreement, then TGTX shall have the right to join CTI under the same terms and conditions of paragraph 6.4(b)(iii) of the License Agreement.

(c) **Action by CTI and TGTX.**

(i) **Procedure.** If CTI has the right to prosecute a Substantial Infringement under Section 6.4(c) of the License Agreement, then CTI shall promptly notify TGTX, and it may initiate a legal proceedings against the alleged infringer. If CTI decides that it will not commence any legal proceeding with respect to the Substantial Infringement, then TGTX shall be given the rights to prosecute granted to CTI under Section 6.4(c).

(ii) **TGTX's Right To Join.** TGTX independently has the right to join any legal proceeding brought by CTI under this Section 6.4 and fund up to fifty percent of the cost of the legal proceeding from the date of joining. If TGTX elects to join as a party plaintiff pursuant to this Section 6.4, TGTX may jointly participate in the action with CTI, but CTI's counsel will be lead counsel.

(iii) **Reduction of Royalties.** If CTI initiates legal proceedings under Section 6.4 of the License Agreement and TGTX joins pursuant to this Section 6.4, then TGTX shall have the same rights as CTI has under Section 6.4(c)(iii) of the License Agreement. Additionally, if TGTX prosecutes pursuant Section 6.4(i) of this Agreement after CTI decides not to prosecute and neither DFCI nor CTI independently join the proceeding, then TGTX may deduct up to * percent (*%) of TGTX's documented costs and expenses of the proceeding (including reasonable attorney fees) from running and minimum royalties payable to CTI under Section 5.7(a) of this Agreement from sales of Licensed Products covered by the patent(s)-in suit. However, TGTX may not reduce CTI's royalty payments by more than fifty percent of the amount otherwise due under Article V. If * percent (*%) of TGTX's costs and expenses exceed the amount of royalties deducted by TGTX for any calendar year, TGTX may, to that extent, reduce the royalties due to CTI in succeeding calendar quarters for so long as TGTX is actively engaged in legal proceedings to terminate the Substantial Infringement. However, TGTX may not reduce total royalties due to CTI in a given calendar quarter by more than * percent (*%). TGTX's right to reduce royalty payments to CTI under this paragraph 6.4(c)(iii) applies only for so long as the Substantial Infringement continues.

(iv) **Settlement.** Regardless of whether CTI or DFCI is joined or joins any legal proceeding initiated by TGTX, TGTX acknowledges and agrees that no settlement, consent judgment or other voluntary final disposition of the legal proceeding may be entered into without the consent of DFCI.

6.5 Cooperation. If one party initiates legal proceedings to enforce the DFCI Patents pursuant to this Article VI, the other party shall cooperate with and supply all assistance reasonably requested by the party initiating the proceedings, at the initiating party's request and expense.

6.6 Distribution of Amounts Paid by Third Parties. Any amounts recovered by the Party initiating an Action pursuant to this Section 6.6, whether by settlement or judgment, shall be allocated in the following order: to reimburse the Parties for all out-of-pocket costs and expenses incurred in connection therewith, including attorneys' fees. If such recovery is insufficient to cover all such costs and expenses of both Parties, it will be shared pro-rata in proportion to the relative amount of such costs and expenses incurred by each Party. If after such reimbursement any funds remain from such damages, the remaining amount of such recovery shall be allocated as follows: the portion thereof attributable to "lost sales" in the Field shall be retained by TGTX and shall be deemed to be Net Sales for the Calendar Quarter in which the amount is actually received by TGTX and TGTX shall pay to CTI a royalty on such portion based on the royalty rates set forth in Section 5.7(a), and the portion thereof not attributable to "lost sales" and is not allocated to DFCI under Section 6.6 of the License Agreement shall be allocated 50% to TGTX and 50% to CTI.

6.7 Declaratory Judgment Actions. In the event that any third party initiates a declaratory judgment action alleging the invalidity or unenforceability of the DFCI Patents with respect to claims relating solely to the Field, or if any third party brings an infringement action against TGTX or its Affiliates or Sublicensees because of the exercise of the rights granted TGTX under this Agreement, then TGTX shall have the right to defend such action under its own control and at its own expense; provided, however, that TGTX acknowledges that DFCI has the right to assume control of such defense, at its own expense, if DFCI in good-faith believes that assuming control of such defense is beneficial to CTI and DFCI. TGTX shall NOT enter into any settlement, consent judgment or other voluntary final disposition of any action under this Section 6.7 without the consent of the other party, which consent shall not be unreasonably withheld unless the settlement includes any express or implied admission of liability or wrongdoing on the other party's or DFCI's part, in which case the other party or DFCI's's right to grant or deny consent is absolute and at its sole discretion. Any recovery shall be first applied to reimburse each party pro rata for any out-of pocket expenses it may have incurred with respect to defense of such action and the remainder shall be retained entirely by the party controlling the action; provided, however, that any recovery for infringement will be distributed as described in Section 6.7.

* Confidential material redacted and filed separately with the Commission.

ARTICLE VII
CONFIDENTIALITY

7 . 1 Definitions. CTI and TGTX each recognizes that during the Term, it may be necessary for a Party (the "**Disclosing Party**") to provide Confidential Information (as defined herein) to another Party (the "**Receiving Party**") that is highly valuable, the disclosure of which would be highly prejudicial to such Party. The disclosure and use of Confidential Information shall be governed by the provisions of this Article VII. Neither Party shall use the other's Confidential Information except as expressly permitted in this Agreement. For purposes of this Agreement, "**Confidential Information**" means all information (including information relating to the business, operations and products of a Party or any of its Affiliates) disclosed by the Disclosing Party to the Receiving Party and which reasonably ought to have been understood to be confidential and/or non-public information at the time disclosed to the Receiving Party, or which is designated in writing by the Disclosing Party as "Confidential" (or equivalent), or which when disclosed orally to the Receiving Party is declared to be confidential by the Disclosing Party and is so confirmed in a writing delivered to the Receiving Party within 30 days after such oral disclosure, including but not limited to any technical information, Know-How, trade secrets, or inventions (whether patentable or not), that such Party discloses to another Party under this Agreement, or otherwise becomes known to another Party by virtue of or that relates to this Agreement.

7 . 2 Obligation. The Parties agree that they will disclose the other Party's Confidential Information to its own (or its respective Affiliate's, or with respect to TGTX, its Sublicensees') officers, employees, consultants and agents only if and to the extent necessary to carry out their respective responsibilities under this Agreement or in accordance with the exercise of their rights under this Agreement, and such disclosure shall be limited to the maximum extent possible consistent with such responsibilities and rights. Except as set forth in the foregoing sentence, no Party shall disclose Confidential Information of the other to any Third Party without the other's prior written consent. In all events, however, any and all disclosure to a Third Party (or to any such Affiliate or Sublicensee) shall be pursuant to the terms of a non-disclosure/nonuse agreement no less restrictive than this Article VII. The Party which disclosed Confidential Information of the other to any Third Party (or to any such Affiliate or Sublicensee) shall be responsible and liable for any disclosure or use by such Third Party, Affiliate or Sublicensee (or its disclosees) which would have violated this Agreement if committed by the Party itself. No Party shall use Confidential Information of the other except as expressly allowed by and for the purposes of this Agreement. Each Party shall take such action to preserve the confidentiality of each other's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information (but in no event less than a reasonable standard of care). Upon expiration or termination of this Agreement, each Party, upon the other's request, shall return or destroy (at Disclosing Party's discretion) all the Confidential Information disclosed to the other Party pursuant to this Agreement, including all copies and extracts of documents, within 60 days after the request, except for one archival copy (and such electronic copies that exist as part of the Party's computer systems, network storage systems and electronic backup systems) of such materials solely to be able to monitor its obligations that survive under this Agreement.

7.3 Exceptions. The non-use and non-disclosure obligations set forth in this Article VII shall not apply to any Confidential Information, or portion thereof, that the Receiving Party can demonstrate by competent evidence:

(a) at the time of disclosure is in the public domain;

(b) after disclosure, becomes part of the public domain, by publication or otherwise, through no fault of the Receiving Party or its disclosees;

(c) is made available to the Receiving Party by an independent Third Party without obligation of confidentiality; provided, however, that to the Receiving Party's knowledge, such information was not obtained by said Third Party, directly or indirectly, from the Disclosing Party hereunder; or

(d) is independently developed by an employee of the Receiving Party not accessing or utilizing the Disclosing Party's information.

In addition, the Receiving Party may disclose information that is required to be disclosed by law, by a valid order of a court or by order or regulation of a governmental agency including but not limited to, regulations of the SEC or in the course of arbitration or litigation; provided, however, that in all cases the Receiving Party shall give the other party prompt notice of the pending disclosure and make a reasonable effort to obtain, or to assist the Disclosing Party in obtaining, a protective order or confidential-treatment order preventing or limiting (to the greatest possible extent and for the longest possible period) the disclosure and/or requiring that the Confidential Information so disclosed be used only for the purposes for which the law or regulation required, or for which the order was issued.

7 . 4 Third Party Information. The Parties acknowledge that the defined term "Confidential Information" shall include not only a Disclosing Party's own Confidential Information but also Confidential Information of a Third Party which is in the possession of a Disclosing Party. The Parties agree not to disclose to the other any Confidential Information of a Third Party which is in the possession of such Party, unless the other has given an express prior written consent (which specifies the owner of such Confidential Information) to receive such particular Confidential Information.

7.5 Press Release Announcing the Execution of the License Agreement and Related Disclosures. Either Party may make an initial press release announcing the execution of this Agreement, including any matter covered by this Agreement, and the Development or Commercialization of Licensed Products, but such Party shall provide the text of such planned disclosure to the other Party sufficiently in advance of the scheduled disclosure to afford such other Party a reasonable opportunity to review and comment upon the proposed text and the timing of such disclosure, and shall consider all reasonable comments of the other Party regarding such disclosure. (Provided, that no Party shall use the trademark or logo of the other Party, its Affiliates or their respective employee(s) in any publicity, promotion, news release or public disclosure relating to this Agreement or its subject matter, except as may be required by Law or required by the rules of an applicable US national securities exchange or except with the prior express written permission of such other Party, such permission not to be unreasonably withheld.)

ARTICLE VIII
REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 Representations and Warranties. (a) TGTX represents and warrants to CTI, and (b) CTI represents to TGTX, in each case as of the Effective Date:

(a) Such Party is a corporation duly organized and validly existing under the Laws of the jurisdiction of its incorporation;

(b) Such Party has all right, power and authority to enter into this Agreement, and to perform its obligations under this Agreement;

(c) Such Party has taken all action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement;

(d) This Agreement is a legal and valid obligation of such Party, binding upon such Party and enforceable against such Party in accordance with the terms of this Agreement, except as enforcement may be limited by applicable bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and by general equitable principles;

(e) To the best of such party's knowledge, the execution, delivery and performance of this Agreement by such Party does not conflict with, breach or create in any Third Party the right to accelerate, terminate or modify any agreement or instrument to which such Party is a party or by which such Party is bound;

(f) To the best of such party's knowledge, all consents, approvals and authorizations from all governmental authorities or other Third Parties required to be obtained by such Party in connection with the execution and delivery of this Agreement have been obtained; and the execution, delivery and performance of this Agreement by such Party does not violate any Law of any Governmental Body having authority over such Party;

(g) No person or entity has or will have, as a result of the execution and delivery of or as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or upon such Party for any commission, fee or other compensation as a finder or broker because of any act by such Party or its Affiliates, agents or Sublicensees; and

(h) To the best of such party's knowledge, no agreement between it and any Third Party is in conflict with the rights granted to any other party pursuant to this Agreement.

8.2 Reserved.

8 . 3 Disclaimer. Notwithstanding the representations and warranties set forth in this Article VIII, TGTX acknowledges and accepts the risks inherent in attempting to Develop and Commercialize any pharmaceutical product. There is no implied representation that the Licensed Products can be successfully Developed or Commercialized.

8 . 4 CTI MAKES NO WARRANTY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY PATENT, TRADEMARK, SOFTWARE, NON-PUBLIC OR OTHER INFORMATION, DFCI MATERIALS, DFCI ANTIBODIES, KNOW-HOW, OR TANGIBLE RESEARCH PROPERTY, LICENSED OR OTHERWISE PROVIDED TO TGTX HEREUNDER AND HEREBY DISCLAIMS THE SAME.

8.5 TGTX DOES NOT WARRANT THE VALIDITY OF THE DFCI PATENTS LICENSED HEREUNDER AND MAKES NO REPRESENTATION WHATSOEVER WITH REGARD TO THE SCOPE OF THE LICENSED DFCI PATENTS OR THAT SUCH DFCI PATENTS MAY BE EXPLOITED BY TGTX, AFFILIATE OR SUBLICENSEE WITHOUT INFRINGING OTHER PATENTS. CTI MAKES NO REPRESENTATION THAT DFCI ANTIBODIES, DFCIMATERIALS OR THE METHODS USED IN MAKING OR USING SUCH DFCI MATERIALS OR DFCI ANTIBODIES ARE FREE FROM LIABILITY FOR PATENT INFRINGEMENT.

ARTICLE IX
INDEMNIFICATION; LIMITATION OF LIABILITY; INSURANCE

Indemnification and Defense.

9.1 TGTX shall indemnify, defend and hold harmless (i) DFCI and its trustees officers, medical and professional staff, employees, and agents and their respective successors, heirs and assigns and (ii) CTI and its directors, officers, employees, agents and contractors (the "CTI Indemnitees"), against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon the CTI Indemnitees, or any one of them, in connection with any claims, suits, actions, demands or judgments arising out any theory of product liability (including but not limited to action in the form of tort, warranty, strict liability) concerning any product, process or service relating to, or developed by TGTX, its Affiliates or Sublicensees pursuant to (a) any right or license granted under this Agreement or (b) arising out of any other activities to be carried out by TGTX pursuant to this agreement. TGTX's indemnification under Section 9.1 does not apply to any liability, damage, loss or expense to the extent that it is attributable to (x) the grossly negligent activities of the CTI Indemnitees, or (y) the intentional wrongdoing or intentional misconduct of the CTI Indemnitees TGTX shall, at its own expense, provide attorneys reasonably acceptable to CTI to defend against any actions brought or filed against any party indemnified hereunder with respect to the subject of indemnity contained herein, whether or not such actions are rightfully brought.

9.2 CTI shall indemnify, defend and hold harmless TGTX and its directors, officers, employees, agents and contractors (the "TGTX Indemnitees"), against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon the TGTX Indemnitees, or any one of them, in connection with any claims, suits, actions, demands or judgments arising out any theory of product liability (including but not limited to action in the form of tort, warranty, strict liability) concerning (a) any product, process or service relating to, or developed by CTI, its Affiliates or Sublicensees pursuant to the License Agreement or (b) any other activities to be carried out by CTI pursuant to this agreement. CTI's indemnification under Section 9.1 does not apply to any liability, damage, loss or expense to the extent that it is attributable to (x) the grossly negligent activities of the TGTX Indemnitees, or (y) the intentional wrongdoing or intentional misconduct of the TGTX Indemnitees. CTI shall, at its own expense, provide attorneys reasonably acceptable to DFCI and TGTX to defend against any actions brought or filed against any party indemnified hereunder with respect to the subject of indemnity contained herein, whether or not such actions are rightfully brought

9.3 If any such action is commenced or claim made or threatened against a DFCI Indemnitee or CTI Indemnitee (collectively, “Indemnitees”) as to which the other Party (the “Indemnifying Party”) is obligated to indemnify it (them) or hold it (them) harmless, the Indemnitee shall promptly notify Indemnifying Party of such event. Indemnifying Party shall assume the defense of, and may settle, that part of any such claim or action commenced or made against an Indemnitee which relates to the Indemnifying Party’s indemnification and CTI may take such other steps as may be necessary to protect it. Indemnifying Party will not be liable to Indemnitees on account of any settlement of any such claim or litigation affected without Indemnifying Party’s consent. The right of Indemnifying Party to assume the defense of any action is limited to that part of the action commenced against Indemnitees that relates to Indemnifying Party’s obligation of indemnification and holding harmless.

9.4 TGTX shall require any Affiliates or Sublicensee(s) to indemnify, hold harmless and defend DFCI and CTI under the same terms set forth in Sections 9.1 – 9.4.

Insurance.

9.5 At such time as any product, process or service relating to, or developed pursuant to, this Agreement is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by TGTX or by a Sublicensee, Affiliate or agent of TGTX, TGTX shall, at its sole cost and expense, procure and maintain policies of commercial general liability insurance in amounts not less than $2,000,000 per incident and $2,000,000 annual aggregate and naming the Indemnitees as additional insureds. Such commercial general liability insurance must provide (a) product liability coverage and (b) contractual liability coverage for TGTX's indemnification under Sections 9.1 through 9.5 of this Agreement. If TGTX elects to self-insure all or part of the limits described above (including deductibles or retentions which are in excess of $250,000 annual aggregate), such self-insurance program must be acceptable to the CTI, DFCI and the DFCI's associated Risk Management Foundation. The minimum amounts of insurance coverage required under these provisions may not be construed to create a limit of TGTX's liability with respect to its indemnification obligation under Sections 9.1 through 9.5 of this Agreement.

9.6 TGTX shall provide CTI with written evidence of such insurance upon request of CTI. TGTX shall provide CTI with written notice at least fifteen (15) days prior to the cancellation, non-renewal or material change in such insurance; if TGTX does not obtain replacement insurance providing comparable coverage within such fifteen (15) day period, CTI has the right to terminate this Agreement effective at the end of such fifteen (15) day period without any notice or additional waiting periods.

9.7 TGTX shall maintain such comprehensive general liability insurance beyond the expiration or termination of this Agreement during (a) the period that any product, process, or service, relating to, or developed pursuant to, this Agreement is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by TGTX or by a Sublicensee, Affiliate or agent of TGTX and (b) a reasonable period after the period referred to in 9.8 (a) above which in no event shall be less than fifteen (15) years.

9.8 TGTX shall require any of its Affiliates or Sublicensee(s) to, maintain insurance in favor of CTI, DFCI and the Indemnitees under the same terms set forth in Sections 9.5 – 9.7 of this Agreement.

ARTICLE X
TERM AND TERMINATION

10.1 Term. The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in this Article X, shall continue in full force and effect, on a country-by-country and Licensed Product-by-Licensed Product basis until the Royalty Term in such country with respect to such Licensed Product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country. (The **"Term"** shall mean the period from the Effective Date until the earlier of termination of this Agreement as provided in this Article X or expiration of this Agreement upon the expiration of the last-to-expire Royalty Term.) The Parties confirm that subject to the foregoing sentence, this Agreement shall not be terminated or invalidated by any future determination that any or all of the DFCI Patents have expired or been invalidated.

10.2 Termination by CTI. CTI has the right to immediately terminate this Agreement, the extension of rights (if such termination occurs while TGTX is an Affiliate of CTI), and all licenses granted hereunder (if such failure occurs after the time TGTX ceases to be an Affiliate of CTI), or at CTI's option to convert the exclusive license granted in Article 2.1 to a non-exclusive license (if such failure occurs after the time TGTX ceases to be an Affiliate of CTI) in accordance with Section 3.6, by providing TGTX with written notice of such, upon the occurrence of any of the following events.

(a) TGTX's Board of Director's has agreed that TGTX will cease to carry on its business with respect to Licensed Products.

(b) TGTX fails to pay when due any undisputed royalty or other undisputed payment that has become due and is payable under Article V of this Agreement and has not cured the default by making the required payment, together with interest due, within ninety days of receiving a written notice of default from CTI requesting such payment.

(c) An officer of TGTX is convicted of a felony relating to the manufacture, use, sale or importation of Licensed Products.

(d) TGTX materially breaches any other provision of this Agreement (including but not limited to due diligence obligations under Article III and insurance obligations under Section 9.7 – Section 9.10), unless TGTX has cured the breach within ninety days of receiving written notice from CTI specifying the nature of the breach; provided, however, that the due diligence obligations shall be determined on a Licensed Product by Licensed Product basis.

10.3 Termination for insolvency. TGTX or CTI may terminate this Agreement immediately upon written notice, with no further notice obligation or opportunity to cure, if TGTX or CTI shall become insolvent, shall make an assignment for the benefit of creditors, or shall have a petition in bankruptcy filed for or against it (which is not dismissed within 60 days of such filing).

10.4 Notwithstanding Sections 10.2 and 10.3, in the event of a good-faith dispute as to whether any alleged breach, default, failure or any other act or omission gives rise to a right of termination under this Agreement, is in fact a breach, default, failure or other act or omission that gives rise to a right of termination under this Agreement, termination of this Agreement in respect of such alleged breach, default, failure or other act or omission shall not take effect unless and until (y) such dispute is resolved in accordance with Section 10.7 below in favor of the Party alleging such breach, default, failure or other act or omission or (z) the non-terminating Party's denial that the alleged breach, default, failure or other act or omissions is in fact a breach, default, failure or other act or omission giving rise to a right of termination hereunder ceases to be in good faith.

10.5 Termination by TGTX. TGTX has the right to terminate this Agreement without cause by giving CTI one hundred and eighty days prior written notice in whole or on a Licensed Product by Licensed Product basis. Any milestones achieved by TGTX during this one hundred and eight day period will be due and payable to CTI.

10.6 Effect of Termination

(a) **No release.** Upon termination of this Agreement for any reason, nothing in this Agreement may be construed to release either party from any obligation that matured prior to the effective date of the termination.

(b) **Survival.** The provisions of Section 6.1(a) (patent expenses) Article V (Financial Provisions), Section 3.1.2 (Publicity –paragraph 10.6(c) (Inventory), Article IX (Indemnification), Sections 9.7 – 9.10 (Insurance), Article VIII (Representations and Warranties) and Section 10.7 (Dispute Resolution) survive termination or expiration of this Agreement.

(c) **Inventory.** TGTX, any Affiliate(s) and any Sublicensees whose sublicenses are not converted as provided in paragraph 10.6(d) below, may, after the effective date of termination, sell all Licensed Products that are in inventory as of the date of written notice of termination, and complete and sell Licensed Products which the licensed entity(ies) can reasonably demonstrate were in the process of manufacture as of the date of written notice of termination, provided that TGTX shall pay to CTI the royalties thereon as required by Article V and shall submit the reports required by Section 5.10 on the sales of Licensed Products.

(d) **Sublicenses.** Any Sublicenses will terminate contemporaneously with this Agreement; provided, however, that any Sublicenses that are not in default under the sublicense agreement shall, upon DFCI's and CTI's written approval, survive and remain in full force and effect so long as the Sublicensee agrees to be bound by all of the provisions of this Agreement, if not otherwise already provided for in the sublicense agreement. Such approval by DFCI and CTI shall not be unreasonably withheld and shall not require the payment of additional consideration.

(e) If (i) this Agreement is in effect at the time of the termination of the License Agreement and (ii) TGTX is not an Affiliate of CTI at such time then, upon the written approval by DFCI, this Agreement survive and remain in full force and TGTX hereby agrees to be bound by the terms of the License Agreement pursuant to Section 10.6(d) of the License Agreement. If DFCI does not approve such survival, then this Agreement shall terminate upon termination of the License Agreement. Such approval by DFCI shall not be unreasonably withheld and shall not require the payment of additional consideration.

(f) Pursuant to the License Agreement, TGTX is deemed an Affiliate of CTI, and thus at the time the License Agreement is terminated, this Agreement shall automatically terminate at such time; provided, that pursuant to Section 2.5, TGTX shall have the right to cure any breach and that CTI will not voluntarily terminate the License Agreement with TGTX's prior written consent.

10.7 Dispute Resolution.

(a) **Negotiation between the Parties.** The parties shall first attempt to resolve any controversy that arises from this Agreement, or claim for breach of the Agreement, by good faith negotiations, first between their respective business development representatives and then, if necessary, between senior representatives for the Parties.

(b) **Non-Binding Mediation.** If the controversy or claim cannot be settled through good faith negotiation between the parties, the parties agree first to try in good faith to settle their dispute by non-binding mediation under the Mediation Rules of the American Arbitration Association, before resorting to arbitration, litigation or other dispute resolution procedure.

ARTICLE XI
MISCELLANEOUS PROVISIONS

11.1 Relationship of the Parties. Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, joint venture or employer-employee relationship between the Parties. No Party shall have any right or authority to commit or legally bind any other Party in any way whatsoever including, without limitation, the making of any agreement, representation or warranty and each Party agrees to not purport to do so.

11.2 Assignment.

(a) Any assignment not in accordance with this Section 11.2 shall be void.

(b) No assignment shall relieve the assigning Party of any of its responsibilities or obligations hereunder.

(c) TGTX may not transfer or assign its rights or licenses or delegate its obligations under this Agreement, in whole or in part, by operation of law or otherwise, to any Third Party without the prior written consent of CTI, which consent shall not be unreasonably withheld, conditioned or delayed; *provided that,* notwithstanding the foregoing, TGTX may, without such consent, assign its rights or licenses and/or delegate its obligations under this Agreement to (i) an Affiliate or (ii) a Third Party in connection with a Sale Event (and for the avoidance of doubt, at such time the extension of rights set forth in Section 2.5 shall terminate and the licenses granted to TGTX in Section 2 shall become effective). As a condition to any permitted assignment hereunder, the assignee must expressly assume, in a writing delivered to CTI and signed by a duly authorized officer of the assignee (and in a form reasonably acceptable to CTI) all of TGTX's obligations under this Agreement, whether arising before, at or after the assignment.

11.3 Further Actions. Each Party agrees to execute, acknowledge and deliver such further instruments and to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.4 Force Majeure. No Party shall be liable to any other Party or be deemed to have breached or defaulted under this Agreement for failure or delay in the performance of any of its obligations under this Agreement (other than obligations for the payment of money) for the time and to the extent such failure or delay is caused by or results from acts of God, earthquake, riot, civil commotion, terrorism, war, strikes or other labor disputes, fire, flood, failure or delay of transportation, omissions or delays in acting by a governmental authority, acts of a government or an agency thereof or judicial orders or decrees or restrictions or any other like reason which is beyond the control of the respective Party. The Party affected by force majeure shall provide the other Party with full particulars thereof as soon as it becomes aware of the same (including its best estimate of the likely extent and duration of the interference with its activities), and shall use Commercially Reasonable Efforts to overcome the difficulties created thereby and to resume performance of its obligations hereunder as soon as practicable, and the time for performance shall be extended for a number of days equal to the duration of the force majeure.

11.5 Entire Agreement of the Parties; Amendments. This Agreement and the Schedules hereto constitute and contain the entire understanding and agreement of the Parties respecting the subject matter hereof and cancel and supersede any and all prior or contemporaneous negotiations, correspondence, understandings and agreements between the Parties, whether oral or written, regarding such subject matter (provided, that any and all previous nondisclosure/nonuse obligations are not superseded and remain in full force and effect in addition to the nondisclosure/nonuse provisions hereof). Each Party acknowledges that it has not relied, in deciding whether to enter into this Agreement on this Agreement's expressly stated terms and conditions, on any representations, warranties, agreements, commitments or promises which are not expressly set forth within this Agreement. No modification or amendment of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of each Party.

11.6 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, excluding application of any conflict of laws principles.

11.7 Notices and Deliveries. Any notice, request, approval or consent required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given if and only if delivered in person, by email or by express courier service to the Party to which it is directed at its physical or email address shown below or such other physical or email address as such Party shall have last given by such written notice to the other Party.

If to CTI, addressed to:

Checkpoint Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019
Attention: Michael S. Weiss, Executive Chairman
Email: msw@opuspointpartners.com

If to TGTX, addressed to:

TG Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019
Attention: Sean Power, CFO
Email: sp@tgtxinc.com

11.8 Waiver. No waiver of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of the waiving Party. A waiver by a Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof.

11.9 Rights and Remedies are Cumulative. Except to the extent expressly set forth herein, all rights, remedies, undertakings, obligations and agreements contained in or available upon violation of this Agreement shall be cumulative and none of them shall be in limitation of any other remedy or right authorized in law or in equity, or any undertaking, obligation or agreement of the applicable Party.

11.10 Severability. This Agreement is severable. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be to any extent prohibited by or invalid under applicable Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement (or of such provision). The Parties shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.

11.11 Third Party Beneficiaries. Except for the rights of Indemnified Parties pursuant to Article IX hereof and the rights of Sublicensees set forth in Sections 2.3 and 10.6(d), the terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective successors or permitted assigns and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person, including without limitation Sublicensees. The enforcement of any obligation of CTI under this Agreement shall only be pursued by TGTX or such Indemnified Party, and not Sublicensees (except as set forth in Sections 2.3 and 10.6(d)).

11.12 No Implied License. No right or license is granted to TGTX hereunder by implication, estoppel, or otherwise to any know-how, patent or other intellectual property right owned or controlled by CTI or its Affiliates, except by an express license granted hereunder. No right or license is granted to CTI hereunder by implication, estoppel, or otherwise to any know-how, patent or other intellectual property right owned or controlled by TGTX or its Affiliates, except by an express license granted hereunder.

11.13 No Right of Set-Off. Except as expressly provided in Article 5 of this Agreement, TGTX shall not have a right to set-off any royalties, milestones or other amount due to CTI under this Agreement against any damages incurred by TGTX for a breach by CTI of this Agreement.

11.14 Equitable Relief. Each Party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other Party, that the other Party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a Party's breach or threatened breach of such covenants and agreements may cause the opposed Party irreparable harm and significant injury, the amount of which will be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each Party agrees that an opposed Party shall be entitled to seek specific performance, an order restraining any breach or threatened breach of Article VII and all other provisions of this Agreement, and any other equitable relief (including but not limited to temporary, preliminary and/or permanent injunctive relief). This right shall be in addition to and not exclusive of any other remedy available to such other Party at law or in equity.

1 1 . 1 5 Interpretation. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no provision of this Agreement shall be interpreted for or against a Party because that Party or its attorney drafted the provision.

11.16 Construction. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Articles, Sections and Schedules shall be deemed references to Articles and Sections of, and Schedules to, this Agreement unless the context shall otherwise require.

11.17 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will be deemed to be one and the same instrument. A facsimile or a portable document format (.pdf) copy of this Agreement, including the signature pages, will be deemed an original.

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IN WITNESS WHEREOF, the Parties have caused this Collaboration Agreement to be executed and delivered by their respective duly authorized officers as of the day and year first above written.

CHECKPOINT THERAPEUTICS, INC.

By: /s/ Michael S. Weiss

Name: Michael S. Weiss

Title: Executive Chairman

TG THERAPEUTICS, INC.

By: /s/ Sean Power

Name: Sean Power

Title: Chief Financial Officer

CHECKPOINT THERAPEUTICS, INC.
AMENDED AND RESTATED
2015 INCENTIVE PLAN

ARTICLE 1
PURPOSE

1.1. GENERAL. The purpose of the Checkpoint Therapeutics, Inc. Amended and Restated 2015 Incentive Plan (the "Plan") is to promote the success, and enhance the value, of Checkpoint Therapeutics, Inc. (the "Company"), by linking the personal interests of employees, officers, directors and consultants of the Company or any Affiliate (as defined below) to those of Company stockholders and by providing such persons with an incentive for outstanding performance. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of employees, officers, directors and consultants upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent. Accordingly, the Plan permits the grant of incentive awards from time to time to selected employees, officers, directors and consultants of the Company and its Affiliates.

1.2 HISTORY. The Plan was originally adopted by the Board on March 3, 2015, and was approved by the stockholders of the Company on the same date. The Plan was amended and restated by the Board on December 18, 2015.

ARTICLE 2
DEFINITIONS

2.1. DEFINITIONS. When a word or phrase appears in this Plan with the initial letter capitalized, and the word or phrase does not commence a sentence, the word or phrase shall generally be given the meaning ascribed to it in this Section or in Section 1.1 unless a clearly different meaning is required by the context. The following words and phrases shall have the following meanings:

(a) "Affiliate" means (i) any Subsidiary or Parent, or (ii) an entity that directly or through one or more intermediaries controls, is controlled by or is under common control with, the Company, as determined by the Committee.

(b) "Award" means an award of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Deferred Stock Units, Performance Awards, Other Stock-Based Awards, or any other right or interest relating to Stock or cash, granted to a Participant under the Plan.

(c) "Award Certificate" means a written document, in such form as the Committee prescribes from time to time, setting forth the terms and conditions of an Award. Award Certificates may be in the form of individual award agreements or certificates or a program document describing the terms and provisions of an Award or series of Awards under the Plan. The Committee may provide for the use of electronic, internet or other non-paper Award Certificates, and the use of electronic, internet or other non-paper means for the acceptance thereof and actions thereunder by a Participant.

(d) "Beneficial Owner" shall have the meaning given such term in Rule 13d-3 of the General Rules and Regulations under the 1934 Act.

(e) "Board" means the Board of Directors of the Company.

(f) "Cause" as a reason for a Participant's termination of employment shall have the meaning assigned such term in the employment, consulting, severance or similar agreement, if any, between such Participant and the Company or an Affiliate; provided, however, that if there is no such employment, consulting, severance or similar agreement in which such term is defined, and unless otherwise defined in the applicable Award Certificate, "Cause" shall mean any of the following acts by the Participant, as determined by the Committee: (i) the commission of any act by the Participant constituting financial dishonesty against the Company or any of its Affiliates (which act would be chargeable as a crime under applicable law); (ii) the Participant's engaging in any other act of dishonesty, fraud, intentional misrepresentation, moral turpitude, illegality or harassment which would: (A) materially adversely affect the business or the reputation of the Company or any of its Affiliates with their respective then-current or prospective customers, suppliers, lenders and/or other third parties with whom such entity does or might do business; or (B) expose the Company or any of its Affiliates to a risk of civil or criminal legal damages, liabilities or penalties; (iii) the willful and repeated failure by the Participant to follow the lawful directives of the Board or the Participant's supervisor; (iv) any material misconduct, material violation of the Company's written policies, or willful and deliberate non-performance of duty by the Participant in connection with the business affairs of the Company or any of its Affiliates; or (v) the Participant's material breach of any employment, severance, non-competition, non-solicitation, confidential information, or restrictive covenant agreement, or similar agreement, with the Company or an Affiliate. The determination of the Committee as to the existence of "Cause" shall be conclusive on the Participant and the Company.

(g) "Change in Control" means and includes the occurrence of any one of the following events but shall specifically exclude a Public Offering:

(i) during any consecutive 12-month period, individuals who, at the beginning of such period, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of such Board, provided that any person becoming a director after the beginning of such 12-month period and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board ("Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, shall be deemed an Incumbent Director; or

(ii) any Person, other than a Principal Stockholder, becomes a Beneficial Owner, directly or indirectly, of either (A) 50% or more of the then-outstanding shares of common stock of the Company ("Company Common Stock") or (B) securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of directors (the "Company Voting Securities"); provided, however, that for purposes of this subsection (ii), the following acquisitions of Company Common Stock or Company Voting Securities shall not constitute a Change in Control: (w) an acquisition directly or indirectly from the Company, (x) an acquisition by the Company or a Subsidiary, (y) an acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary, or (z) an acquisition pursuant to a Non-Qualifying Transaction (as defined in subsection (iii) below); or

(iii) the consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or a Subsidiary (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation or other entity (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition: (A) all or substantially all of the individuals and entities who were the Beneficial Owners, respectively, of the outstanding Company Common Stock and outstanding Company Voting Securities immediately prior to such Reorganization, Sale or Acquisition beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Reorganization, Sale or Acquisition (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Entity") in substantially the same proportions as their ownership, immediately prior to such Reorganization, Sale or Acquisition, of the outstanding Company Common Stock and the outstanding Company Voting Securities, as the case may be, and (B) no person (other than (x) the Company or any Subsidiary, (y) the Surviving Entity or its ultimate parent entity, or (z) any employee benefit plan (or related trust) sponsored or maintained by any of the foregoing) is the Beneficial Owner, directly or indirectly, of 50% or more of the total common stock or 50% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Surviving Entity, and (C) at least a majority of the members of the board of directors of the Surviving Entity were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Reorganization, Sale or Acquisition (any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction").

(h) "Code" means the Internal Revenue Code of 1986, as amended from time to time. For purposes of this Plan, references to sections of the Code shall be deemed to include references to any applicable regulations thereunder and any successor or similar provision.

(i) "Committee" means the committee of the Board described in Article 4.

(j) "Company" means Checkpoint Therapeutics, Inc., a Delaware corporation, or any successor corporation.

(k) "Continuous Service" means the absence of any interruption or termination of service as an employee, officer, consultant or director of the Company or any Affiliate, as applicable; provided, however, that for purposes of an Incentive Stock Option "Continuous Service" means the absence of any interruption or termination of service as an employee of the Company or any Parent or Subsidiary, as applicable, pursuant to applicable tax regulations. Continuous Service shall not be considered interrupted in the following cases: (i) a Participant transfers employment between the Company and an Affiliate or between Affiliates, (ii) in the discretion of the Committee as specified at or prior to such occurrence, in the case of a spin-off, sale or disposition of the Participant's employer from the Company or any Affiliate, (iii) a Participant transfers from being an employee of the Company or an Affiliate to being a director of the Company or of an Affiliate, or vice versa, (iv) in the discretion of the Committee as specified at or prior to such occurrence, a Participant transfers from being an employee of the Company or an Affiliate to being a consultant to the Company or of an Affiliate, or vice versa, or (v) any leave of absence authorized in writing by the Company prior to its commencement; provided, however, that for purposes of Incentive Stock Options, no such leave may exceed 90 days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, on the 91st day of such leave any Incentive Stock Option held by the Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option. Whether military, government or other service or other leave of absence shall constitute a termination of Continuous Service shall be determined in each case by the Committee at its discretion, and any determination by the Committee shall be final and conclusive; provided, however, that for purposes of any Award that is subject to Code Section 409A, the determination of a leave of absence must comply with the requirements of a "bona fide leave of absence" as provided in Treas. Reg. Section 1.409A-1(h).

(l) "Deferred Stock Unit" means a right granted to a Participant under Article 9 to receive Shares (or the equivalent value in cash or other property if the Committee so provides) at a future time as determined by the Committee, or as determined by the Participant within guidelines established by the Committee in the case of voluntary deferral elections.

(m) "Disability" of a Participant means that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months. If the determination of Disability relates to an Incentive Stock Option, Disability means Permanent and Total Disability as defined in Section 22(e)(3) of the Code. In the event of a dispute, the determination of whether a Participant is Disabled will be made by the Committee and may be supported by the advice of a physician competent in the area to which such Disability relates.

(n) "Dividend Equivalent" means a right granted with respect to an Award pursuant to Article 11.

(o) "Effective Date" has the meaning assigned such term in Section 3.1.

(p) "Eligible Participant" means an employee, officer, consultant or director of the Company or any Affiliate.

(q) "Exchange" means any national securities exchange on which the Stock may from time to time be listed or traded.

(r) "Fair Market Value," on any date, means (i) if the Stock is listed on an Exchange, the closing sales price on such Exchange on such date or, in the absence of reported sales on such date, the closing sales price on the immediately preceding date on which sales were reported, or (ii) if the Stock is not listed on an Exchange, the mean between the bid and offered prices as quoted by the applicable interdealer quotation system for such date, provided that if the Stock is not quoted on an interdealer quotation system or it is determined that the fair market value is not properly reflected by such quotations, Fair Market Value will be determined by such other method as the Committee determines in good faith to be reasonable and in compliance with Code Section 409A.

(s) "Full-Value Award" means an Award other than in the form of an Option or SAR, and which is settled by the issuance of Stock (or at the discretion of the Committee, settled in cash valued by reference to Stock value).

(t) "Good Reason" (or a similar term denoting constructive termination) has the meaning, if any, assigned such term in the employment, consulting, severance or similar agreement, if any, between a Participant and the Company or an Affiliate; provided, however, that if there is no such employment, consulting, severance or similar agreement in which such term is defined, "Good Reason" shall have the meaning, if any, given such term in the applicable Award Certificate. If not defined in either such document, the term "Good Reason" as used herein shall not apply to a particular Award.

(u) "Grant Date" of an Award means the first date on which all necessary corporate action has been taken to approve the grant of the Award as provided in the Plan, or such later date as is determined and specified as part of that authorization process. Notice of the grant shall be provided to the grantee within a reasonable time after the Grant Date.

(v) "Incentive Stock Option" means an Option that is intended to be an incentive stock option and meets the requirements of Section 422 of the Code or any successor provision thereto.

(w) "Independent Directors" means those members of the Board who qualify at any given time as an "independent" director under the applicable rules of each Exchange on which the Shares are listed, and as a "non-employee" director under Rule 16b-3 of the 1934 Act.

(x) "Non-Employee Director" means a director of the Company who is not a common law employee of the Company or an Affiliate.

(y) "Nonstatutory Stock Option" means an Option that is not an Incentive Stock Option.

(z) "Option" means a right granted to a Participant under Article 7 of the Plan to purchase Stock at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Nonstatutory Stock Option.

(aa) "Other Stock-Based Award" means a right, granted to a Participant under Article 12, that relates to or is valued by reference to Stock or other Awards relating to Stock.

(bb) "Parent" means a corporation, limited liability company, partnership or other entity which owns or beneficially owns a majority of the outstanding voting stock or voting power of the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Parent shall have the meaning set forth in Section 424(e) of the Code.

(cc) "Participant" means an Eligible Participant who has been granted an Award under the Plan; provided that in the case of the death of a Participant, the term "Participant" refers to a beneficiary designated pursuant to Section 13.4 or the legal guardian or other legal representative acting in a fiduciary capacity on behalf of the Participant under applicable state law and court supervision.

(dd) "Performance Award" means any award granted under the Plan pursuant to Article 10.

(ee) "Person" means any individual, entity or group, within the meaning of Section 3(a)(9) of the 1934 Act and as used in Section 13(d)(3) or 14(d)(2) of the 1934 Act.

(ff) "Plan" means the Checkpoint Therapeutics, Inc. Amended and Restated 2015 Incentive Plan, as amended from time to time.

(gg) "Principal Stockholder" means Fortress Biotech, Inc., or any entity that is directly or indirectly affiliated with the Principal Stockholder.

(hh) "Public Offering" means a public offering of any class or series of the Company's equity securities pursuant to a registration statement filed by the Company under the 1933 Act or registration of the Company's equity securities pursuant to Section 12(b) or 12(g) of the 1934 Act.

(ii) "Restricted Stock" means Stock granted to a Participant under Article 9 that is subject to certain restrictions and to risk of forfeiture.

(jj) "Restricted Stock Unit" means the right granted to a Participant under Article 9 to receive shares of Stock (or the equivalent value in cash or other property if the Committee so provides) in the future, which right is subject to certain restrictions and to risk of forfeiture.

(kk) "Shares" means shares of the Company's Stock. If there has been an adjustment or substitution with respect to the Shares (whether or not pursuant to Article 14), the term "Shares" shall also include any shares of stock or other securities that are substituted for Shares or into which Shares are adjusted.

(ll) "Specified Employee" has the meaning given such term in Code Section 409A and the final regulations thereunder.

(mm) "Stock" means the $0.001 par value common stock of the Company and such other securities of the Company as may be substituted for Stock pursuant to Article 14.

(nn) "Stock Appreciation Right" or "SAR" means a right granted to a Participant under Article 8 to receive a payment equal to the difference between the Fair Market Value of a Share as of the date of exercise of the SAR over the base price of the SAR, all as determined pursuant to Article 8.

(oo) "Subsidiary" means any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Subsidiary shall have the meaning set forth in Section 424(f) of the Code.

(pp) "1933 Act" means the Securities Act of 1933, as amended from time to time.

(qq) "1934 Act" means the Securities Exchange Act of 1934, as amended from time to time.

ARTICLE 3
EFFECTIVE TERM OF PLAN

3.1. EFFECTIVE DATE. Subject to the approval of the Plan by the Company's stockholders within 12 months after the Plan's adoption by the Board, the Plan will become effective on the date that it is adopted by the Board (the "Effective Date").

3.2. TERMINATION OF PLAN. Unless earlier terminated as provided herein, the Plan shall continue in effect until the tenth anniversary of the Effective Date or, if the stockholders approve an amendment to the Plan that increases the number of Shares subject to the Plan, the tenth anniversary of the date of such approval. The termination of the Plan on such date shall not affect the validity of any Award outstanding on the date of termination, which shall continue to be governed by the applicable terms and conditions of the Plan.

ARTICLE 4
ADMINISTRATION

4.1. COMMITTEE. The Plan shall be administered by a Committee appointed by the Board (which Committee shall consist of at least two directors) or, at the discretion of the Board from time to time, the Plan may be administered by the Board. It is intended that at least two of the directors appointed to serve on the Committee shall be Independent Directors and that any members of the Committee who do not so qualify shall abstain from participating in any decision to make or administer Awards that are made to Eligible Participants who at the time of consideration for such Award are persons subject to the short-swing profit rules of Section 16 of the 1934 Act. However, the mere fact that a Committee member shall fail to qualify as an Independent Director or shall fail to abstain from such action shall not invalidate any Award made by the Committee which Award is otherwise validly made under the Plan. The members of the Committee shall be appointed by, and may be changed at any time and from time to time in the discretion of, the Board. Unless and until changed by the Board, the Compensation Committee of the Board is designated as the Committee to administer the Plan. The Board may reserve to itself any or all of the authority and responsibility of the Committee under the Plan or may act as administrator of the Plan for any and all purposes. To the extent the Board has reserved any authority and responsibility or during any time that the Board is acting as administrator of the Plan, it shall have all the powers and protections of the Committee hereunder, and any reference herein to the Committee (other than in this Section 4.1) shall include the Board. To the extent any action of the Board under the Plan conflicts with actions taken by the Committee, the actions of the Board shall control.

4.2. ACTION AND INTERPRETATIONS BY THE COMMITTEE. For purposes of administering the Plan, the Committee may from time to time adopt rules, regulations, guidelines and procedures for carrying out the provisions and purposes of the Plan and make such other determinations, not inconsistent with the Plan, as the Committee may deem appropriate. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any Award in the manner and to the extent it deems necessary to carry out the intent of the Plan. The Committee's interpretation of the Plan, any Awards granted under the Plan, any Award Certificate and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties and shall be given the maximum deference permitted by applicable law. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Affiliate, the Company's or an Affiliate's independent certified public accountants, Company counsel or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan. No member of the Committee will be liable for any good faith determination, act or omission in connection with the Plan or any Award.

4.3. AUTHORITY OF COMMITTEE. Except as provided in Section 4.1 hereof, the Committee has the exclusive power, authority and discretion to:

(a) grant Awards;

(b) designate Participants;

(c) determine the type or types of Awards to be granted to each Participant;

(d) determine the number of Awards to be granted and the number of Shares or dollar amount to which an Award will relate;

(e) determine the terms and conditions of any Award granted under the Plan;

(f) prescribe the form of each Award Certificate, which need not be identical for each Participant;

(g) decide all other matters that must be determined in connection with an Award;

(h) establish, adopt or revise any rules, regulations, guidelines or procedures as it may deem necessary or advisable to administer the Plan;

(i) make all other decisions and determinations that may be required under the Plan or as the Committee deems necessary or advisable to administer the Plan;

(j) amend the Plan or any Award Certificate as provided herein; and

(k) adopt such modifications, procedures, and subplans as may be necessary or desirable to comply with provisions of the laws of the United States or any non-U.S. jurisdictions in which the Company or any Affiliate may operate, in order to assure the viability of the benefits of Awards granted to participants located in the United States or such other jurisdictions and to further the objectives of the Plan.

Notwithstanding any of the foregoing, grants of Awards to Non-Employee Directors hereunder shall (i) be subject to the applicable award limits set forth in Section 5.1 hereof, and (ii) be made only in accordance with the terms, conditions and parameters of a plan, program or policy for the compensation of Non-Employee Directors as in effect from time to time that is approved and administered by the Board. The Committee may not make other discretionary grants hereunder to Non-Employee Directors.

4.4. DELEGATION. The Committee may, by resolution, expressly delegate to a special committee, consisting of one or more directors who may but need not be officers of the Company, the authority, within specified parameters as to the number and terms of Awards, to (i) designate officers and/or employees of the Company or any of its Affiliates to be recipients of Awards under the Plan, and (ii) to determine the number of such Awards to be received by any such Participants; provided, however, that such delegation of duties and responsibilities to an officer of the Company may not be made with respect to the grant of Awards to eligible participants who are subject to Section 16(a) of the 1934 Act at the Grant Date. The acts of such delegates shall be treated hereunder as acts of the Committee and such delegates shall report regularly to the Committee regarding the delegated duties and responsibilities and any Awards so granted.

4.5. INDEMNIFICATION. Each person who is or shall have been a member of the Committee, or of the Board, or an officer of the Company to whom authority was delegated in accordance with this Article 4 shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in whichhe or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle anddefend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's charter or bylaws, as amended from time to time, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

ARTICLE 5
SHARES SUBJECT TO THE PLAN

5.1. NUMBER OF SHARES. Subject to adjustment as provided in Sections 5.2 and Section 14.1, the aggregate number of Shares reserved and available for issuance pursuant to Awards granted under the Plan shall be 2,000,000. The maximum number of Shares that may be issued upon exercise of Incentive Stock Options granted under the Plan shall be 2,000,000. The maximum aggregate number of Shares associated with any Award granted under the Plan in any calendar year to any one Non-Employee Director shall be 100,000 Shares.

5.2. SHARE COUNTING. Shares covered by an Award shall be subtracted from the Plan share reserve as of the Grant Date, but shall be added back to the Plan share reserve in accordance with this Section 5.2.

(a) To the extent that an Award is canceled, terminates, expires, is forfeited or lapses for any reason, any unissued or forfeited Shares originally subject to the Award will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(b) Shares subject to Awards settled in cash will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(c) Shares withheld or repurchased from an Award or delivered by a Participant to satisfy minimum tax withholding requirements will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(d) If the exercise price of an Option is satisfied in whole or in part by delivering Shares to the Company (by either actual delivery or attestation), the number of Shares so tendered (by delivery or attestation) shall be added to the Plan share reserve and will be available for issuance pursuant to Awards granted under the Plan.

(e) To the extent that the full number of Shares subject to an Option or SAR is not issued upon exercise of the Option or SAR for any reason, including by reason of net-settlement of the Award, the unissued Shares originally subject to the Award will be added back to the Plan share reserve and again be available for issuance pursuant to other Awards granted under the Plan.

(f) To the extent that the full number of Shares subject to an Award other than an Option or SAR is not issued for any reason, including by reason of failure to achieve maximum performance goals, the unissued Shares originally subject to the Award will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(g) Substitute Awards granted pursuant to Section 13.9 of the Plan shall not count against the Shares otherwise available for issuance under the Plan under Section 5.1.

(h) Subject to applicable Exchange requirements, shares available under a stockholder-approved plan of a company acquired by the Company (as appropriately adjusted to Shares to reflect the transaction) may be issued under the Plan pursuant to Awards granted to individuals who were not employees of the Company or its Affiliates immediately before such transaction and will not count against the maximum share limitation specified in Section 5.1.

5.3. STOCK DISTRIBUTED. Any Stock distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Stock, treasury Stock or Stock purchased on the open market.

ARTICLE 6
ELIGIBILITY

6.1. GENERAL. Awards may be granted only to Eligible Participants. Incentive Stock Options may be granted only to Eligible Participants who are employees of the Company or a Parent or Subsidiary as defined in Section 424(e) and (f) of the Code. Eligible Participants who are service providers to an Affiliate may be granted Options or SARs under this Plan only if the Affiliate qualifies as an "eligible issuer of service recipient stock" within the meaning of Treas. Reg. Section 1.409A-1(b)(5)(iii)(E) of the final regulations under Code Section 409A.

ARTICLE 7
STOCK OPTIONS

7.1. GENERAL. The Committee is authorized to grant Options to Participants on the following terms and conditions:

(a) EXERCISE PRICE. The exercise price per Share under an Option shall be determined by the Committee, provided that the exercise price for any Option (other than an Option issued as a substitute Award pursuant to Section 13.9) shall not be less than the Fair Market Value as of the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Article 14, without the prior approval of stockholders of the Company: (i) the exercise price of an Option may not be reduced, directly or indirectly, (ii) an Option may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price of the original Option, or otherwise, and (iii) the Company may not repurchase an Option for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option is lower than the exercise price per share of the Option

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which an Option may be exercised in whole or in part, subject to Section 7.1(e). The Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised or vested.

(d) PAYMENT. The Committee shall determine the methods by which the exercise price of an Option may be paid, the form of payment, and the methods by which Shares shall be delivered or deemed to be delivered to Participants. As determined by the Committee at or after the Grant Date, payment of the exercise price of an Option may be made, in whole or in part, in the form of (i) cash or cash equivalents, (ii) delivery (by either actual delivery or attestation) of previously-acquired Shares based on the Fair Market Value of the Shares on the date the Option is exercised, (iii) withholding of Shares from the Option based on the Fair Market Value of the Shares on the date the Option is exercised, (iv) broker-assisted market sales, or (iv) any other "cashless exercise" arrangement.

(e) EXERCISE TERM. Except for Nonstatutory Options granted to Participants outside the United States, no Option granted under the Plan shall be exercisable for more than ten years from the Grant Date.

(f) NO DEFERRAL FEATURE. No Option shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the Option.

(g) NO DIVIDEND EQUIVALENTS. No Option shall provide for Dividend Equivalents.

7.2. INCENTIVE STOCK OPTIONS. The terms of any Incentive Stock Options granted under the Plan must comply with the requirements of Section 422 of the Code. Without limiting the foregoing, any Incentive Stock Option granted to a Participant who at the Grant Date owns more than 10% of the voting power of all classes of shares of the Company must have an exercise price per Share of not less than 110% of the Fair Market Value per Share on the Grant Date and an Option term of not more than five years. If all of the requirements of Section 422 of the Code (including the above) are not met, the Option shall automatically become a Nonstatutory Stock Option.

ARTICLE 8
STOCK APPRECIATION RIGHTS

8.1. GRANT OF STOCK APPRECIATION RIGHTS. The Committee is authorized to grant Stock Appreciation Rights to Participants on the following terms and conditions:

(a) RIGHT TO PAYMENT. Upon the exercise of a SAR, the Participant has the right to receive, for each Share with respect to which the SAR is being exercised, the excess, if any, of (i) the Fair Market Value of one Share on the date of exercise; over (ii) the base price of the SAR as determined by the Committee and set forth in the Award Certificate, which shall not be less than the Fair Market Value of one Share on the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Article 14, without the prior approval of stockholders of the Company: (i) the base price of a SAR may not be reduced, directly or indirectly, (ii) a SAR may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the base price of the original SAR, or otherwise, and (iii) the Company may not repurchase a SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the SAR is lower than the base price per share of the SAR.

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which a SAR may be exercised in whole or in part. Except for SARs granted to Participants outside the United States, no SAR shall be exercisable for more than ten years from the Grant Date.

(d) NO DEFERRAL FEATURE. No SAR shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the SAR.

(e) NO DIVIDEND EQUIVALENTS. No SAR shall provide for Dividend Equivalents.

(f) OTHER TERMS. All SARs shall be evidenced by an Award Certificate. Subject to the limitations of this Article 8, the terms, methods of exercise, methods of settlement, form of consideration payable in settlement (e.g., cash, Shares or other property), and any other terms and conditions of the SAR shall be determined by the Committee at the time of the grant and shall be reflected in the Award Certificate.

ARTICLE 9
RESTRICTED STOCK, RESTRICTED STOCK UNITS AND DEFERRED STOCK UNITS

9.1. GRANT OF RESTRICTED STOCK, RESTRICTED STOCK UNITS AND DEFERRED STOCK UNITS. The Committee is authorized to make Awards of Restricted Stock, Restricted Stock Units or Deferred Stock Units to Participants in such amounts and subject to such terms and conditions as may be selected by the Committee. An Award of Restricted Stock, Restricted Stock Units or Deferred Stock Units shall be evidenced by an Award Certificate setting forth the terms, conditions, and restrictions applicable to the Award.

9.2. ISSUANCE AND RESTRICTIONS. Restricted Stock, Restricted Stock Units or Deferred Stock Units shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, for example, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock). These restrictions may lapse separately or in combination at such times, under such circumstances, in such installments, upon the satisfaction of performance goals or otherwise, as the Committee determines at the time of the grant of the Award or thereafter. Except as otherwise provided in an Award Certificate or any special Plan document governing an Award, a Participant shall have all of the rights of a stockholder with respect to Restricted Stock, but none of the rights of a stockholder with respect to Restricted Stock Units or Deferred Stock Units until such time as Shares of Stock are paid in settlement of such Awards. Unless otherwise provided in the applicable Award Certificate, Restricted Stock will be entitled to full dividend rights, and any dividends paid thereon will be paid or distributed to the holder no later than the end of the calendar year in which the dividends are paid to stockholders or, if later, the 15th day of the third month following the date the dividends are paid to stockholders.

9.3. FORFEITURE. Subject to the terms of the Award Certificate and except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of Continuous Service during the applicable restriction period or upon failure to satisfy a performance goal during the applicable restriction period, Restricted Stock or Restricted Stock Units that are at that time subject to restrictions shall be forfeited.

9.4. DELIVERY OF RESTRICTED STOCK. Shares of Restricted Stock shall be delivered to the Participant at the Grant Date either by book-entry registration or by delivering to the Participant, or a custodian or escrow agent (including, without limitation, the Company or one or more of its employees) designated by the Committee, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

ARTICLE 10
PERFORMANCE AWARDS

10.1. GRANT OF PERFORMANCE AWARDS. The Committee is authorized to grant any Award under this Plan, including cash-based Awards, with performance-based vesting criteria, on such terms and conditions as may be selected by the Committee. Any such Awards with performance-based vesting criteria are referred to herein as Performance Awards. The Committee shall have the complete discretion to determine the number of Performance Awards granted to each Participant and to designate the provisions of such Performance Awards as provided in Section 4.3. All Performance Awards shall be evidenced by an Award Certificate or a written program established by the Committee, pursuant to which Performance Awards are awarded under the Plan under uniform terms, conditions and restrictions set forth in such written program.

10.2. PERFORMANCE GOALS. The Committee may establish performance goals for Performance Awards which may be based on any criteria selected by the Committee. Such performance goals may be described in terms of Company-wide objectives or in terms of objectives that relate to the performance of the Participant, an Affiliate or a division, region, department or function within the Company or an Affiliate. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company or the manner in which the Company or an Affiliate conducts its business, or other events or circumstances render performance goals to be unsuitable, the Committee may modify such performance goals in whole or in part, as the Committee deems appropriate. If a Participant is promoted, demoted or transferred to a different business unit or function during a performance period, the Committee may determine that the performance goals or performance period are no longer appropriate and may (i) adjust, change or eliminate the performance goals or the applicable performance period as it deems appropriate to make such goals and period comparable to the initial goals and period, or (ii) make a cash payment to the participant in an amount determined by the Committee.

ARTICLE 11
DIVIDEND EQUIVALENTS

11.1. GRANT OF DIVIDEND EQUIVALENTS. The Committee is authorized to grant Dividend Equivalents with respect to Full-Value Awards granted hereunder, subject to such terms and conditions as may be selected by the Committee. Dividend Equivalents shall entitle the Participant to receive payments equal to ordinary cash dividends or distributions with respect to all or a portion of the number of Shares subject to a Full-Value Award, as determined by the Committee. The Committee may provide that Dividend Equivalents will be paid or distributed when accrued or be deemed to have been reinvested in additional Shares or otherwise reinvested. Unless otherwise provided by the Committee or in the Award Certificate, Dividend Equivalents will be paid or distributed to the Participant no later than the end of the calendar year in which the dividends are paid to stockholders or, if later, the 15th day of the third month following the date the dividends are paid to stockholders.

ARTICLE 12
STOCK OR OTHER STOCK-BASED AWARDS

12.1. GRANT OF STOCK OR OTHER STOCK-BASED AWARDS. The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, as deemed by the Committee to be consistent with the purposes of the Plan, including without limitation Shares awarded purely as a "bonus" and not subject to any restrictions or conditions, convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, and Awards valued by reference to book value per Share or the value of securities of or the performance of specified Parents or Subsidiaries. The Committee shall determine the terms and conditions of such Awards.

ARTICLE 13
PROVISIONS APPLICABLE TO AWARDS

13.1. AWARD CERTIFICATES. Each Award shall be evidenced by an Award Certificate. Each Award Certificate shall include such provisions, not inconsistent with the Plan, as may be specified by the Committee.

13.2. FORM OF PAYMENT FOR AWARDS. At the discretion of the Committee, payment of Awards may be made in cash, Stock, a combination of cash and Stock, or any other form of property as the Committee shall determine. In addition, payment of Awards may include such terms, conditions, restrictions and/or limitations, if any, as the Committee deems appropriate, including, in the case of Awards paid in the form of Stock, restrictions on transfer and forfeiture provisions. Further, payment of Awards may be made in the form of a lump sum, or in installments, as determined by the Committee.

13.3. LIMITS ON TRANSFER. No right or interest of a Participant in any unexercised or restricted Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or an Affiliate. No unexercised or restricted Award shall be assignable or transferable by a Participant other than by will or the laws of descent and distribution; provided, however, that Nonstatutory Stock Options may be transferred without consideration to members of a Participant's immediate family ("Immediate Family Members"), to trusts in which such Immediate Family Members have more than fifty percent (50%) of the beneficial interest, to foundations in which such Immediate Family Members (or the Participant) control the management of assets, and to any other entity (including limited partnerships and limited liability companies) in which the Immediate Family Members (or the Participant) own more than fifty percent (50%) of the voting interest; and, provided, further, that the Committee may (but need not) permit other transfers (other than transfers for value) where the Committee concludes that such transferability (i) does not result in accelerated taxation, (ii) does not cause any Option intended to be an Incentive Stock Option to fail to be described in Code Section 422(b), and (iii) is otherwise appropriate and desirable, taking into account any factors deemed relevant, including without limitation, state or federal tax or securities laws applicable to transferable Awards.

13.4. BENEFICIARIES. Notwithstanding Section 13.3, a Participant may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights under the Plan is subject to all terms and conditions of the Plan and any Award Certificate applicable to the Participant, except to the extent the Plan and Award Certificate otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If no beneficiary has been designated or survives the Participant, any payment due to the Participant shall be made to the Participant's estate. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant, in the manner provided by the Company, at any time provided the change or revocation is filed with the Committee.

13.5. STOCK TRADING RESTRICTIONS. All Stock issuable under the Plan is subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal or state securities laws, rules and regulations and the rules of any Exchange or automated quotation system on which the Stock is listed, quoted, or traded. The Committee may place legends on any Stock certificate or issue instructions to the transfer agent to reference restrictions applicable to the Stock.

13.6. EFFECT OF A CHANGE IN CONTROL. Upon the occurrence of a Change in Control: (i) outstanding Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully exercisable, (ii) time-based vesting restrictions on outstanding Awards shall lapse, and (iii) the target payout opportunities attainable under outstanding performance-based Awards shall be deemed to have been fully earned as of the effective date of the Change in Control based upon an assumed achievement of all relevant performance goals at the "target" level, and there shall be a prorata payout to Participants within sixty (60) days following the Change in Control (unless a later date is required by Section 16.3 hereof), based upon the length of time within the performance period that has elapsed prior to the Change in Control. Any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Award Certificate. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Code Section 422(d), the excess Options shall be deemed to be Nonstatutory Stock Options.

13.7. ACCELERATION FOR ANY OTHER REASON. Regardless of whether an event has occurred as described in Section 13.6 above, the Committee may in its sole discretion at any time determine that all or a portion of a Participant's Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully or partially exercisable, that all or a part of the time-based vesting restrictions on all or a portion of the outstanding Awards shall lapse, and/or that any performance-based criteria with respect to any Awards shall be deemed to be wholly or partially satisfied, in each case, as of such date as the Committee may, in its sole discretion, declare. The Committee may discriminate among Participants and among Awards granted to a Participant in exercising its discretion pursuant to this Section 13.7. Notwithstanding anything in the Plan, including this Section 13.7, the Committee may not accelerate the payment of any Award if such acceleration would violate Section 409A(a)(3) of the Code.

13.8. FORFEITURE EVENTS. Awards under the Plan shall be subject to any compensation recoupment policy that the Company may adopt from time to time that is applicable by its terms to the Participant. In addition, the Committee may specify in an Award Certificate that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but shall not be limited to, (i) termination of employment for cause, (ii) violation of material Company or Affiliate policies, (iii) breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant, (iv) other conduct by the Participant that is detrimental to the business or reputation of the Company or any Affiliate, or (v) a later determination that the vesting of, or amount realized from, a Performance Award was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria, whether or not the Participant caused or contributed to such material inaccuracy.

13.9. SUBSTITUTE AWARDS. The Committee may grant Awards under the Plan in substitution for stock and stock-based awards held by employees of another entity who become employees of the Company or an Affiliate as a result of a merger or consolidation of the former employing entity with the Company or an Affiliate or the acquisition by the Company or an Affiliate of property or stock of the former employing corporation. The Committee may direct that the substitute awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

ARTICLE 14
CHANGES IN CAPITAL STRUCTURE

14.1. MANDATORY ADJUSTMENTS. In the event of a nonreciprocal transaction between the Company and its stockholders that causes the per-share value of the Stock to change (including, without limitation, any stock dividend, stock split, spin-off, rights offering, or large nonrecurring cash dividend), the Committee shall make such adjustments to the Plan and Awards as it deems necessary, in its sole discretion, to prevent dilution or enlargement of rights immediately resulting from such transaction. Action by the Committee may include: (i) adjustment of the number and kind of shares that may be delivered under the Plan; (ii) adjustment of the number and kind of shares subject to outstanding Awards; (iii) adjustment of the exercise price of outstanding Awards or the measure to be used to determine the amount of the benefit payable on an Award; and (iv) any other adjustments that the Committee determines to be equitable. Notwithstanding the foregoing, the Committee shall not make any adjustments to outstanding Options or SARs that would constitute a modification or substitution of the stock right under Treas. Reg. Section 1.409A-1(b)(5)(v) that would be treated as the grant of a new stock right or change in the form of payment for purposes of Code Section 409A. Without limiting the foregoing, in the event of a subdivision of the outstanding Stock (stock-split), a declaration of a dividend payable in Shares, or a combination or consolidation of the outstanding Stock into a lesser number of Shares, the authorization limits under Section 5.1 shall automatically be adjusted proportionately, and the Shares then subject to each Award shall automatically, without the necessity for any additional action by the Committee, be adjusted proportionately without any change in the aggregate purchase price therefor.

14.2 DISCRETIONARY ADJUSTMENTS. Upon the occurrence or in anticipation of any corporate event or transaction involving the Company (including, without limitation, any merger, reorganization, recapitalization, combination or exchange of shares, or any transaction described in Section 14.1), the Committee may, in its sole discretion, provide (i) that Awards will be settled in cash rather than Stock, (ii) that Awards will become immediately vested and non-forfeitable and exercisable (in whole or in part) and will expire after a designated period of time to the extent not then exercised, (iii) that Awards will be assumed by another party to a transaction or otherwise be equitably converted or substituted in connection with such transaction, (iv) that outstanding Awards may be settled by payment in cash or cash equivalents equal to the excess of the fair market value of the underlying Stock, as of a specified date associated with the transaction (or the per-shares transaction price), over the exercise or base price of the Award, (v) that performance targets and performance periods for Performance Awards will be modified, or (vi) any combination of the foregoing. The Committee's determination need not be uniform and may be different for different Participants whether or not such Participants are similarly situated.

14.3 GENERAL. Any discretionary adjustments made pursuant to this Article 14 shall be subject to the provisions of Section 15.2. To the extent that any adjustments made pursuant to this Article 14 cause Incentive Stock Options to cease to qualify as Incentive Stock Options, such Options shall be deemed to be Nonstatutory Stock Options.

ARTICLE 15
AMENDMENT, MODIFICATION AND TERMINATION

15.1. AMENDMENT, MODIFICATION AND TERMINATION. The Board or the Committee may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board or the Committee, constitute a material change requiring stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of an Exchange,then such amendment shall be subject to stockholder approval; and provided, further, that the Board or Committee may condition any other amendment or modification on the approval of stockholders of the Company for any reason, including by reason of such approval being necessary or deemed advisable (i) to comply with the listing or other requirements of an Exchange, or (ii) to satisfy any other tax, securities or other applicable laws, policies or regulations. Except for any mandatory adjustments to the Plan and Awards contemplated by Section 14.1, without the prior approval of the stockholders of the Company, the Plan may not be amended to permit: (i) the exercise price or base price of an Option or SAR to be reduced, directly or indirectly, (ii) an Option or SAR to be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price or base price of the original Option or SAR, or otherwise, or (iii) the Company to repurchase an Option or SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option or SAR is lower than the exercise price or base price per share of the Option or SAR.

15.2. AWARDS PREVIOUSLY GRANTED. At any time and from time to time, the Committee may amend, modify or terminate any outstanding Award without approval of the Participant; provided, however:

(a) Subject to the terms of the applicable Award Certificate, such amendment, modification or termination shall not, without the Participant's consent, reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment or termination (with the per-share value of an Option or SAR for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment or termination over the exercise or base price of such Award);

(b) The original term of an Option or SAR may not be extended without the prior approval of the stockholders of the Company;

(c) Except as otherwise provided in Article 14, without the prior approval of the stockholders of the Company: (i) the exercise price or base price of an Option or SAR may not be reduced, directly or indirectly, (ii) an Option or SAR may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price or base price of the original Option or SAR, or otherwise, and (iii) the Company may not repurchase an Option or SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option or SAR is lower than the exercise price or base price per share of the Option or SAR; and

(d) No termination, amendment, or modification of the Plan shall adversely affect any Award previously granted under the Plan, without the written consent of the Participant affected thereby. An outstanding Award shall not be deemed to be "adversely affected" by a Plan amendment if such amendment would not reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment (with the per-share value of an Option or SAR for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment over the exercise or base price of such Award).

15.3. COMPLIANCE AMENDMENTS. Notwithstanding anything in the Plan or in any Award Certificate to the contrary, the Board may amend the Plan or an Award Certificate, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or Award Certificate to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A of the Code), and to the administrative regulations and rulings promulgated thereunder. By accepting an Award under this Plan, a Participant agrees to any amendment made pursuant to this Section 15.3 to any Award granted under the Plan without further consideration or action.

ARTICLE 16
GENERAL PROVISIONS

16.1. RIGHTS OF PARTICIPANTS.

(a) No Participant or any Eligible Participant shall have any claim to be granted any Award under the Plan. Neither the Company, its Affiliates nor the Committee is obligated to treat Participants or Eligible Participants uniformly, and determinations made under the Plan may be made by the Committee selectively among Eligible Participants who receive, or are eligible to receive, Awards (whether or not such Eligible Participants are similarly situated).

(b) Nothing in the Plan, any Award Certificate or any other document or statement made with respect to the Plan, shall interfere with or limit in any way the right of the Company or any Affiliate to terminate any Participant's employment or status as an officer, or any Participant's service as a director, at any time, nor confer upon any Participant any right to continue as an employee, officer, or director of the Company or any Affiliate, whether for the duration of a Participant's Award or otherwise.

(c) Neither an Award nor any benefits arising under this Plan shall constitute an employment contract with the Company or any Affiliate and, accordingly, subject to Article 15, this Plan and the benefits hereunder may be terminated at any time in the sole and exclusive discretion of the Committee without giving rise to any liability on the part of the Company or any of its Affiliates.

(d) No Award gives a Participant any of the rights of a stockholder of the Company unless and until Shares are in fact issued to such person in connection with such Award.

16.2. WITHHOLDING. The Company or any Affiliate shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company or such Affiliate, an amount sufficient to satisfy federal, state, and local taxes (including the Participant's FICA obligation) required by law to be withheld with respect to any exercise, lapse of restriction or other taxable event arising as a result of the Plan. The obligations of the Company under the Plan will be conditioned on such payment or arrangements and the Company or such Affiliate will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Participant. Unless otherwise determined by the Committee at the time the Award is granted or thereafter, any such withholding requirement may be satisfied, in whole or in part, by withholding from the Award Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Committee establishes. All such elections shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

16.3. SPECIAL PROVISIONS RELATED TO SECTION 409A OF THE CODE

(a) It is intended that the payments and benefits provided under the Plan and any Award shall either be exempt from the application of, or comply with, the requirements of Section 409A of the Code. The Plan and all Award Certificates shall be construed in a manner that effects such intent. Nevertheless, the tax treatment of the benefits provided under the Plan or any Award is not warranted or guaranteed. Neither the Company, its Affiliates nor their respective directors, officers, employees or advisers (other than in his or her capacity as a Participant) shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant or other taxpayer as a result of the Plan or any Award.

(b) Notwithstanding anything in the Plan or in any Award Certificate to the contrary, to the extent that any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code ("Non-Exempt Deferred Compensation") would otherwise be payable or distributable, or a different form of payment (e.g., lump sum or installment) of such Non-Exempt Deferred Compensation would be effected, under the Plan or any Award Certificate by reason of the occurrence of a Change in Control, or the Participant's Disability or separation from service, such Non-Exempt Deferred Compensation will not be payable or distributable to the Participant, and/or such different form of payment will not be effected, by reason of such circumstance unless the circumstances giving rise to such Change in Control, Disability or separation from service meet any description or definition of "change in control event", "disability" or "separation from service", as the case may be, in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition). This provision does not affect the dollar amount or prohibit the *vesting* of any Award upon a Change in Control, Disability or separation from service, however defined. If this provision prevents the payment or distribution of any amount or benefit, or the application of a different form of payment of any amount or benefit, such payment or distribution shall be made at the time and in the form that would have applied absent the non-409A-conforming event.

(c) If any one or more Awards granted under the Plan to a Participant could qualify for any separation pay exemption described in Treas. Reg. Section 1.409A-1(b)(9), but such Awards in the aggregate exceed the dollar limit permitted for the separation pay exemptions, the Company shall determine which Awards or portions thereof will be subject to such exemptions.

(d) Notwithstanding anything in the Plan or in any Award Certificate to the contrary, if any amount or benefit that would constitute Non-Exempt Deferred Compensation would otherwise be payable or distributable under this Plan or any Award Certificate by reason of a Participant's separation from service during a period in which the Participant is a Specified Employee, then, subject to any permissible acceleration of payment by the Committee under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes): (i) the amount of such Non-Exempt Deferred Compensation that would otherwise be payable during the six-month period immediately following the Participant's separation from service will be accumulated through and paid or provided on the first day of the seventh month following the Participant's separation from service (or, if the Participant dies during such period, within 30 days after the Participant's death) (in either case, the "Required Delay Period"); and (ii) the normal payment or distribution schedule for any remaining payments or distributions will resume at the end of the Required Delay Period.

(e) If, pursuant to an Award, a Participant is entitled to a series of installment payments, such Participant's right to the series of installment payments shall be treated as a right to a series of separate payments and not to a single payment. For purposes of the preceding sentence, the term "series of installment payments" has the meaning provided in Treas. Reg. Section 1.409A-2(b)(2)(iii) (or any successor thereto).

(f) Whenever an Award conditions a payment or benefit on the Participant's execution and non-revocation of a release of claims, such release must be executed and all revocation periods shall have expired within 60 days after the date of termination of the Participant's employment; failing which such payment or benefit shall be forfeited. If such payment or benefit is exempt from Section 409A of the Code, the Company may elect to make or commence payment at any time during such 60-day period. If such payment or benefit constitutes Non-Exempt Deferred Compensation, then, subject to subsection (d) above, (i) if such 60-day period begins and ends in a single calendar year, the Company may make or commence payment at any time during such period at its discretion, and (ii) if such 60-day period begins in one calendar year and ends in the next calendar year, the payment shall be made or commence during the second such calendar year (or any later date specified for such payment under the applicable Award), even if such signing and non-revocation of the release occur during the first such calendar year included within such 60-day period. In other words, a Participant is not permitted to influence the calendar year of payment based on the timing of signing the release.

(g) The Company shall have the sole authority to make any accelerated distribution permissible under Treas. Reg. Section 1.409A-3(j)(4) to Participants of deferred amounts, provided that such distribution(s) meets the requirements of Treas. Reg. Section 1.409A-3(j)(4).

16.4. UNFUNDED STATUS OF AWARDS. The Plan is intended to be an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Certificate shall give the Participant any rights that are greater than those of a general creditor of the Company or any Affiliate. In its sole discretion, the Committee may authorize the creation of grantor trusts or other arrangements to meet the obligations created under the Plan to deliver Shares or payments in lieu of Shares or with respect to Awards. This Plan is not intended to be subject to ERISA.

16.5. RELATIONSHIP TO OTHER BENEFITS. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or benefit plan of the Company or any Affiliate unless provided otherwise in such other plan. Nothing contained in the Plan will prevent the Company from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

16.6. EXPENSES. The expenses of administering the Plan shall be borne by the Company and its Affiliates.

16.7. TITLES AND HEADINGS. The titles and headings of the Sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

16.8. GENDER AND NUMBER. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

16.9. FRACTIONAL SHARES. No fractional Shares shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional Shares or whether such fractional Shares shall be eliminated by rounding up or down.

16.10. GOVERNMENT AND OTHER REGULATIONS.

(a) Notwithstanding any other provision of the Plan, no Participant who acquires Shares pursuant to the Plan may, during any period of time that such Participant is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the 1933 Act), sell such Shares, unless such offer and sale is made (i) pursuant to an effective registration statement under the 1933 Act, which is current and includes the Shares to be sold, or (ii) pursuant to an appropriate exemption from the registration requirement of the 1933 Act, such as that set forth in Rule 144 promulgated under the 1933 Act.

(b) Notwithstanding any other provision of the Plan, if at any time the Committee shall determine that the registration, listing or qualification of the Shares covered by an Award upon any Exchange or under any foreign, federal, state or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the purchase or receipt of Shares thereunder, no Shares may be purchased, delivered or received pursuant to such Award unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any condition not acceptable to the Committee. Any Participant receiving or purchasing Shares pursuant to an Award shall make such representations and agreements and furnish such information as the Committee may request to assure compliance with the foregoing or any other applicable legal requirements. The Company shall not be required to issue or deliver any certificate or certificates for Shares under the Plan prior to the Committee's determination that all related requirements have been fulfilled. The Company shall in no event be obligated to register any securities pursuant to the 1933 Act or applicable state or foreign law or to take any other action in order to cause the issuance and delivery of such certificates to comply with any such law, regulation or requirement.

16.11. GOVERNING LAW. To the extent not governed by federal law, the Plan and all Award Certificates shall be construed in accordance with and governed by the laws of the State of Delaware.

16.12. SEVERABILITY. In the event that any provision of this Plan is found to be invalid or otherwise unenforceable under any applicable law, such invalidity or unenforceability will not be construed as rendering any other provisions contained herein as invalid or unenforceable, and all such other provisions will be given full force and effect to the same extent as though the invalid or unenforceable provision was not contained herein.

16.13. NO LIMITATIONS ON RIGHTS OF COMPANY. The grant of any Award shall not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets. The Plan shall not restrict the authority of the Company, for proper corporate purposes, to draft or assume awards, other than under the Plan, to or with respect to any person. If the Committee so directs, the Company may issue or transfer Shares to an Affiliate, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Affiliate will transfer such Shares to a Participant in accordance with the terms of an Award granted to such Participant and specified by the Committee pursuant to the provisions of the Plan.

The foregoing is hereby acknowledged as being the Checkpoint Therapeutics, Inc. Amended and Restated 2015 Incentive Plan, which was amended and restated effective as of December 18, 2015.

CHECKPOINT THERAPEUTICS, INC.

By: James F. Oliviero III

Its: President & CEO

Exhibit 10.11

EXECUTIVE EMPLOYMENT AGREEMENT

This **Executive Employment Agreement** (this "***Agreement***") is made and entered into as of October 13, 2015 by and between **Checkpoint Therapeutics, Inc.** (the "***Company***") and **James F. Oliviero III** ("***Executive***"). The Company and Executive are hereinafter collectively referred to as the "***Parties***", and individually referred to as a "***Party***".

Recitals

WHEREAS the Company desires to employ Executive and Executive desires to accept such employment, on the terms and conditions set forth in this Agreement; and

WHEREAS, in his position, Executive will have access to confidential information concerning the Company's business, its customers and employees; and

WHEREAS, the Company wishes to protect itself from unauthorized use of this information and to protect its investment in its employees, customer relationships and confidential information.

NOW, THEREFORE, in consideration of the foregoing, the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Agreement

1. Employment.

1.1 Title. Effective as of the Effective Date, Executive is employed by the Company in the position of President and Chief Executive Officer ("***CEO***"), subject to the terms and conditions set forth in this Agreement.

1.2 Term. The term of this Agreement will begin on October 13, 2015 (the "***Effective Date***"), and will continue until it is terminated pursuant to Section 4 herein (the "***Term***").

1.3 Duties. Executive shall do and perform all services, acts or things necessary or advisable to conduct the business of the Company and that are normally associated with the position of President and CEO. In his capacity as President and CEO, Executive shall report to the Company's Executive Chairman. Throughout this Agreement, references to the Company's Executive Chairman will mean the Company's Board of Directors (the "***Board***") in the event that there is no Executive Chairman at the time.

1.4 Board Service. The Company will use its best efforts to cause Executive to be appointed as a member of the Board and will include Executive in the management slate for election as a director at every stockholders meeting during the Term at which Executive's term as a director would otherwise expire. During the Term, Executive will serve as a director if elected. Immediately upon the termination of Executive's employment with the Company for any reason, unless otherwise agreed to in writing between Executive and the Company, Executive will be deemed to have resigned from all positions as an officer and director of the Company and any of its affiliates. In furtherance of the preceding sentence, Executive will execute and return to the Company all letters and documents that the Company may reasonably require in order to evidence such resignation(s), but Executive's failure to execute and return such documents will not have the effect of delaying or in any way invalidating the resignation(s) provided for by the preceding sentence.

1.5 Policies and Practices. Executive will abide by the policies and practices established by the Company and/or the Board (or any designated committee thereof). In the event that the terms of this Agreement differ from or are in conflict with the Company's policies or practices or the Company's Employee Handbook, this Agreement shall control.

2. Loyalty; Noncompetition; Nonsolicitation.

2.1 Loyalty. During Executive's employment by the Company, Executive shall devote substantially all of his business energies, interest, abilities and productive time to the proper and efficient performance of Executive's duties under this Agreement. Notwithstanding the above, Executive may, on his own time, at his own expense and so as to not interfere with his duties and responsibilities at the Company: (i) participate in civic, educational, charitable or fraternal organizations; (ii) manage his personal investments; and (iii) with prior approval of the Executive Chairman, serve as a consultant to, or on the board of directors of, other companies that do not compete with the Company.

2.2 Agreements Protecting Confidential and Proprietary Information. In connection with and as a material condition of the Company's decision to offer Executive employment, Executive understands, acknowledges and agrees to promptly execute and be bound by certain restrictive covenants during and after his employment with the Company, as contained in the Company's Proprietary Information and Inventions Agreement ("***PIIA***"); provided, however, that the provisions of Section 4 of the PIIA are superseded by Section 2.3 of this Agreement. A copy of the PIIA is attached to this Agreement as Exhibit A.

2.3 Non-Competition and Non-Solicitation.

2.3.1 Purpose. Executive understands and agrees that the purpose of this Section 2.3 is solely to protect the Company's legitimate business interests, including, but not limited to its confidential and proprietary information, customer relationships and goodwill, and the Company's competitive advantage, and is not intended to impair, nor will it impair, Executive's ability or right to work or earn a living. Therefore, Executive agrees to be subject to restrictive covenants under the following terms.

2.3.2 Definitions. As used in this Agreement, the following terms have the meanings given to such terms below.

(i) "**Affiliate**" means, with respect to any specific entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified entity.

(ii) "**Business**" means the business(es) in which the Company and any other entity that is directly or indirectly controlled by the Company are or were engaged at the time of, or during the 12 month period prior to, the termination of Executive's employment with the Company for any reason.

(iii) "**Customer**" means any person or entity who is or was a customer or client of the Company or its Affiliates at the time of, or during the 12 month period prior to, the termination of Executive's employment with the Company for any reason.

(iv) "**Company Employee**" means any person who is or was an employee of the Company or its Affiliates at the time of, or during the twelve (12) month period prior to, the termination of Executive's employment with the Company for any reason.

(v) "**Restricted Period**" means the period commencing on the date of termination of Executive's employment with the Company for any reason and ending twelve (12) months after such date.

(vi) "**Territory**" means the United States of America, it being understood that the Company's business is nationwide in scope and a nationwide restriction is reasonable and necessary to protect the Company's interests.

2.3.3 Non-Participation with the Company's Competitors. During his employment with the Company and during the Restricted Period, Executive will not, on his own behalf or on behalf of any other person, without the prior written consent of the Company, engage in any business competitive with or adverse to that of the Company. In addition, during his employment with the Company and during the Restricted Period, Executive will not acquire, assume or participate in, directly or indirectly, any position, investment or interest known by Executive to be adverse or antagonistic to the Company, its business, or prospects, financial or otherwise, or in any company, person, or entity that is, directly or indirectly, in competition with the business of the Company or any other entity that is directly or indirectly controlled by the Company. Ownership by Executive, in professionally managed funds over which the Executive does not have control or discretion in investment decisions, or as a passive investment, of less than five percent (5%) of any class of securities of a corporation having a class of securities registered pursuant to the Securities Exchange Act of 1934 shall not constitute a breach of this Section 2.3.3.

2.3.4 Non-Competition. During his employment with the Company and during the Restricted Period, Executive will not, directly or indirectly, (i) engage in the Business in the Territory (other than on behalf of the Company and/or its Affiliates), or (ii) hold a position based in or with responsibility for all or part of the Territory, with any person or entity (other than the Company and/or its Affiliates) engaging in the Business, whether as an employee, consultant, or otherwise, in which Executive will have duties, or will perform or be expected to perform services for such person or entity, that is or are the same as or substantially similar to the position held by Executive or those duties or services actually performed by Executive for the Company within the twelve (12) month period immediately preceding the termination of Executive's employment with the Company, or in which Executive will use or disclose any confidential or proprietary information of the Company for the purpose of providing, or attempting to provide, such person or entity with a competitive advantage with respect to the Business.

2.3.5 Non-Solicitation. During his employment with the Company and during the Restricted Period, Executive will not, directly or indirectly, on Executive's own behalf or on behalf of any other party (except on behalf of the Company and/or its Affiliates):

(i) Call upon, solicit, divert, encourage or attempt to call upon, solicit, divert, or encourage any Customer for purposes of marketing, selling, or providing products or services to such Customer that are similar to or competitive with those offered by the Company;

(ii) Accept as a customer any Customer for purposes of marketing, selling, or providing products or services to such Customer that are similar to or competitive with those offered by the Company;

(iii) Induce, encourage, or attempt to induce or encourage any Customer to reduce, limit, or cancel its business with the Company; or

(iv) Solicit, induce, or attempt to solicit or induce any Company Employee to terminate his or her employment with the Company.

2.3.6 Reasonableness of Restrictions. Executive acknowledges and agrees that (i) his services to the Company under this Agreement are unique and extraordinary; (ii) the restrictive covenants in this Agreement are essential elements of Executive's employment by the Company and are reasonable given Executive's access to the Company's confidential information and the substantial knowledge and goodwill Executive will acquire with respect to the business of the Company as a result of his employment with the Company, and the unique and extraordinary services to be provided by Executive to the Company; (iii) the restrictive covenants contained in this Agreement are reasonable in time, territory, and scope, and in all other respects; and (iv) enforcement of the restrictions contained herein will not deprive the Executive of the ability to earn a reasonable living.

2.3.7 Judicial Modification. Should any part or provision of this Section 2.3 be held invalid, void, or unenforceable in any court of competent jurisdiction, such invalidity, voidness, or unenforceability shall not render invalid, void, or unenforceable any other part or provision of this Agreement. The parties further agree that if any portion of this Section 2.3 is found to be invalid or unenforceable by a court of competent jurisdiction because its duration, territory, or other restrictions are deemed to be invalid or unreasonable in scope, the invalid or unreasonable terms shall be replaced by terms that are valid and enforceable and that come closest to expressing the intention of such invalid or unenforceable terms.

2.3.8 Enforcement. Executive acknowledges and agrees that the Company may suffer irreparable harm in the event that Executive breaches any of Executive's obligations under this Section 2.3 and that monetary damages would be inadequate to compensate the Company for such breach. Accordingly, Executive agrees that, in the event of a breach by Executive of any of Executive's obligations under this Section 2.3, the Company will be entitled to obtain from any court of competent jurisdiction preliminary and permanent injunctive relief, and expedited discovery for the purpose of seeking relief, in order to prevent or to restrain any such breach. Executive agrees to waive any requirement for the securing or posting of any bond in connection with such remedies. The Company will be entitled to recover its reasonable costs incurred in connection with enforcing this Section 2.3, including reasonable attorneys' fees and expenses.

3. Compensation of Executive.

3.1 Base Salary. The Company shall pay Executive a base salary at the annualized rate of Three Hundred Ninety-FiveThousand Dollars ($395,000.00) (the "***Base Salary***"), less all applicable taxes, deductions and withholdings, to be paid in equal installments in accord with the Company's normal payroll practices. The Base Salary shall be prorated for any partial year of employment on the basis of a 365-day fiscal year and may be changed in the discretion of the Board. The Board shall review Executive's Base Salary annually and, in its discretion, may increase Executive's Base Salary from year to year. Such adjusted salary then shall become Executive's Base Salary for purposes of this Agreement. The Base Salary may only be decreased in connection with a Company-wide decrease in executive compensation; provided, however that Executive shall not be subject to any greater percentage reduction than any other Company executive.

3.2 Annual Bonus. Following each calendar year while employed hereunder, Executive will be eligible to receive a performance-based cash bonus (the "***Annual Bonus***") as described below.

3.2.1 The target amount of the Annual Bonus will be fifty percent (50%) of the Base Salary. The amount of the Annual Bonus to be paid will be based on Executive's attainment of certain financial, clinical development, and/or business milestones (the "***Goals and Objectives***") to be established annually no later than March 1 of each year by agreement between Executive and the Company's Executive Chairman. The achievement of reach goals as determined by the Executive Chairman will result in a maximum Annual Bonus of up to seventy-five percent (75%) of Executive's Base Salary.

3.2.2 Executive shall prepare an initial proposal of Goals and Objectives for each calendar year. If no Goals and Objectives are established by March 1 of a given year as a result of (i) Executive's failure to propose Goals and Objections in a timely manner, or (ii) the Executive's and Executive Chairman's inability to agree on Goals and Objectives (provided that the Executive Chairman acts in good faith and in a reasonable manner) the Board shall determine and provide Executive with the Goals and Objectives for such given year in good faith.

3.2.3 For calendar year 2015 only, the requirement that Goals and Objectives be established by March 1 will not apply, and Executive will be eligible to earn a pro-rated Annual Bonus.

3.2.4 The determination of whether Executive has met the Goals and Objectives, and if so, the bonus amount (if any) that will be paid, will be determined by the Board in its sole discretion. Executive must remain employed by the Company through and including the last day of the applicable calendar year in order to be eligible to earn or receive any Annual Bonus for that year. The Annual Bonus for any given calendar year will be paid in cash as a single lump-sum payment no later than two and one half months after the end of the year to which the Annual Bonus relates.

3.3 Capital Raise Bonus. The Company will pay Executive a one-time cash bonus of One Hundred Thousand Dollars ($100,000) upon the completion of the first public offering of the Company's stock resulting in gross proceeds to the Company of at least $20,000,000 (but expressly excluding for this purpose the offering contemplated as of the date of this Agreement to be led by National Securities Corp.). Executive must be employed by the Company at the time of the completion of such an offering in order to receive the bonus described in this Section 3.3.

3.4 Equity. Executive will be entitled to receive equity grants from the Company as described in this Section 3.4. All equity grants will be subject to the entry of a Restricted Stock Issuance Agreement or similar equity grant agreement between the Company and Executive, and in the event of any irreconcilable difference between this Agreement and the equity grant agreement with respect to such equity awards, this Agreement will control.

3.4.1 Effective upon the Effective Date, Executive will be granted 1,000,000 restricted shares of the Company's common stock, subject to a repurchase right in favor of the Company that lapses as such shares vest as described below (the "***Initial Shares***").

3.4.2 Provided that Executive remains employed by the Company at the time of the final closing of the first equity financing resulting in gross proceeds to the Company of at least $10,000,000, Executive will be granted additional restricted shares of the Company's common stock (the "***Additional Shares***") as described herein. If, following such first equity financing, Executive's Initial Shares are not greater than or equal to five percent (5%) of the Company's fully-diluted capitalization (which shall include common stock issuable upon conversion, exchange or exercise of any derivative security, including without limitation, options, warrants, convertible equity or debt or restricted equity, as well as any shares and/or convertible securities the Company is obligated to issue based on such first equity financing), then Additional Shares will be awarded such that the sum of the Additional Shares plus the Initial Shares will equal five percent (5%) of the Company's fully-diluted capitalization (including the Additional Shares) taking into account the effects of such financing. Notwithstanding the foregoing, if such first equity financing is in excess of $30,000,000, the adjustment described herein shall be calculated as if the financing was for $30,000,000. The Additional Shares will be subject to a repurchase right in favor of the Company that lapses as the Additional Shares vest as described below. The Initial Shares and the Additional Shares are collectively referred to here as the "***Shares***".

3.4.3 One-third of the Shares will vest over time in four equal annual installments beginning on the Effective Date. One-third of the Shares will vest in three equal parts based on the Company's achievement of fully-diluted Market Capitalization of $250,000,000, $500,000,000, and $750,000,000 respectively. For purposes of this Agreement, "***Market Capitalization***" shall be determined by multiplying the total shares of the Company's common stock that are outstanding (including common stock issuable upon conversion, exchange or exercise of any derivative security, including without limitation, options, warrants, convertible equity or debt or restricted equity) by the last reported closing price of the Company's common stock on a nationally recognized exchange or in the over-the-counter market. The final third will vest in two equal installments as follows: (i) one installment will vest upon the earlier of (A) the Company's first Corporate Development Transaction (as defined below) or (B) the first FDA approval of a Company product or medical device, and (ii) the second installment will vest upon the earlier of (A) the Company's second Corporate Development Transaction (as defined below) or (B) a second FDA approval of a Company product or medical device. As used herein, "***Corporate Development Transaction***" means the Company's license or acquisition of a technology, product, product candidate, medical device or company (provided that such license or acquisition occurs primarily through Executive's efforts or the efforts of the Company, rather than through the efforts of Fortress Biotech or Opus Point Partners, or is first identified and brought to the Company's attention by Executive). The Company's Board will have the exclusive discretion to determine whether a transaction qualifies as a Corporate Development Transaction, and the Board will not fail to approve a transaction recommended by the Executive Chairman as a Corporate Development Transaction without reasonable justification. For avoidance of doubt, the parties intend that the Additional Shares will vest on the same schedule as the Initial Shares, as though the Additional Shares had been granted on the same date as the Initial Shares, with the result that Additional Shares subject to time vesting may be vested upon grant.

3.4.4 The Shares will also vest in full upon the occurrence of a "***Qualifying Change in Control***" meaning a Change in Control (as defined below) in which the Company is valued in excess of $500,000,000 (on a fully-diluted basis).

3.4.5 During the Term, Executive may be eligible for additional equity grants, as determined by the Board from time to time. Nothing herein requires the Board to make additional equity grants in any year.

3.5 Expense Reimbursements. The Company will reimburse Executive for all reasonable business expenses incurred by Executive in connection with the performance of his duties hereunder, subject to the Company's reimbursement policies in effect from time to time.

3.6 Benefits. Executive shall, in accordance with Company policy and the applicable plan documents, be eligible to participate in benefits under any benefit plan or arrangement that may be in effect from time to time and made available to the Company's senior management employees. If at any time during the Term the Company fails to offer medical or dental insurance coverage for Executive and the eligible members of his immediate family, the Company will reimburse Executive for one hundred percent (100%) of the cost of Consolidated Omnibus Budget Reconciliation Act ("***COBRA***") coverage to maintain such medical or dental coverage, to the extent available, provided, however, that should the Company reasonably determine that continued payment of the COBRA premiums is or may be discriminatory under Section 105(h) of the Internal Revenue Code of 1986, as amended (the "***Code***"), the Company will have the right to modify this benefit in order to comply with applicable law in a manner that best preserves the economic intent of this provision.

3.7 Holidays and Vacation. Executive shall be eligible to accrue up to four (4) weeks of paid vacation per year and will receive paid Company holidays in accordance with Company policy. Unless otherwise required by law or in accordance with Company policy, accrued but unused vacation time is not carried forward from one year to the next, and is not paid out upon termination of employment for any reason. All available time off must be used in accordance with the Company's policies and procedures. To the extent Executive would be entitled to a greater number of vacation days or personal days under any other Company policy, such other policy shall govern.

3.8 Withholdings. The Company may withhold from any amounts payable under this Agreement such federal, state and local taxes as the Company determines are required to be withheld pursuant to any applicable law along with any other amount properly requested by Executive.

4. Termination.

4.1 Termination by the Company. Executive's employment with the Company is at will and may be terminated by the Company at any time and for any reason, or for no reason, including, but not limited to, under the following conditions:

4.1.1 Termination by the Company for Cause. The Company may terminate Executive's employment under this Agreement for "Cause" (as defined below) by delivery of written notice to Executive in accordance with the procedures set forth in Section 4.6.1 below. Any notice of termination given pursuant to this Section 4.1.1 shall effect termination as of the date of the notice or as of such other date as specified in the notice, subject to Section 4.6.1 and 4.6.2.

4.1.2 Termination by the Company without Cause. The Company may terminate Executive's employment under this Agreement without Cause at any time and for any reason or for no reason. Such termination shall be effective on the date Executive is so informed or as otherwise specified by the Company.

4.2 Termination by Resignation of Executive. Executive's employment with the Company is at will and may be terminated by Executive at any time and for any reason or for no reason, including via a resignation for Good Reason in accordance with the procedures set forth in Section 4.6.2 below.

4.3 Termination for Death or Disability. Executive's employment with the Company shall terminate effective upon the date of Executive's death or Disability (as defined below).

4.4 Termination by Mutual Agreement of the Parties. Executive's employment with the Company may be terminated at any time upon a mutual agreement in writing of the Parties. Any such termination of employment shall have the consequences specified in such agreement.

4.5 Compensation Upon Termination.

4.5.1 Generally. When this Agreement is terminated for any reason, Executive, or his estate, as the case may be, will be entitled to receive the compensation and benefits earned through the effective date of termination, including, but not limited to, as applicable, any Base Salary earned by Executive, expense reimbursement amounts owed to Executive, all unpaid amounts of the Annual Bonus for the prior year, if any, Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and any benefits required to be paid or provided or which Executive is entitled to receive under any plan, program, policy or practice or contract or agreement of the Company, less legally-required deductions and withholdings.

4.5.2 Termination Without Cause or Resignation For Good Reason Not In Connection with a Change in Control. If Executive's employment under this Agreement is terminated by the Company without Cause or Executive resigns for Good Reason, at any time other than at the time of, or within eighteen (18) months following a Change in Control, then, in addition to the amounts described in Section 4.5.1, and conditioned upon Executive (or his estate, if applicable) executing and not revoking a release of claims in the form attached as Exhibit B (the "***Release***") within the time periods specified therein, the Company will provide the following separation benefits: (i) the Company will continue Executive's Base Salary (at the rate in effect as of the termination) for a period of twelve (12) months, beginning on the sixtieth (60^{th}) day following the termination of Executive's employment with the Company and with the first such payment comprising all salary accruing from the termination date through the date of payment, (ii) partial accelerated vesting, effective as of the termination date, of all unvested equity awards with respect to the same number of shares that would have vested if Executive had continued in employment for one year after the termination date and to the extent any vested equity awards are stock options, Executive will have twelve (12) months from the date of termination in which to exercise such options (but not beyond the expiration date of the options), (iii) any unvested portion of the Shares subject to Market Capitalization or FDA approval vesting as described in Section 3.4.3 shall remain outstanding for a period of six (6) months following the termination date and to the extent that such milestones are achieved during such six-month period, the respective Shares shall vest and become non-forfeitable, and (iv) if Executive (or his estate, if applicable) elects to continue his health insurance coverage under COBRA following the termination, then the Company shall pay the monthly premiums for such coverage until the earliest of (A) the date that is twelve (12) months following termination, (B) the expiration of such continuation coverage under COBRA, and (C) the date when Executive obtains substantially equivalent health insurance coverage in connection with new employment or self-employment, provided, however, that should the Company reasonably determine that continued payment of the COBRA premiums hereunder is or may be discriminatory under Section 105(h) of the Code or would otherwise cause adverse tax consequences to the Company or any employee thereof, such COBRA premium payments will be treated as taxable compensation income to Executive, subject to all applicable withholdings. Executive acknowledges that his exercise of a stock option more than three (3) months after his employment ends (including during the extended post-employment exercise period described in this Section 4.5.2) will disqualify the option from being treated as an incentive stock option under Section 422 of the Code, as amended, and will result in the option being deemed a nonqualified stock option except in certain limited circumstances in connection with Executive's death or Disability.

4.5.3 Termination Without Cause or Resignation For Good Reason In Connection with a Change in Control. If the Company terminates Executive's employment without Cause, or if Executive resigns for Good Reason, upon the occurrence of, or within the eighteen (18) months following, the effective date of a Change in Control, then, in addition to the amounts described in Section 4.5.1, and conditioned upon Executive (or his estate, if applicable) executing and not revoking the Release within the time periods specified therein, the Company will provide the following separation benefits: (i) a single lump sum payment equal to the sum of (A) one hundred fifty percent (150%) of Executive's annual Base Salary as of the date of the termination (or, if higher, Executive's Base Salary immediately preceding the Change in Control), plus (B) one hundred fifty percent (150%) of the actual amount (if any) of the Annual Bonus paid or payable to Executive for the year immediately preceding the year in which the termination occurs, payable on the sixtieth day following the effective date of the termination, (ii) if Executive (or his estate, if applicable) elects to continue his health insurance coverage under COBRA following the termination, then the Company shall pay the monthly premiums for such coverage until the earliest of (A) the date that is twelve (12) months following termination, (B) the expiration of such continuation coverage under COBRA, and (C) the date when Executive obtains substantially equivalent health insurance coverage in connection with new employment or self-employment, provided, however, that should the Company reasonably determine that continued payment of the COBRA premiums hereunder is or may be discriminatory under Section 105(h) of the Code or would otherwise cause adverse tax consequences to the Company or any employee thereof, such COBRA premium payments will be treated as taxable compensation income to Executive, subject to all applicable withholdings; and (iii) accelerated vesting of all unvested equity awards such that, on the effective date of the Release, the Executive shall be vested in one hundred percent (100%) of all such equity awards, and to the extent any such equity awards are stock options, Executive will have twelve (12) months from the date of termination in which to exercise such options (but not beyond the expiration date of the options). Executive acknowledges that his exercise of a stock option more than three (3) months after his employment ends (including during the extended post-employment exercise period described in this Section 4.5.3) will disqualify the option from being treated as an incentive stock option under Section 422 of the Code, and will result in the option being deemed a nonqualified stock option except in certain limited circumstances in connection with Executive's death or Disability.

4.5.4 Termination by Reason of Death or Disability. In the event that Executive's employment with the Company terminates as a result of his death or Disability (as defined below), in addition to the amounts described in Section 4.5.1, and conditioned upon Executive (or his estate, if applicable) executing and not revoking the Release within the time periods specified therein, the Company will provide Executive (or his estate, if applicable) the following separation benefits: (i) continued payment of Executive's Base Salary (at the rate in effect as of the termination) for a period of four (4) months, beginning on the sixtieth (60^{th}) day following the termination of Executive's employment with the Company and with the first such payment comprising all salary accruing from the termination date through the date of payment; (ii) partial accelerated vesting, effective as of the termination date, of all unvested equity awards with respect to the same number of shares that would have vested if Executive had continued in employment for one year after the termination date and to the extent any vested equity awards are stock options, Executive will have twelve (12) months from the date of termination in which to exercise such options (but not beyond the expiration date of the options); and (iii) any unvested portion of the Shares subject to Market Capitalization or FDA approval vesting as described in Section 3.4.3 shall remain outstanding for a period of four (4) months following the termination date and to the extent that such milestones are achieved during such four-month period, the respective Shares shall vest and become non-forfeitable. For purposes of this Agreement, "***Disability***" shall mean that Executive has been unable to perform his duties hereunder as the result of physical or mental incapacity lasting at least ninety (90) days during any consecutive twelve-month period, as determined by the Board in consultation with a physician chosen by the Company and acceptable to Executive or to Executive's legal representative (with such agreement on acceptability not to be unreasonably withheld). For purposes of making a determination as to whether a Disability exists, at the Board's request Executive agrees to make himself available and to cooperate in a reasonable examination by the independent physician retained by the Board and to authorize the disclosure and release to the Board of all medical records related to such examination.

4.6 Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

4.6.1 Cause. As used herein, "***Cause***" means: (i) Executive's fraud, embezzlement or misappropriation with respect to the Company which is, or is likely to be, injurious to the Company, its financial condition, or its reputation, (ii) Executive's material breach of this Agreement, (iii) Executive's material breach of the PIIA, (iv) Executive's material breach of fiduciary duties to the Company, (v) Executive's willful and continual failure or refusal to perform his material duties under this Agreement or continual failure to follow any specific lawful instructions of the Board (other than a failure resulting from Disability), (vi) Executive's conviction or plea of nolo contendere in respect of a felony or of a misdemeanor involving moral turpitude, or (vii) Executive's willful or negligent misconduct that has a material adverse effect on the property, business, or reputation of the Company. Prior to terminating Executive's employment for Cause pursuant to clauses (ii), (iii), (v) or (vii), Executive shall have thirty (30) days after Executive's receipt of written notice thereof from the Company to cure any such failure, action or breach, to the extent subject to being cured.

4.6.2 Good Reason. For purposes of this Agreement, "***Good Reason***" means the occurrence of any of the following events without Executive's express written consent: (i) a material reduction of Executive's Base Salary (except in connection with a Company-wide decrease in executive compensation in accordance with Section 3.1 of this Agreement), (ii) a material diminution of Executive's title, position, authority, duties, or responsibilities, (iii) a material change in the geographic location at which the Executive must perform services (which, for purposes of this Agreement, means a relocation of the Executive's principal workplace to a location that is more than twenty-five miles from Manhattan, New York City), or (iv) the Company's material breach of this Agreement through any action or inaction. In order for Executive to resign for Good Reason, Executive must provide written notice to the Company of the existence of the Good Reason condition within ninety (90) days of the date on which Executive discovers the existence of such Good Reason condition. Upon receipt of such notice, the Company will have thirty (30) days during which it may remedy the Good Reason condition and not be required to provide for the benefits described in Section 4.5.2 or 4.5.3 as applicable as a result of such proposed resignation. If the Good Reason condition is not remedied within such thirty (30) day period, Executive may resign based on the Good Reason condition specified in the notice effective immediately upon the expiration of the thirty (30) day cure period.

4.6.3 Change in Control. For purposes of this Agreement, "***Change in Control***" shall mean the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events (excluding in any case transactions in which the Company or its successors issues securities to investors primarily for bona fide capital raising purposes):

(i) the acquisition by any person or entity, or more than one person or entity acting as a group, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then-outstanding securities other than by virtue of a merger, consolidation or other similar transaction;

(ii) a merger, consolidation or similar transaction following which the stockholders of the Company immediately prior thereto do not own at least fifty percent (50%) of the combined outstanding voting power of the surviving entity (or that entity's parent) in such merger, consolidation or similar transaction;

(iii) the sale, lease, exclusive license or other disposition (whether direct or indirect, by sale of assets or stock, merger, consolidation or otherwise) of all or substantially all of the business and/or assets of the Company; or

(iv) individuals who are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board over a period of 12 months; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of this Agreement, be considered as a member of the Incumbent Board.

4.7 Survival of Certain Sections. Sections 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, and 18 of this Agreement will survive the termination of this Agreement.

4.8 Parachute Payment. If any payment or benefit the Executive would receive pursuant to this Agreement, either alone or together with other payments and benefits provided to him by the Company (the "***Total Payments***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then the Total Payments shall be reduced if and to the extent that a reduction in the Total Payments would result in Executive retaining a larger amount than if Executive received all of the Total Payments, in each case measured on an after-tax basis (taking into account federal, state, and local income taxes, and, if applicable, the Excise Tax). The determination of any reduction in the Total Payments will be made at the Company's expense by the Company's independent public accountants or a law or consulting firm selected by the Company, applying reasonable, good faith interpretations regarding the applicability of Section 280G and Section 4999, along with any other applicable portions of the Code or other tax laws. If a reduction in the Total Payment is necessary, such reduction shall occur in the following order: (i) reduction of cash payments; (ii) cancellation of accelerated vesting of equity awards other than stock options; (iii) cancellation of accelerated vesting of stock options; and (iv) reduction of other benefits paid to Executive. Within any such category of payments and benefits (that is, (i), (ii), (iii) or (iv)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A (as defined in Section 4.9 below) and then with respect to amounts that are. In the event that acceleration of compensation from Executive's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

4.9 Section 409A Compliance. The Parties intend that all provisions of this Agreement and the payments made pursuant thereto will comply with, or be exempt from, the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively "***Section 409A***"), and all provisions of this Agreement will be construed, to the maximum extent possible, in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. Notwithstanding anything to the contrary set forth herein, any payments and benefits provided under this Section 4 that constitute "deferred compensation" within the meaning of Section 409A will not commence in connection with Executive's termination of employment unless and until Executive has also incurred a "separation from service" (as such term is defined in Treasury Regulation Section 1.409A-1(h)), unless the Company reasonably determines that such amounts may be provided to Executive without causing Executive to incur the additional 20% tax under Section 409A. The parties intend that each installment of the separation benefits payments provided for in this Agreement is a separate "payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2)(i). For the avoidance of doubt, the parties intend that payments of any separation benefits hereunder satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulation Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). Executive and the Company agree to use their best efforts to amend the terms of this Agreement from time to time as may be necessary to avoid the imposition of penalties or additional taxes under Section 409A; provided, however, any such amendment will provide Executive substantially equivalent economic payments and benefits as set forth herein and will not in the aggregate, materially increase the cost to, or liability of, the Company hereunder. However, if the Company determines that any separation benefits hereunder constitute "deferred compensation" under Section 409A and Executive is, on the termination of service, a "specified employee" of the Company or any successor entity thereto, as such term is defined in Section 409A, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of any separation benefits hereunder will be delayed until the earlier to occur of: (i) the date that is six months and one day after Executive's separation from service, or (ii) the date of Executive's death (such applicable date, the "***Specified Employee Initial Payment Date***"), and the Company (or the successor entity thereto, as applicable) will (A) pay to Executive a lump sum amount equal to the sum of any separation benefits hereunder that Executive would otherwise have received through the Specified Employee Initial Payment Date if the commencement of the payment of any separation benefits hereunder had not been so delayed pursuant to this Section, and (B) commence paying the balance of the separation benefits in accordance with the applicable payment schedules set forth in this Agreement.

5. Assignment and Binding Effect.

This Agreement shall be binding upon and inure to the benefit of Executive and Executive's heirs, executors, personal representatives, assigns, administrators and legal representatives. Because of the unique and personal nature of Executive's duties under this Agreement, neither this Agreement nor any rights or obligations under this Agreement shall be assignable by Executive. This Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns and legal representatives. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company.

6. Notices.

All notices or demands of any kind required or permitted to be given by the Company or Executive under this Agreement shall be given in writing and shall be personally delivered (and receipted for) or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Checkpoint Therapeutics, Inc.
3 Columbus Circle
New York, New York 10019
Attn: Chairman of the Board

If to Executive:

James F. Oliviero III
415 Washington Street
New York, NY 10013

Any such written notice shall be deemed given on the earlier of the date on which such notice is personally delivered or three (3) days after its deposit in the United States mail as specified above. Either Party may change its address for notices by giving notice to the other Party in the manner specified in this Section.

7. Choice of Law.

This Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York without regard to its conflict of laws principles.

8. Integration.

This Agreement, including all documents referenced herein, contains the complete, final and exclusive agreement of the Parties relating to the terms and conditions of Executive's employment and the termination of Executive's employment, and supersedes all prior and contemporaneous oral and written employment agreements or arrangements between the Parties.

9. Amendment.

This Agreement cannot be amended or modified except by a written agreement signed by Executive and the Company.

10. Waiver.

No term, covenant or condition of this Agreement or any breach thereof shall be deemed waived, except with the written consent of the Party against whom the wavier is claimed, and any waiver or any such term, covenant, condition or breach shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other term, covenant, condition or breach.

11. Severability.

The finding by a court of competent jurisdiction of the unenforceability, invalidity or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid or illegal. Such court shall have the authority to modify or replace the invalid or unenforceable term or provision with a valid and enforceable term or provision, which most accurately represents the Parties' intention with respect to the invalid or unenforceable term, or provision.

12. Interpretation; Construction.

The headings set forth in this Agreement are for convenience of reference only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing the Company, but Executive has been encouraged to consult with, and has consulted with, Executive's own independent counsel and tax advisors with respect to the terms of this Agreement. The Parties acknowledge that each Party and its counsel has reviewed and revised, or had an opportunity to review and revise, this Agreement, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

13. Arbitration.

1 3 . 1 In the event that a dispute arises between the parties regarding the formation, interpretation, enforceability, performance and/or the terms and conditions of this Agreement and/or if there arises any other claim or legal dispute between the parties with respect to Executive's employment or the termination thereof (including but not limited to claims based in tort or those which are statutory in nature and claims relating to discrimination of any kind) (each a "***Dispute***"), the complaining party shall submit the Dispute in writing to the other party for resolution.

13.2 If the Dispute is not resolved between the parties within thirty (30) days of the date the Dispute is submitted in writing to the other party, and if the complaining party wishes to pursue the Dispute, then the Dispute will be resolved by final and binding arbitration conducted in accordance with the procedures set forth herein. To initiate arbitration proceedings, the complaining party must make a demand for arbitration (the "***Demand for Arbitration***") pursuant to the Employment Arbitration Rules of the American Arbitration Association in effect at the time of the Dispute (the "***AAA Rules***").

13.3 Any arbitration commenced pursuant to this Section 13 will be conducted before a single arbitrator chosen in accordance with the AAA Rules, and all arbitration proceedings will occur in New York, New York, unless otherwise agreed by the parties.

13.4 The parties shall share all costs, filing fees, and administrative fees for the arbitration equally as they come due; the parties shall be responsible for their own attorneys' fees, witness fees, and travel costs, provided, however, that in the event a Dispute arises following a Change in Control, then the arbitrator may, in his discretion, order the Company or the successor corporation to the Company to pay Executive's reasonable attorney's fees, legal fees, filing fees, administrative fees for the arbitration, in connection with Executive's efforts, if successful, to obtain or enforce any payment or benefit provided by this Agreement in connection with a termination following a Change in Control.

13.5 The arbitrator shall have the authority to rule on any and all issues properly presented in the Demand for Arbitration and/or pursuant to the AAA Rules and may award any and all relief provided under applicable law. The arbitrator's award may be enforced, vacated, modified or corrected as set forth in the Federal Arbitration Act, 9 U.S.C. § 1 et seq. This Section 13 shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq., as amended, and the applicable rules of the American Arbitration Association.

13.6 The parties expressly understand that by agreeing to this arbitration provision, they are agreeing to waive any rights to a civil action and/or jury trial regarding any Disputes between them.

13.7 Notwithstanding anything herein to the contrary, if either party seeks preliminary injunctive relief to protect its rights pursuant to this Agreement, then such party will have the power, without waiving this arbitration agreement, to invoke the jurisdiction of any court having jurisdiction for the exclusive purpose of obtaining such preliminary injunctive relief, and for such purposes each party hereby consents to the jurisdiction of, and laying of venue in, the state and federal courts sitting in New York, New York.

14. Representations and Warranties.

14.1 **Obligations to Prior Employers**. Executive represents and warrants to the Company that Executive is not obligated or restricted under any agreement (including any non-competition or confidentiality agreement), judgment, decree, order or other restraint of any kind that could impair Executive's ability to perform the duties and obligations required of Executive hereunder. Executive further represents and warrants to the Company that he has not violated any confidentiality agreement or other similar obligation that he has to any former employer and that he has not disclosed any confidential or trade secret information belonging to any former employer to the Company or its agents. Executive agrees that he will not use confidential information and/or trade secrets belonging to any former employer in his employment with the Company or otherwise as a resource for building the business of the Company and will structure his and the Company's work environment and practices in such a way to ensure that any such information will not be used or disclosed during the course of his relationship with the Company.

14.2 Litigation Support. Both during and after Executive's employment with the Company, if the Company is evaluating, pursuing, contesting or defending any proceeding, charge, complaint, claim, demand, notice, action, suit, litigation, hearing, audit, investigation, arbitration or mediation, in each case whether initiated by or against the Company (collectively, a "***Proceeding***"), other than a Proceeding initiated by or against Executive, Executive will reasonably cooperate with the Company and its counsel in the evaluation, pursuit, contest or defense of the Proceeding and provide such testimony and access to books and records as may be necessary in connection therewith. Any such cooperation shall be done at times mutually convenient for Executive and the Company, and the Company will ensure that any such cooperation does not interfere with any duties or obligations that Executive may have to a third party, including any future employer. The Company will reimburse Executive for Executive's reasonable out-of-pocket expenses (including reasonable attorney's fees) related to such cooperation.

14.3 Future Employment. In the event of Executive's separation from the Company, regardless of the reason or cause of that separation, Executive agrees that for a period of twelve (12) months from the date his employment terminates, he will provide the Company with no fewer than three (3) business days' notice of his intent to accept employment with or for an organization other than Company for the express purpose of allowing the Company to determine if such proposed employment interferes with any of Executive's surviving obligations under this Agreement. The notice of intent to accept employment will identify the new employer, list Executive's anticipated title and describe his anticipated duties.

15. Indemnification.

The Company shall defend and indemnify Executive in his capacity as President and Chief Executive Officer of the Company, and as a member of the Company's Board, to the fullest extent permitted under the Delaware General Corporate Law.

16. Counterparts.

This Agreement may be executed in two counterparts, each of which shall be deemed an original, all of which together shall contribute one and the same instrument. Signatures to this Agreement transmitted by fax, by email in "portable document format" (".pdf") or by any other electronic means intended to preserve the original graphic and pictorial appearance of this Agreement shall have the same effect as physical delivery of the paper document bearing original signature.

17. Jurisdiction; Venue.

The Parties agree that, subject to the Parties' obligation to arbitrate disputes pursuant to Section 13 above, any litigation arising out of or related to this Agreement or Executive's employment by the Company shall be brought exclusively in any state or federal court in New York, New York. Each Party (i) consents to the personal jurisdiction of said courts, (ii) waives any venue or inconvenient forum defense to any proceeding maintained in such courts, and (iii) except as otherwise provided in this Agreement, agrees not to bring any proceeding arising out of or relating to this Agreement or Executive's employment by the Company in any other court.

18. Advertising Waiver.

Executive agrees to permit the Company, and persons or other organizations authorized by the Company, to use, publish and distribute advertising or sales promotional literature concerning the products and/or services of the Company, or the machinery and equipment used in the provision thereof, in which Executive's name and/or pictures of Executive taken in the course of Executive's provision of services to the Company appear. Executive hereby waives and releases any claim or right Executive may otherwise have arising out of such use, publication or distribution.

[**Remainder of Page Intentionally Left Blank. Signature Page Immediately Follows**]

In Witness Whereof, the Parties have executed this Agreement as of the date first above written.

Checkpoint Therapeutics, Inc.

/s/ Michael S. Weiss — 10/13/2015

Date

Name: Michael S. Weiss

Position: Executive Chairman

Executive:

/s/ James F. Oliviero III — 10/13/2015

James F. Oliviero III — **Date**

EXHIBIT A

Form of Proprietary Information and Inventions Agreement

EXHIBIT B

RELEASE OF CLAIMS

THIS RELEASE OF CLAIMS (this "**Release**") is made by James F. Oliviero III ("**Executive**") as of the date it is signed by Executive, as indicated on the signature page hereof.

Executive acknowledges that he previously executed an Executive Employment Agreement (the "**Agreement**") that included, among other items, a promise of separation benefits from Checkpoint Therapeutics, Inc., Inc. (the "**Company**") in certain situations, contingent upon Executive's execution of a release of claims. Pursuant to the terms of the Agreement and Company's promise to provide separation benefits, Executive executes this Release.

Executive, on his own behalf and on behalf of his heirs, personal representatives, successors and assigns, hereby releases and forever discharges the Company and each of its Affiliates and each and every one of their respective present and former shareholders, directors, officers, members, employees, agents, insurers, predecessors, successors and assigns (the "**Released Parties**"), of and from any and all claims, demands, actions, causes of action, damages, costs and expenses which Executive now has or may have by reason of anything occurring, done or omitted to be done as of or prior to date he signs this Release arising out of or related to Executive's employment with the Company, including but not limited to: (i) any and all claims related to Executive's employment with Company and the termination of same; (ii) any and all claims for additional compensation or benefits other than the compensation and benefits set forth in the Agreement, including but not limited to wages, commissions, deferred compensation, bonuses, or other benefits of any kind; (iii) any and all claims relating to employment practices or policies of Company or its Affiliates; (iv) any common law claims arising out of or related to Executive's employment by the Company, including but not limited to wrongful discharge, breach of contract, negligent or intentional infliction of emotional distress, or negligent supervision or retention; and (v) any and all claims arising out of or related to Executive's employment by the Company arising under any state or federal legislation, including, but not limited to, claims under the Employee Retirement Income Security Act, the Family Medical Leave Act, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Age Discrimination in Employment Act, the Americans with Disabilities Act, as amended, the Older Workers Benefit Protection Act, the New York Human Rights Law, N.Y. Exec. Law § 290 et seq., the New York City Human Rights Law, N.Y.C. Admin. Code § 8-101 et seq., N.Y. Civ. Rights Law § 40-c et seq. (New York anti-discrimination law), N.Y. Lab. Law § 190 (New York wage payment law), N.Y. Lab. Law § 740 (New York whistleblower protection law), and any other federal, state or local law or regulation prohibiting employment discrimination or otherwise governing the employment relationship between Executive and Company (the "**Released Claims**"), except that notwithstanding anything contained in this Release, Executive understands that he is not releasing (i) any claim for indemnification or advancement by the Company, whether pursuant to law, the Company's bylaws, or under any directors and officers insurance policy maintained by the Company; (ii) any claims which cannot by law be released; or (iii) claims arising out of or related to his ownership of any equity interest in the Company.

Executive further covenants and agrees that he will not sue or make any claim against any of the Released Parties on any ground arising out of or related to any of the Released Claims. Executive acknowledges and agrees that this covenant does not preclude him from filing a charge or complaint with, or cooperating in an investigation by, any government agency (including but not limited to the U.S. Equal Employment Opportunity Commission), to the extent permitted by law, but Executive expressly releases, waives, and disclaims any right to monetary damages, attorneys' fees and/or costs related to or arising from any charge, complaint or lawsuit filed by Executive or on his behalf, individually or collectively, involving the Released Parties.

In making this Release, Executive further represents and acknowledges that:

(b) He is voluntarily entering into and signing this Release;

(c) The claims waived, released and discharged in the above Release include any and all claims Executive has or may have arising out of or related to his employment with the Company and the termination of that employment, including any and all claims under the Age Discrimination in Employment Act;

(d) Those claims waived, released and discharged in this Release do not include, and Executive is not waiving, releasing or discharging, any claims that may arise after the date he signs this Release;

(e) The payments and benefits conditioned upon Executive's execution of this Release constitute consideration that Executive was not entitled to receive before the effective date of this Release absent the execution of this Release;

(f) Executive was given twenty-one (21) days within which to consider this Release;

(g) The Company has advised Executive of his right to consult with an attorney regarding this Release before executing the Release and encouraged him to exercise that right;

(h) Executive may revoke this Release at any time within seven (7) days after the date he signs this Release, and this document will not become effective or enforceable until the eighth (8th) day after the date he signs this Release (on which day this Release will automatically become effective and enforceable unless previously revoked within that seven (7) day period); and

(i) EXECUTIVE HAS CAREFULLY READ THIS DOCUMENT, AND FULLY UNDERSTANDS EACH AND EVERY TERM.

I hereby execute this Release on the day of , _____.

James F. Oliviero III

Exhibit 10.12

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

CONFIDENTIAL
Execution Version

LICENSE AGREEMENT FOR CEP-9722

THIS LICENSE AGREEMENT (this "**Agreement**") is dated as of December 18, 2015 (the "**Effective Date**") by and between Fortress Biotech, Inc., a Delaware corporation organized having its place of business at 3 Columbus Circle, New York, NY 10019 ("**FBIO**"), and Cephalon, Inc. a Delaware corporation having its place of business at 41 Moores Road, Frazier, PA 19355 (" **Cephalon**"). FBIO, on the one hand, and Cephalon, on the other hand, shall each be referred to herein as a "**Party**" or, collectively, as the "**Parties**."

RECITALS:

WHEREAS, Cephalon and its Affiliates have been engaged in the development of CEP-9722, an oral low nM PARP inhibitor, and controls certain patent rights and know-how with respect thereto; and

WHEREAS, FBIO is engaged in the research, development, manufacturing and commercialization of pharmaceutical products, and FBIO is interested in developing and commercializing Licensed Compounds and Licensed Products; and

WHEREAS, FBIO desires to obtain an exclusive license from Cephalon, and Cephalon wishes to license to FBIO, under the Cephalon Patents and Cephalon Know-How for FBIO to develop, manufacture and commercialize Licensed Compounds and Licensed Products, all of the terms set forth below.

NOW, THEREFORE, in consideration of the foregoing and of the various promises and undertakings set forth herein, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 "**A Rated**" means "therapeutically equivalent" as evaluated by FDA (or other Regulatory Authority standards, on a country-by-country basis), applying the definition of "therapeutically equivalent" set forth in the Preface to the current edition of the FDA publication "Approved Drug Products with Therapeutic Equivalence Evaluations" (the "Orange Book"), as such requirements may be amended in the future, or any enabling legislation thereof, or pursuant to any similar evaluation and approval process in any other country in the Territory.

1 . 2 "**Additional Ingredient**" means any active ingredient, in addition to any Licensed Compound, which is contained in a Licensed Product. Drug delivery vehicles, adjuvants, and excipients shall not be deemed to be "active ingredients", except in the case where such delivery vehicle, adjuvant, or excipient is recognized as an active ingredient in accordance with 21 C.F.R. § 210.3(b)(7) (as amended).

1.3 "**Additional Studies Clinical Data**" has the meaning set forth in Section 10.7(c)(viii).

1.4 "**Affiliate**" of a Person means any other Person that (directly or indirectly) controls, is controlled by or is under common control with such Party, but only for so long as such control exists. For the purposes of this Section 1.4, the word "control" (including, with correlative meaning, the terms "controlled by" or "under common control with") means (a) in the case of a corporate entity, direct or indirect ownership of voting securities entitled to cast at least fifty percent (50%) of the votes in the election of directors, (b) in the case of a non-corporate entity, direct or indirect ownership of at least fifty percent (50%), including ownership by trusts with substantially the same beneficial interest, of the equity interests with the power to direct the management and policies of such Person, provided that if local law restricts foreign ownership, control shall be established by direct or indirect ownership of the maximum ownership percentage that may, under such local law, be owned by foreign interests, or (c) the power to direct the management or policies of a Person, whether through ownership of voting securities, by contract or otherwise.

1.5 "**Agreement**" has the meaning set forth in the Preamble.

1 . 6 "**Alternative Product**" means any compound or product (other than any Licensed Compound or Licensed Product) that has a primary mode of action that targets PARP.

1 . 7 "**ANDA**" means an abbreviated new drug application submitted pursuant to the requirements of the FDA under § 355(j) of the United States Federal Food, Drug, and Cosmetic Act (as amended or any replacement thereof), and any equivalent application submitted in any country pursuant to any similar abbreviated route of approval together, in each case, with all additions, deletions or supplements thereto.

1.8 "**Annual Report**" has the meaning set forth in Section 5.11.

1.9 "**API**" has the meaning set forth in Section 3.3(a).

1.10 "**Calendar Quarter**" means each three (3) month period commencing January 1, April 1, July 1 or October 1, provided however that (a) the first Calendar Quarter of the Term shall extend from the Effective Date to the end of the first full Calendar Quarter thereafter, and the last Calendar Quarter of the Term shall end upon the termination or expiration of this Agreement.

1.11 "**Calendar Year**" means the period beginning on the 1st of January and ending on the 31st of December of the same calendar year, provided however that (a) the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the same calendar year as the Effective Date, and (b) the last Calendar Year of the Term shall commence on January 1 of the Calendar Year in which this Agreement terminates or expires and end on the date of termination or expiration of this Agreement.

1.12 "**Cephalon**" has the meaning set forth in the Preamble.

1.13 "**Cephalon Indemnitee**" has the meaning set forth in Section 9.1.

1.14 "**Cephalon Know-How**" means any and all Know-How that either (a) is Controlled by Cephalon or any of its Affiliates as of the Effective Date, or (b) is created, conceived or developed by or on behalf Cephalon or any of its Affiliates pursuant to, and in accordance with the terms and conditions of, the Manufacturing and Supply Agreement, and, in each case for clauses (a) and (b), is necessary for FBIO to Develop, Manufacture, or Commercialize any Licensed Compound or Licensed Product.

1.15 "**Cephalon Patents**" means (a) those issued patents and patent applications set forth on Schedule 1 hereto, (b) any additions, divisionals, continuations, conversion, supplemental examinations, extensions, term restorations, registrations, reinstatements, amendments, reissuances, corrections, substitutions, re-examinations, registrations, revalidations, supplementary protection certificates, renewals, and foreign counterparts of the patents and patent applications mentioned in clause (a) above, and (c) all patents issuing from any of the patents and patent applications mentioned in clause (a) or (b) above and any foreign counterparts of any such patents and patent applications, and which shall include, in any case, patents surviving post grant review and inter partes review.

1.16 "**Cephalon Technology**" means the Cephalon Patents and Cephalon Know-How.

1.17 "**Change of Control**" means, with respect to a Party, (a) completion of a merger, reorganization, amalgamation, arrangement, share exchange, consolidation, tender or exchange offer, private purchase, business combination, recapitalization or other transaction involving a Party as a result of which the stockholders of such Party immediately preceding such transaction hold less than fifty percent (50%) of the outstanding shares, or less than fifty percent (50%) of the outstanding voting power, respectively, of the ultimate company or entity resulting from such transaction immediately after consummation thereof (including a company or entity which as a result of such transaction owns the then-outstanding securities of a Party or all or substantially all of a Party's assets, either directly or through one or more subsidiaries), (b) the adoption of a plan relating to the liquidation or dissolution of a Party, other than in connection with a corporate reorganization (without limitation of clause (a), above); (c) the sale or disposition to a Third Party of all or substantially all the assets of a Party (determined on a consolidated basis); or (d) the sale or disposition to a Third Party of assets or businesses that constitute fifty percent (50%) or more of the total revenue or assets of a Party (determined on a consolidated basis).

1.18 "**Claim**" has the meaning set forth in Section 9.1.

1.19 "**Clinical Trials**" means any study in which human subjects are dosed with a drug, whether approved or investigational, including any Phase I Trial, Phase II Trial, Phase III Trial or Phase IV Trial.

1.20 "**Combination Product**" means a product containing a Licensed Compound together with one or more other Additional Ingredients.

1.21 "**Commercialization**" or "**Commercialize**" means any and all activities undertaken at any time for a particular Licensed Product and that relate to obtaining pricing and reimbursement approvals, carrying out Phase IV Trials, marketing, promoting, distributing, importing or exporting for sale, offering for sale, and selling of the Licensed Product, and interacting with Regulatory Authorities regarding the foregoing.

1.22 "**Commercially Reasonable Efforts**" means, with respect to any Licensed Compound and each Licensed Product, that level of effort and resources commonly dedicated in the pharmaceutical industry by a company of comparable activity to the Manufacture, Development or Commercialization, as the case may be, of a product of similar commercial potential at a similar stage in its lifecycle to the Licensed Compound or such Licensed Product, in each case taking into account the following considerations (the "**CRE Considerations**"): issues of safety and efficacy, product profile, the proprietary position, the then current competitive environment and the likely timing of market entry, the regulatory environment and status of such Licensed Product, and other relevant scientific, technical and commercial factors, but without regard to any payments owed to Cephalon under this Agreement.

1.23 "**Confidential Information**" has the meaning set forth in Section 7.1.

1.24 "**Controlled**" means, with respect to any patent right, Know-How, or other intellectual property right, the possession (whether by ownership or license, other than by a license or sublicense granted pursuant to this Agreement) by a Party or its Affiliates of the ability to grant to the other Party a license or access as provided herein to such item, without violating the terms of any agreement or other arrangement with any Third Party or being obligated to pay any royalties or other consideration therefor, in existence as of the time such Party or its Affiliates would first be required hereunder to grant the other Party such license or access.

1.25 "**CPA Representative**" has the meaning set forth in Section 5.12.

1.26 "**CRE Considerations**" has the meaning set forth in Section 1.22.

1.27 "**CREATE Act**" has the meaning set forth in Section 6.7.

1.28 "**Development**" **or** "**Develop**" means, with respect to any Licensed Compound and each Licensed Product, the performance of non-clinical, preclinical and clinical development (including, without limitation, toxicology, pharmacology, test method development and stability testing, process development, formulation development, quality control development, statistical analysis), clinical trials, and regulatory activities that are required to obtain Regulatory Approval of such Licensed Product (and specifically excluding activities directed to obtaining pricing and reimbursement approvals).

1.29 "**Development Plan**" means the plan setting forth the activities and timelines relating to the Development of any Licensed Compound and each Licensed Product in the Field in the Territory from the Effective Date for at least two (2) Indications. The initial Development Plan is set forth on Schedule 2.

1.30 "**Disclosing Party**" has the meaning set forth in Section 7.1.

1.31 "**Distributor**" means a Third Party bona fide wholesaler or distributor engaged by FBIO only to market, distribute and sell a Licensed Product in a particular jurisdiction (but, for clarity, not to Develop or Manufacture any Licensed Product in any way).

1.32 "**Effective Date**" has the meaning set forth in the Preamble.

1.33 "**EMA**" means the European Medicines Agency or any successor agency thereto.

1.34 "**European Commission**" means the authority within the European Union that has the legal authority to grant Regulatory Approvals in the European Union based on input received from the EMA or other competent Regulatory Authorities.

1.35 "**Existing Contracts**" has the meaning set forth in Section 2.4.

1.36 "**FBIO**" has the meaning set forth in the Preamble.

1.37 "**FBIO Indemnitee**" has the meaning set forth in Section 9.2.

1.38 "**FDA**" means the United States Food and Drug Administration or any successor agency thereto.

1.39 "**FDCA**" means the United States Federal Food, Drug and Cosmetic Act, as amended.

1.40 "**Field**" means all uses in humans or animals.

1.41 "**First Commercial Sale**" means, with respect to a Licensed Product in any country, the first sale of such Licensed Product in such country. Sales for purposes of testing the Licensed Product in a Clinical Trial shall not be deemed a First Commercial Sale. For clarity, First Commercial Sale shall be determined on a Licensed Product-by-Licensed Product and country-by-country (or region-by-region) basis, as applicable.

1.42 "**GAAP**" means United States generally accepted accounting principles consistently applied.

1.43 "**Generic Product**" means any generic pharmaceutical product (i) that is marketed and sold for use by a Third Party (not licensed, supplied or otherwise permitted by a Party or its Affiliates or Sublicensees) in the applicable country as a generic product A Rated to a Licensed Product pursuant to an ANDA for which such Licensed Product is the Reference Listed Drug, (ii) that contains the applicable Licensed Compound as the same active ingredient, (iii) with the same route of administration, dosage form, strength and dosing or dosage regimen as such Licensed Product, and (iv) for the treatment of the same indications in the same dosage strengths as such Licensed Product, except where changes to the labeled indications have been approved by the FDA or other comparable Regulatory Authority. For the avoidance of doubt, a Generic Product will not necessarily infringe a Cephalon Patent.

1.44 "**Good Clinical Practice**" means the then current standards for Clinical Trials for pharmaceuticals (including all applicable requirements relating to protection of human subjects), as set forth in the FDCA and applicable regulations promulgated thereunder (including, for example, 21 C.F.R. Parts 50, 54, and 56), as amended from time to time, and such standards of good clinical practice (including all applicable requirements relating to protection of human subjects) as are required by other organizations and Governmental Body in any other countries, including applicable regulations or guidelines from the ICH, in which a Licensed Product is intended to be sold, to the extent such standards are not less stringent than in the United States.

1.45 "**Good Laboratory Practice**" means the current standards for laboratory activities for pharmaceuticals, as set forth in the FDCA, the FDA's Good Laboratory Practice regulations or the Good Laboratory Practice principles of the Organization for Economic Co-Operation and Development, as amended from time to time, and such standards of good laboratory practice as are required by the European Commission and other organizations and Governmental Authorities in countries in which a Licensed Product is intended to be sold, to the extent such standards are not less stringent than in the United States.

1.46 "**Good Manufacturing Practice**" means the then current standards for the manufacture, processing, packaging, testing, transportation, handling and holding of pharmaceuticals, as set forth in the FDCA and applicable regulations and guidances promulgated thereunder, as amended from time to time, including and the standards that require that products are consistently produced and controlled in accordance with the quality standards appropriate to their intended use as defined in 21 C.F.R. § 210 and 211, European Directive 2003/94/EC, Eudralex 4, Annex 16 (in each case as amended), and applicable United States, EU, Canadian and ICH Guidance or regulatory requirements for a Licensed Product.

1.47 "**Governmental Body**" means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal); (d) multi- national or supranational organization or body; or (e) individual, entity, or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.48 "**Hatch-Waxman Time Period**" has the meaning set forth in Section 6.8(c)(i).

1.49 "**IND**" means an Investigational New Drug Application, Clinical Study Application, Clinical Trial Exemption, or similar application or submission for approval to conduct human clinical investigations filed with or submitted to a Regulatory Authority in conformance with the requirements of such Regulatory Authority.

1.50 "**Indemnified Party**" has the meaning set forth in Section 9.3(a)

1.51 "**Indemnifying Party**" has the meaning set forth in Section 9.3(a).

1.52 "**Indication**" means each separate and distinct disease, disorder, illness, health condition, or interruption, cessation or disruption of a bodily function, system, tissue type or organ, for which Regulatory Approval is required. For the avoidance of doubt, subtypes of the same disease are different indications if (a) a separate pivotal trial for each disease subtype is required for Regulatory Approval for each disease subtype, and (b) a separate NDA or supplemental NDA is required for Regulatory Approval for each disease subtype.

1.53 "**Initial Supply Term**" has the meaning set forth in Section 3.3(a).

1.54 "**Invoicing Entity**" has the meaning set forth in Section 1.66(a).

1.55 "**Know-How**" means know-how, trade secrets, chemical and biological materials, formulations, information, documents, studies, results, data and regulatory approvals, data, filings and correspondence (including Drug Master Files), including biological, chemical, pharmacological, toxicological, pre-clinical, clinical and assay data, manufacturing processes and data, specifications, sourcing information, assays, and quality control and testing procedures, whether or not patented or patentable.

1.56 "**Law**" or "**Laws**" means any federal, state, provincial, local, international or multinational law, statute, standard, ordinance, code, rule, regulation, resolution or promulgation, or any order, writ, judgment, injunction, decree, stipulation, ruling, determination or award entered by or with any Governmental Body, or any license, franchise, permit or similar right granted under any of the foregoing, or any similar provision having the force or effect of law.

1.57 "**Licensed Compounds**" means (a) the compound known as CEP-9722, as further described on Schedule 3, which compound is an oral low nM PARP inhibitor, and (b) the compound known as CEP-8983, as further described on Schedule 3.

1.58 "**Licensed Product**" means any pharmaceutical product containing any Licensed Compound (alone or with other active ingredients), in all forms, presentations, formulations and dosage forms. For clarification, Licensed Product shall include any Combination Product.

1.59 "**MAA**" means (a) a marketing authorization application filed with (i) the EMA under the centralized EMA filing procedure or (ii) a Regulatory Authority in any country of the EU if the centralized EMA filing procedure is not used, or (b) any other equivalent or related regulatory submission, in either case to gain approval to market a Licensed Product in any country in the European Union, in each case including, for clarity, amendments thereto and supplemental applications.

1.60 "**Major European Country**" means any of the United Kingdom, France, Germany, Italy or Spain.

1.61 "**Manufacture**" or "**Manufacturing**" means activities related to the manufacture, formulation and packaging of any compound or product, including any Licensed Compound and Licensed Products, including related quality control and quality assurance activities.

1.62 "**Manufacturing and Supply Agreement**" has the meaning set forth in Section 3.3(a).

1.63 "**Milestone Event**" has the meaning set forth in Section 5.2(a).

1.64 "**Milestone Payment**" has the meaning set forth in Section 5.2(a).

1.65 **"NDA**" means a New Drug Application submitted pursuant to the requirements of the FDA under §505(b)(1) of the United States Federal Food, Drug, and Cosmetic Act (as amended or any replacement thereof), as more fully defined in 21 U.S. CFR § 314.3 et seq., a Biologics License Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. CFR § 601, and any equivalent application submitted in any country, including a European Marketing Authorization Application, together, in each case, with all additions, deletions or supplements thereto.

1.66 "**Net Sales**" means, with respect to the Licensed Products:

(a) the gross sales price invoiced for sales, leases or other transfers of Licensed Products by FBIO or its Affiliatesor Sublicensees (the "**Invoicing Entity**"); or

(b) the fair market value of non-monetary consideration received in connection with such sales, leases or transfers;

after deduction of: *, all calculated and determined in accordance with GAAP, as reflected in FBIO's financial statements and measured in United States Dollars.

Sales of Licensed Products by an Invoicing Entity to an Affiliate or Sublicensee of such Invoicing Entity for resale by such Affiliate or Sublicensee shall not be deemed Net Sales and Net Sales shall be determined based on the total amount invoiced by such Affiliate or Sublicensee on resale.

Net Sales for any Combination Product shall be calculated on a country-by-country basis by multiplying actual Net Sales of such Combination Product by*. If such Licensed Product is not sold separately in finished form in such country, the Parties shall determine Net Sales for such Licensed Product by mutual agreement based on the relative contribution of such Licensed Product and each such other active ingredients in such Combination Product in accordance with the above formula, and shall take into account in good faith any applicable allocations and calculations that may have been made for the same period in other countries.

1.67 "**New York Courts**" has the meaning set forth in Section 11.6.

1.68 "**PARP**" means Poly(ADP-ribose) polymerase.

1.69 "**Party(ies)**" has the meaning set forth in the Preamble.

* Confidential material redacted and filed separately with the Commission.

1.70 "**Patent Challenge**" means any challenge in a legal or administrative proceeding to the patentability, validity or enforceability of any of the Cephalon Patents (or any claim thereof), including by: (a) filing or pursuing a declaratory judgment action in which any of the Cephalon Patents is alleged to be invalid or unenforceable; (b) citing prior art against any of the Cephalon Patents (other than art required to be cited under a duty of candor to a patent office), filing a request for or pursuing a re-examination of any of the Cephalon Patents (other than with Cephalon's written agreement), or becoming a party to or pursuing an interference; or (c) filing or pursuing any re-examination, opposition, cancellation, nullity or other like proceedings against any of the Cephalon Patents; but excluding any challenge raised as a defense against a claim, action or proceeding asserted by Cephalon or its Affiliates against FBIO or its Affiliates or Sublicensees.

1.71 "**Patent Counsel**" has the meaning set forth in Section 6.2.

1.72 "**Periodic Report**" has the meaning set forth in Section 5.7.

1.73 "**Person**" means any natural person, sole proprietorship, corporation, firm, business trust, trust, joint venture, association, organization, company, partnership, limited partnership or other business entity, or any government or agency or political subdivision thereof.

1.74 "**Phase I Trial**" means a human clinical trial of a Licensed Product, the principle purpose of which is a preliminary determination of safety, tolerability, pharmacological activity or pharmacokinetics in patients, as described in 21 C.F.R. 312.21(a) (as amended or any replacement thereof), or a similar clinical study prescribed by the Regulatory Authorities outside of the United States. For purposes of this Agreement, (a) a Phase I Trial shall specifically exclude a study in healthy volunteers, and (b) "commencement" of a Phase I Trial for any Licensed Product means the first dosing of such Licensed Product in a Phase I Trial for such Licensed Product.

1.75 "**Phase II Trial**" means a human clinical trial of a Licensed Product, the principal purpose of which is a determination of safety and efficacy in the target patient population, as described in 21 C.F.R. 312.21(b) (as amended or any replacement thereof), or a similar clinical trial prescribed by the Regulatory Authorities outside of the United States. For purposes of this Agreement, "commencement" of a Phase II Trial for any Licensed Product means the first dosing of such Licensed Product in a Phase II Trial for such Licensed Product.

1.76 "**Phase III Trial**" means a clinical trial of a Licensed Product on a sufficient number of subjects that is designed to establish that a pharmaceutical product is safe and efficacious for its intended use, and to determine warnings, precautions, and adverse reactions that are associated with such Licensed Product in the dosage range to be prescribed, which trial is intended to support Regulatory Approval of such Licensed Product, as described in 21 C.F.R. 312.21(c) (as amended or any replacement thereof), or a similar clinical trial prescribed by the Regulatory Authorities outside of the United States. For purposes of this Agreement, "commencement" of a Phase III Trial for any Licensed Product means the first dosing of such Licensed Product in a Phase III Trial for such Licensed Product.

1.77 "**Phase IV Trial**" means (a) a human clinical trial of a Licensed Product conducted following commencement of a pivotal clinical trial for such Licensed Product that is not required for receipt of Regulatory Approval (whether such clinical trial is conducted prior to or after receipt of such approval), but that may be useful in support of the post-approval exploitation of a Licensed Product; or (b) a human clinical trial of a Licensed Product conducted after Regulatory Approval of such Licensed Product has been obtained from an appropriate Regulatory Authority due to a request or requirement of such Regulatory Authority.

1.78 "**Receiving Party**" has the meaning set forth in Section 7.1.

1.79 "**Reference Listed Drug**" means a listed drug identified by FDA or other Regulatory Authority as a drug product upon which an applicant may rely in seeking approval of an ANDA.

1.80 "**Regulatory Approval**" means, with respect to a country or region in the Territory, approvals, licenses, registrations or authorizations from the relevant Regulatory Authority necessary for the Development, Manufacture or Commercialization of a Licensed Product in such country or region. For the avoidance of doubt, Regulatory Approval outside of the United States shall include any pricing or marketing approval needed prior to the sale of a Licensed Product in such country or region.

1.81 "**Regulatory Authority**" means (a) the FDA, (b) the EMA or the European Commission, or (c) any regulatory body or other analogous government regulatory authority or agency involving in granting approvals (including any required pricing or reimbursement approvals) for the Development, Manufacture or Commercialization pharmaceutical or biotechnology products (including any Licensed Product) in any other jurisdiction anywhere in the world.

1.82 "**Regulatory Filing**" means any documentation comprising or relating to or supporting any filing or application with any Regulatory Authority with respect to any compound or product (including any Licensed Compound or Licensed Product), or its use or potential use in humans, including any documents submitted to any Regulatory Authority and all supporting data, including INDs and NDAs, and all correspondence with any Regulatory Authority with respect to such compound or product (including minutes of any meetings, telephone conferences or discussions with any Regulatory Authority).

1.83 "**Reversion IP**" has the meaning set forth in Section 10.7(c)(ix).

1.84 "**Reversion License**" has the meaning set forth in Section 10.7.(c)(ix).

1.85 "**Royalty Term**" means, on a Licensed Product-by-Licensed Product and country-by-country basis, until the latest to occur of: (a) the date of expiration of the last Valid Claim included in any of the Cephalon Patents claiming or covering the making, use, sale, offer for sale or importation of such Licensed Product in or for such country; (b) the end of any exclusivity for the Licensed Product granted by a Regulatory Authority or Governmental Body applicable to such country; or (c) ten (10) years from the date of First Commercial Sale of such Licensed Product in such country.

1.86 "**Sublicense**" means any grant by FBIO to an Affiliate or a Third Party of any of the licenses or rights granted under this Agreement or any part thereof, including the right to Develop, Manufacture, or Commercialize any License Compound or Licensed Product, in accordance with Section 2.3.

1.87 "**Sublicense Revenue**" means any payments or other consideration that FBIO or its Affiliates actually receives from a non-Affiliated Third Party Sublicensee as consideration for the grant of a Sublicense, or an option to obtain such Sublicense, including, without limitation, milestone payments, license fees, license option fees, license maintenance fees and equity. Sublicense Revenue excludes [*]. In the event such consideration received from a non-Affiliated Third Party Sublicensee is not cash, Sublicense Revenue shall be calculated by FBIO based on the fair market value of such consideration, at the time of the transaction, assuming an arm's length transaction made in the ordinary course of business.

1.88 "**Sublicensee**" means any Affiliate of FBIO or Third Party to whom FBIO shall grant a Sublicense or option to obtain such Sublicense in accordance with Section 2.3. Sublicensee shall include any other Third Party to whom such rights shall be transferred, assigned, or who may assume control thereof by operation of law or otherwise.

1.89 "**Tax**" or "**Taxes**" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

1.90 "**Term**" has the meaning set forth in Section 10.1.

1.91 "**Territory**" means worldwide.

1.92 "**Third Party**" means any Person other than Cephalon, FBIO or their respective Affiliates.

1.93 "**Third Party Royalties**" means royalties calculated on any amount invoiced by FBIO or its Affiliate for the sale of a Licensed Product (excluding any Combination Product) that includes any Licensed Compound as the sole active ingredient for either or both of the first two (2) Indications and actually paid by FBIO or its Affiliate to a Third Party for the right to use or practice patents of such Third Party, without which right of use or practice FBIO or its Affiliate would not be entitled to Manufacture or Commercialize such Licensed Product, provided that the duty to pay the royalty to such Third Party has been established at arm's-length and in good faith, and is set out in a written agreement.

1.94 "**United States**" or "**US**" means the United States of America and its territories and possessions.

1.95 "**Valid Claim**" means a claim of any pending patent application or any issued, unexpired United States or granted foreign patent that has not been dedicated to the public, disclaimed, abandoned or held invalid or unenforceable by a court or other body of competent jurisdiction from which no further appeal can be taken, and that has not been explicitly disclaimed, or admitted in writing to be invalid or unenforceable or of a scope not Covering a particular product or service through reissue, disclaimer or otherwise, provided that if a particular claim has not issued within five (5) years of its initial filing, it shall not be considered a Valid Claim for purposes of this Agreement unless and until such claim is included in an issued or granted Patent, notwithstanding the foregoing definition.

[*] Confidential material redacted and filed separately with the Commission.

ARTICLE II
LICENSES AND OTHER RIGHTS

2.1 Grant of Licenses to FBIO.

(a) Subject to the terms and conditions of this Agreement and the reserved rights described in Section 2.2, Cephalon hereby grants to FBIO, and FBIO hereby accepts, an exclusive, worldwide, royalty-bearing, non-transferable (except in accordance with Section 11.2) license (with the right to grant Sublicenses as provided for in Section 2.3 only) under the Cephalon Technology to research, Develop, use, and Commercialize and have Commercialized the Licensed Compounds and Licensed Products in and for the Field and Territory.

(b) Subject to the terms and conditions of this Agreement and the reserved rights described in Section 2.2, Cephalon hereby grants to FBIO, and FBIO hereby accepts, a co-exclusive (with Cephalon and its Affiliates), worldwide, non-transferable (except in accordance with Section 11.2) license (with the right to grant Sublicenses as provided for in Section 2.3 only) under the Cephalon Technology to Manufacture and have Manufactured the Licensed Compounds and Licensed Products in and for the Field and Territory.

(c) In addition, subject to the terms and conditions of this Agreement, Cephalon hereby grants to FBIO a non-transferable (except in accordance with Section 11.2), right of reference (with the right to grant Sublicenses as provided for in Section 2.3 only) to any INDs and other Regulatory Filings Controlled by Cephalon or any of its Affiliates as of the Effective Date for the Licensed Compounds and Licensed Products.

2.2 Reservation of Rights.

(a) Notwithstanding anything herein to the contrary, Cephalon and its Affiliates shall have the co-exclusive right to Manufacture and have Manufactured the Licensed Compounds and Licensed Products in the Territory to supply Licensed Compounds and Licensed Products to FBIO and its Affiliates and Sublicensees pursuant to the Manufacturing and Supply Agreement.

(b) Except as expressly set forth in this Agreement, no licenses or other rights are granted or created hereunder to use any patent right, Know-How or other intellectual property rights owned, Controlled or otherwise in-licensed by Cephalon or any of its Affiliates, and all licenses and other rights are or shall be granted only as expressly provided in this Agreement, and no other licenses or other rights is or shall be created or granted hereunder by implication, estoppel or otherwise. The licenses granted in Section 2.1 above shall not grant or create (by implication, estoppel or otherwise) any license or right under any Cephalon Patents or Cephalon Know-How to Develop, Manufacture or Commercialize any molecule that is not a Licensed Compound or Licensed Product.

2.3 Grant of Sublicenses by FBIO.

(a) FBIO shall be entitled to grant Sublicenses of the rights granted by Cephalon hereunder:

(i) to any Affiliate of FBIO, provided such Sublicense only remains in effect for as long as such Sublicensee remains an Affiliate of FBIO;

(ii) to Third Parties that are clinical research organizations, contract manufacturers, contract laboratory organizations, Distributors, and other similar organizations that support the Development, Manufacture and Commercialization of any Licensed Compounds and Licensed Products on a fee-for-service basis as Sublicensees hereunder, provided that such Sublicenses include obligations of confidentiality and non-use of the Cephalon Technology and Cephalon Confidential Information substantially in accordance with the terms of this Agreement;

(iii) to other Third Parties as a Sublicensee hereunder with the prior written consent of Teva, such consent which shall not be unreasonably withheld, conditioned or delayed. Teva's right to consent under this Section 2.3(a)(iii) shall include the right to consent to the entity entering into such Sublicense as well as the terms of such Sublicense. As part of such approval process FBIO or its Affiliate shall provide to Teva a copy of the proposed Sublicense agreement which may be redacted to remove financial terms, but shall include at a minimum all confidentiality provisions, intellectual property rights provisions, and all sections containing obligations of FBIO or its Affiliate. All Sublicenses granted by FBIO (or any option to a Sublicense) must (i) be in writing, (ii) be subject and subordinate to, and consistent with, the terms and conditions of this Agreement and (iii) require the applicable Sublicensee to comply with all applicable terms of this Agreement (except for the payment obligations, for which FBIO shall remain responsible). FBIO shall provide a copy of each executed agreement containing a Sublicense to Cephalon within ten (10) days after its execution. No Sublicense shall diminish, reduce or eliminate any obligation of FBIO under this Agreement, and FBIO shall remain responsible for its obligations under this Agreement and shall be responsible for the performance of the relevant Sublicensee as if such Sublicensee were "FBIO" hereunder.

(b) Without limiting the foregoing, FBIO shall ensure that each Sublicense shall include material terms that bind the Sublicensee to observe the terms of this Agreement, the breach of which terms shall be a material breach resulting in the termination of the Sublicense. In such an event, FBIO undertakes to take all reasonable steps to enforce such terms upon the Sublicensee, including the termination of the Sublicense. In all cases, FBIO shall immediately notify Cephalon of any alleged or actual breach of the material terms of a Sublicense, and shall copy Cephalon on all correspondence with regard such breach.

2.4 Intentionally Omitted.

2.5 Transfer of Cephalon Know-How. Cephalon shall provide or make available to FBIO one (1) copy (in a format determined by Cephalon) of all Cephalon Know-How in Cephalon's or its Affiliates' possession as of the Effective Date within ninety (90) days of the Effective Date of this Agreement.

2.6 Existing Inventory. Within thirty (30) days after the Effective Date, FBIO shall have the right, at its option, to purchase from Cephalon, and Cephalon shall sell to FBIO if requested in writing by FBIO, all of Cephalon's and its Affiliates' existing inventory of Licensed Compounds, *, pursuant to, and in accordance with the terms and conditions set forth in, the Manufacturing and Supply Agreement. In addition, Cephalon shall provide to FBIO at no cost expired inventory of Licensed Compounds up to a maximum of * of such expired inventory. The Parties will mutually agree upon the cost for any expired inventory of Licensed Compounds in excess of* that FBIO desires to purchase.

2.7 Alternative Products. During the Term, neither FBIO nor any of its Affiliates or Sublicensees shall directly or indirectly Develop, Manufacture or Commercialize, nor collaborate with, enable or otherwise authorize, license or grant any right to any Third Party to Develop, Manufacture or Commercialize, any Alternative Product anywhere in the Territory.

ARTICLE III
DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION

3.1 Development.

(a) FBIO shall use Commercially Reasonable Efforts to Develop the Licensed Products in the United States, Japan and each of the Major European Countries and the remainder of the Territory in at least two (2) Indications. The Parties acknowledge that FBIO may Develop Licensed Products that are a Combination Product. Without limiting the generality of the foregoing, FBIO shall use Commercially Reasonable Efforts to execute and perform, or cause to be performed, the initial Development Plan in the form attached hereto as Schedule 2, in accordance with the timelines set forth therein, and FBIO shall conduct its Development activities in good scientific manner and in compliance with applicable Law, including Laws regarding environmental, safety and industrial hygiene, and Good Laboratory Practice, Good Clinical Practice, current standards for pharmacovigilance practice, and all applicable requirements relating to the protection of human subjects. Without limiting or derogating from the foregoing, FBIO shall use Commercially Reasonable Efforts to (i) commence a * for a Licensed Product by no later than the* of the Effective Date, and (ii) commence at least * for the Licensed Products in at least* Indications.

(b) FBIO shall be responsible, at its sole cost and expense, for all Development activities under this Agreement and the Development Plan.

(c) With respect to any facility or site at which FBIO or its Affiliates conducts Development activities pursuant to this Agreement or the Development Plan, Cephalon shall have the right, at its expense, upon reasonable written notice to FBIO (and if applicable, such Affiliate), and during normal business hours, to inspect such site and facility and any records relating thereto once per Calendar Year, or more often with reasonable cause, to verify FBIO's compliance with the terms of this Agreement pertaining to Development of the Licensed Products pursuant to all applicable Laws, including Good Laboratory Practices, Good Clinical Practices and current standards for pharmacovigilance practice. Such inspection shall be subject to the confidentiality provisions set forth in Article VII.

* Confidential material redacted and filed separately with the Commission.

3.2 Commercialization.

(a) FBIO shall use Commercially Reasonable Efforts to Commercialize Licensed Products in the Territory in those countries and for those Indications for which Regulatory Approval and pricing and reimbursement approval has been obtained.

(b) FBIO shall be responsible, at its sole cost and expense, for all Commercialization activities under this Agreement and shall keep Cephalon reasonably informed as to the progress of such activities.

3.3 Manufacturing.

(a) Within sixty (60) days after the Effective Date, Cephalon (or its designee) and FBIO shall negotiate in good faith to enter into a manufacturing and supply agreement (the "**Manufacturing and Supply Agreement**"), pursuant to which Cephalon shall, subject to the terms of the Manufacturing and Supply Agreement, (i) Manufacture and supply (or have Manufactured and supplied) to FBIO [*], active pharmaceutical ingredient ("**API**") and drug product for Licensed Compounds or Licensed Products, and (ii) conduct the Manufacturing development activities for Licensed Compounds or Licensed Products, in each case (for clauses (i) and (ii)) as requested by FBIO and in the Territory for an initial period to be agreed to by the Parties, unless earlier terminated as provided therein (the "**Initial Supply Term**"). Notwithstanding the foregoing, the Manufacturing and Supply Agreement shall in no way restrict FBIO from contracting with Third Parties to Manufacture and supply (or have Manufactured and supplied) to FBIO API and drug product for Licensed Compounds or Licensed Products and conduct Manufacturing development activities for Licensed Compounds or Licensed Products.

(b) From and after the Initial Supply Term, (i) FBIO, at its own cost and expense, shall be responsible for all Manufacturing development, establishment of Manufacturing sources and supply chains, and Manufacture and supply of the Licensed Compounds and Licensed Products in the Field and in the Territory, subject to the provisions of this Section 3.3(b), (ii) FBIO shall use Commercially Reasonable Efforts to execute and to perform, or cause to be performed through its Affiliates and Sublicensees, the Manufacturing activities assigned to it in this Agreement and by Cephalon, and (iii) FBIO shall be solely responsible, at its cost and expense, for Manufacturing and supplying the worldwide requirements for the Development and Commercialization of the Licensed Compounds and Licensed Products in and for the Field and the Territory in accordance with Good Manufacturing Practice and all applicable Laws and standards.

[*] Confidential material redacted and filed separately with the Commission.

3 . 4 Development, Regulatory and Commercialization Reports. Every six (6) months during the Term, FBIO shall issue to Cephalon a report on the Development and regulatory activities FBIO has performed or caused to be performed for the Licensed Compounds and Licensed Products, including a summary of the work performed in relation to the goals of the Development Plan, a summary of progress against each Development and regulatory-related Milestone Event and an estimate of the timing of the achievement of the next Development and regulatory-related Milestone Event, and provide such other information as may be reasonably requested by Cephalon with respect to such Development and regulatory activities. In addition to the foregoing, upon Cephalon's reasonable request, FBIO shall participate in a telephone or video conference to discuss such report and other information as to convey a reasonably comprehensive understanding of the status of the applicable Development or regulatory activity. In addition to the foregoing, FBIO shall provide prompt written notice to Cephalon (and in any event such notice shall be provided within thirty (30) days) if FBIO elects to suspend or no longer proceed with Developing, Manufacturing or Commercializing any Licensed Compound, any Licensed Product or any Indication(s) for a period equal to or greater than nine (9) consecutive months. At least once each Calendar Year, FBIO shall provide to Cephalon a report summarizing the Commercialization activities performed by FBIO or any Affiliates or Sublicensees for the Licensed Compounds and Licensed Products during the preceding Calendar Year.

3 . 5 Trademarks. As between Cephalon and FBIO, FBIO shall have the sole authority to select trademarks for Licensed Products and shall own all such trademarks, and shall be responsible for the registration, filing, maintenance and enforcement thereof.

3.6 Other Government Laws. FBIO shall comply with, and ensure that its Affiliates and Sublicensees comply with, all government statutes and regulations that relate to Licensed Compounds or Licensed Products. These include but are not limited to FDA statutes and regulations, the Export Administration Act of 1979, as amended, codified in 50 App. U.S.C. 2041 et seq. and the regulations promulgated thereunder or other applicable export statutes or regulations.

ARTICLE IV
REGULATORY MATTERS

4.1 Regulatory Responsibilities. FBIO shall, at its sole cost and expense, use Commercially Reasonable Efforts to seek and obtain all Regulatory Approvals for the Licensed Products in the Field in the United States, Japan and each of the Major European Countries, in at least * in accordance with the Development Plan. FBIO may decide, in its sole discretion, and at its sole cost and expense to seek and obtain Regulatory approvals for the Licensed Products in the Field in all other countries in the Territory (outside of the United States, Japan and the Major European Countries).

4 . 2 Ownership of Regulatory Approvals. As between FBIO and Cephalon, FBIO (or its applicable Affiliate) shall own and maintain all Regulatory Filings made after the Effective Date for Licensed Products and all Regulatory Approvals for Licensed Products. All such filings shall be in the name of FBIO, except where otherwise required by local law.

* Confidential material redacted and filed separately with the Commission.

4 . 3 Regulatory Cooperation. Without limiting Section 3.1, FBIO shall provide Cephalon with copies (and in any event such copies shall be provided within sixty (60) days) of all material submissions it makes to, and all material correspondence it receives from, a Regulatory Authority pertaining to any Regulatory Filing or Regulatory Approval for Licensed Products. For clarity, Cephalon shall have no obligation, responsibility or liability relating to any Regulatory Filing or Regulatory Approval for any Licensed Compound or Licensed Product, and Cephalon shall have no obligation, responsibility or liability to maintain, comment on, respond to or file any Regulatory Filings or Regulatory Approvals for any Licensed Compound or Licensed Product.

4 . 4 Regulatory Audits. To the extent that Cephalon's participation is requested by FBIO, the Parties shall cooperate in good faith with respect to Regulatory Authority inspections of any site or facility where Clinical Trials or Manufacturing of Licensed Products in the Field are conducted pursuant to this Agreement, whether such site or facility is FBIO's or its Affiliate's or a permitted subcontractor's.

4 . 5 Pricing and Reimbursement Standards. FBIO shall be responsible for and have the exclusive right to seek and attempt to obtain pricing and reimbursement approvals for the Licensed Products in the Field in the Territory.

ARTICLE V
FINANCIAL PROVISIONS

5 . 1 Upfront Payment. FBIO shall pay to Cephalon within five (5) days after the Effective Date a one-time payment of five hundred thousand dollars (US$500,000). Such payment shall be non-refundable and non-creditable and not subject to set-off.

5.2 Milestone Payments.

(a) **Licensed Product-based Milestones.** As further consideration for Cephalon's grant of the rights and licenses to FBIO hereunder, FBIO shall pay to Cephalon the following one-time, product-based milestone payments (the "**Milestone Payments**") upon the achievement of each of the milestone events set forth in the table below (the "**Milestone Events**") with regard to each Licensed Product (as specifically set forth below). FBIO shall pay the relevant Milestone Payment within sixty (60) days of such achievement by FBIO, its Affiliates or Sublicensees. For the avoidance of doubt, each of the Milestone Payments shall become payable upon the occurrence of the associated Milestone Event, irrespective of the order in which the Milestone Events occur relative to each other. If a development Milestone Event (e.g., commencement of a Phase II Trial or Phase III Trial) for a Licensed Product is skipped, or if Regulatory Approval for such Licensed Product is granted without completing one or more of the development Milestone Events for such Licensed Product, then the skipped Milestone Event(s) for such Licensed Product will be deemed to have been met upon the achievement of the subsequent development milestone or upon Regulatory Approval for such Licensed Product, as applicable. Such payments shall be non-refundable and non-creditable and not subject to set-off.

Milestone Events	Milestone Payment
*	$ *
*	$ *
*	$ *
*	$ *
*	$ *
*	$ *
*	$ *
*	$ *
*	$ *
Total Potential Licensed Product-based Milestones for each Licensed Product	**$** *

(b) **Aggregate Net Sales Achievement Milestones**: As further consideration for Cephalon's grant of the rights and licenses to FBIO hereunder, FBIO shall pay to Cephalon the following one-time Milestone Payments upon the first achievement of each of the corresponding Milestone Events. FBIO shall pay the relevant Milestone Payment within sixty (60) days of such achievement by FBIO, its Affiliates or Sublicensees. Such payments shall be non-refundable and non-creditable and not subject to set-off.

Milestone Event	Milestone Payment
*	$ *
*	$ *
*	$ *
*	$ *
*	$ *
Total Potential Aggregate Net Sales Achievement Milestones	**$** *

* Confidential material redacted and filed separately with the Commission.

5.3 Royalties.

(a) As further consideration for Cephalon's grant of the rights and licenses to FBIO hereunder, FBIO shall pay to Cephalon a royalty at the graduated royalty rates specified in the table below with respect to the aggregate annual worldwide Net Sales of all such Licensed Products by FBIO and its Affiliates and Sublicensees in the Territory in a Calendar Year:

Aggregate Annual Worldwide Net Sales of All Licensed Products in a Calendar Year (US Dollars)	**Royalty Rate**
For that portion of aggregate annual Net Sales of all Licensed Products up to and including $[*]	*%
For that portion of aggregate annual Net Sales of all Licensed Products that is greater than $[*]	*%

The applicable royalty rate shall be calculated as provided in this Section 5.3(a) by reference to the aggregate annual worldwide Net Sales of all Licensed Products in a Calendar Year. By way of example, in a given Calendar Year, if the aggregate annual worldwide Net Sales of all Products for which royalties are due under this Section 5.3(a) were US$[*], the following Royalty payment would be payable under this Section 5.3(a): ([*]% x US$[*]) + ([*]% x US$[*]) = US$[*].

(b) Royalties shall be payable from the First Commercial Sale of a Licensed Product until the expiration of the Royalty Term, on a country-by-country basis.

(c) Only one royalty shall be due with respect to the sale of the same unit of Licensed Product. Only one royalty shall be due hereunder on the sale of a Licensed Product even if the manufacture, use, sale, offer for sale or importation of such Licensed Product infringes more than one claim of the Cephalon Patents.

(d) On a Licensed Product-by-Licensed Product and country-by-country basis, upon expiration of the Royalty Term for a Licensed Product in a country, the rights and licenses granted to FBIO under Section 2.1 with respect to such Licensed Product in such country shall continue in effect but become fully paid-up, royalty-free, and perpetual.

[*] Confidential material redacted and filed separately with the Commission.

5.4 Reductions

(a) *Royalty Stacking*. If FBIO or its Affiliate pays Third Party Royalties, and FBIO provides Cephalon with reasonably satisfactory evidence of such Third Party Royalties payment, then FBIO shall be entitled to deduct * percent (*%) of such Third Party Royalties from the Net Sales of such Licensed Products in such country, provided that in no event shall such royalty rates set forth in Section 5.3(a) be reduced by more than * (*%) pursuant to this Section 5.4(a) in any Calendar Quarter (without any right to carry forward).

(b) *Expiration of U.S. Cephalon Patents*. If royalties are payable under Section 5.3 on Net Sales of a particular Licensed Product for use in the United States after the expiration of all Valid Claims included in the U.S. Cephalon Patents (including any applicable patent term extension) claiming the manufacture, use, sale, offer for sale and importation of such Licensed Product, then the royalties payable on Net Sales of such Licensed Product for use in the United States shall be calculated as set forth in Section 5.3, provided that the portion of the royalties payable on Net Sales of such Licensed Product for use in the United States shall be reduced by * percent (*%) after the date of expiration of all such U.S. Cephalon Patents. The royalty applicable to the Net Sales of such Licensed Product for use in the United States shall be applied pro rata on a Calendar Quarter-by-Calendar Quarter basis with reference to the aggregate annual worldwide Net Sales of all Licensed Products in the Territory. For clarity, there shall be no reduction under this Section 5.4(b) on royalties payable on Net Sales of Licensed Products for use in any country or region in the Territory other than in the United States, unless FBIO can show that such other country has adopted patent misuse concepts similar to those recognized in the U.S.

(c) *Generic Competition*. Notwithstanding the foregoing, on a country-by-country basis the applicable royalty rates for Net Sales of a Licensed Product set forth in Section 5.3 will be reduced (A) by * percent (*%) following a launch of a Generic Product, if the unit sales of all Generic Products in such country exceed* percent (*%) of the sum of unit sales of Licensed Products plus unit sales of all Generic Products in such country, or (B) by* percent (*%) following a launch of a Generic Product, if the unit sales of all Generic Products in such country exceed * percent (*%) of the sum of unit sales of Licensed Products plus unit sales of all Generic Products in such country. For clarity, such reduction will not apply for any Calendar Quarter in which the market share of Generic Products does not meet either threshold in the preceding sentence. Unless otherwise agreed by the Parties, the unit sales of each such Generic Product sold during a Calendar Quarter will be as reported by IMS America Ltd. of Plymouth Meeting, Pennsylvania ("**IMS**") or any successor to IMS or any other independent sales auditing firm reasonably agreed upon by the Parties.

(d) *Maximum Deduction*. In no event shall the cumulative reductions under Sections 5.4(a), 5.4(b) and 5.4(c) reduce the royalties otherwise due to Cephalon by more than * percent (*%) in any Calendar Quarter.

(e) *No Obligation to Pay Third Party Royalties*. In no event shall Cephalon be required to contribute to FBIO's payments to Third Parties from which it has received (sub)licenses to intellectual property that claims or covers any Licensed Compound or Licensed Product.

* Confidential material redacted and filed separately with the Commission.

(f) *No Other Deductions.* There shall be no deductions or other reductions to any royalties or other amounts payable to Cephalon hereunder, except to the extent provided by Sections 1.66, 5.4(a), 5.4(b) and 5.4(c). All royalty payments shall be non-refundable and non-creditable and not subject to set-off.

5.5 Sublicense Revenue. FBIO shall pay Cephalon an amount equal to the percentage of all Sublicense Revenue set forth in the table below. All such amounts shall be due to Cephalon within thirty (30) days after receipt of the applicable Sublicense Revenue. For any Sublicense Revenue that is achieved based upon a Milestone Event that is met by a Sublicensee, Cephalon shall receive *. For the avoidance of doubt, where a Milestone Event is achieved by a Sublicensee, Cephalon shall not be entitled to both the Sublicense Revenue fee and the Milestone Payment.

Sublicense Revenue (US Dollars)	**Percentage Share**
*	*%
*	*%
*	*%
*	*%

5.6 Notice. FBIO shall give Cephalon written notice of any Sublicense Revenue received, First Commercial Sale of a Licensed Product, or Milestone achievement within thirty (30) days of the occurrence of each such event.

5.7 Periodic Reports. Within thirty (30) days after the end of each Calendar Quarter commencing from the earlier of (a) the First Commercial Sale of a Licensed Product; or (b) the grant of a Sublicense or receipt of Sublicense Revenue, FBIO shall furnish Cephalon with a quarterly report ("**Periodic Report**") detailing, at a minimum, the following information for the applicable Calendar Quarter, each listed by Licensed Product and by country of sale: (i) the total number of units of Licensed Product sold by FBIO, its Affiliates and Sublicensees for which royalties are owed Cephalon hereunder, including a breakdown of the number and type of Licensed Products sold, (ii) gross amounts received for all such sales, (iii) deductions by type taken from Net Sales as specified in Section 1.66, (iv) Net Sales, (v) royalties and Milestone Payments owed to Cephalon, listed by category, (vi) Sublicense Revenue received during the preceding Calendar Quarter and Sublicense fees due to Cephalon, (vii) the currency in which the sales were made, including the computations for any applicable currency conversions pursuant to Section 5.9, (viii) all other data enabling the Sublicense Revenue payable to be calculated accurately and (ix) a summary of progress against each commercial Milestone, and an estimate of the timing of the achievement of the next commercial Milestone. Once the events set forth in sub-section (a) or (b), above, have occurred, Periodic Reports shall be provided to Cephalon whether or not royalties, milestone payments or Sublicense fees are payable for a particular Calendar Quarter. In addition to the foregoing, upon Cephalon's reasonable request, FBIO shall provide to Cephalon such other information as may be reasonably requested by Cephalon, and shall otherwise cooperate with Cephalon as reasonably necessary, to enable Cephalon to verify FBIO's compliance with the payment and related obligations under this Agreement, including verification of the calculation of amounts due to Cephalon under this Agreement and of all financial information provided or required to be provided in the Periodic Reports and Annual Reports.

* Confidential material redacted and filed separately with the Commission.

5.8 Payments. Within thirty (30) days after the date prescribed for the submission of each Periodic Report, FBIO shall pay the royalties and Sublicense Revenue due to Cephalon for the reported period. All payments under this Agreement shall be computed and paid in United States Dollars. All Payments shall be made by wire transfer to such bank accounts as Cephalon may designate.

5.9 Currency Exchange. With respect to Net Sales invoiced in United States Dollars, the Net Sales and the amounts due to Cephalon hereunder shall be expressed in United States Dollars. With respect to Net Sales invoiced in a currency other than United States Dollars, the Net Sales shall be expressed in the domestic currency of the entity making the sale, together with the United States Dollars equivalent, calculated based on the conversion rate existing in the United States (as reported in the Wall Street Journal) on the last working day of the Calendar Quarter for which remittance is made for Royalties. For purposes of calculating the Net Sales thresholds set forth in Section 5.3, the aggregate Net Sales with respect to each Calendar Quarter within a Calendar Year shall be calculated based on the currency exchange rates for the Calendar Quarter in which such Net Sales occurred, in a manner consistent with the exchange rate procedures set forth in the immediately preceding sentence.

5.10 VAT; Withholding and Similar Taxes. All amounts to be paid to Cephalon pursuant to this Agreement are exclusive of Value Added Tax. FBIO shall add value added tax, as required by Law, to all such amounts. If applicable Laws require that taxes be withheld from any amounts due to Cephalon under this Agreement, FBIO shall (a) deduct these taxes from the remittable amount, (b) pay the taxes to the proper taxing authority, and (c) promptly deliver to Cephalon a statement including the amount of tax withheld and justification therefore, and such other information as may be necessary for tax credit purposes. FBIO shall cooperate with Cephalon in claiming exemptions from such deductions or a reduced withholding tax rate as allowable under any agreement or treaty from time to time in effect. Payment of Value Added Tax – or of any analogous foreign tax, charge or levy (if charged), applicable to the sale of Licensed Products shall be added to each payment in accordance with the statutory rate in force at such time.

5.11 Records. FBIO shall keep, and shall require its Affiliates and Sublicensees to keep, full and correct books of account in accordance with US GAAP enabling the royalties, Sublicense fees and Milestone Payments, and all corresponding deductions, to be calculated accurately. Starting from the first Calendar Year after the First Commercial Sale, or the first grant of a Sublicense, whichever occurs first, an annual report, authorized by the chief financial officer of FBIO, shall be submitted to Cephalon within sixty (60) days of the end of each Calendar Year, detailing Net Sales, Sublicense Revenues, royalties, Sublicense fees, and Milestone Payments both due and paid, including all other information included in the Periodic Report (the "**Annual Reports**"). FBIO shall, and shall require and cause its Affiliates and Sublicensees to, retain the such books of account for five (5) years after the end of each Calendar Year during the Term of this Agreement, and, if this Agreement is terminated for any reason whatsoever, for five (5) years after the end of the Calendar Year in which such termination becomes effective, and shall be kept at each of their principal place of business and shall be open for inspection and audit in accordance with Section 5.12 below.

5.12 Audit. Cephalon shall be entitled to appoint, at its sole expense, a certified public accountant or other professional as appropriate (the "**CPA Representatives**") to inspect, not more than once a Calendar Year, during normal business hours FBIO's and its Affiliates' books and records contemplated by Section 5.11 above, including all books of account, records and other relevant documentation to the extent relevant or necessary for the sole purpose of verifying compliance with the payment and related obligations under this Agreement, the calculation of amounts due to Cephalon under this Agreement and of all financial information required to be provided in the Periodic Reports and Annual Reports, provided that Cephalon shall coordinate such inspection with FBIO or Affiliate (as the case may be) in advance. In addition, Cephalon may require that FBIO, through the CPA Representatives, inspect during normal business hours the books and records contemplated by Section 5.11 above, including all applicable books of account, records and other relevant documentation of any Sublicensees, not more than once a Calendar Year, to the extent relevant or necessary for the sole purpose of verifying the compliance with the payment obligations under this Agreement, the calculation of amounts due to Cephalon under this Agreement and of all financial information provided in the Periodic Reports, and FBIO shall use its best efforts to cause such inspection to be performed, provided that Cephalon shall coordinate such inspection with the Sublicensee in advance. The Parties shall reconcile any underpayment or overpayment within thirty (30) days after the CPA Representatives deliver the results of the audit to Cephalon and FBIO. The results of such inspection, if any, shall be binding on both Parties. Any underpayment shall be subject to interest in accordance with the terms of Section 5.14, below. Any overpayments shall be fully creditable against amounts payable in subsequent payment periods during the Term, or if such overpayments are identified following the Term, then such overpayments shall be refunded within sixty (60) days of receipt of the corresponding audit results. In the event that any inspection as aforesaid reveals any underpayment by FBIO to Cephalon in respect of any Calendar Quarter of the Agreement in an amount exceeding five percent (5%) of the amount actually paid by FBIO to Cephalon in respect of such Calendar Quarter, then FBIO shall pay the cost of such inspection. Any underpayments or overpayments under this Section 5.12 shall be subject to the currency exchange provisions set forth in Section 5.9 as applied to the Calendar Quarter during which the payment obligations giving rise to such underpayment or overpayment were incurred by FBIO.

5.13 Blocked Payments. In the event that, by reason of applicable Law in any country, it becomes impossible or illegal for FBIO to transfer, or have transferred on its behalf, payments owed Cephalon hereunder, FBIO shall promptly notify Cephalon of the conditions preventing such transfer and such payments shall be deposited in local currency in the relevant country to the credit of Cephalon in a recognized banking institution designated by Cephalon or, if none is designated by Cephalon within a period of thirty (30) days, in a recognized banking institution selected by FBIO, as the case may be, and identified in a written notice given to Cephalon.

5.14 Interest Due. Any sum of money due to Cephalon which is not duly paid on time shall bear interest from the due date of payment until the actual date of payment at the rate of LIBOR plus two percent (2%) per annum, or the maximum applicable legal rate, if less, computed for the actual number of days the payment was past due.

5.15 Mutual Convenience. The royalty and other payment obligations set forth hereunder have been agreed to by the Parties for the purpose of reflecting and advancing their mutual convenience, including the ease of calculating and paying royalties and other amounts to Cephalon. FBIO hereby stipulates to the fairness and reasonableness of such royalty and other payments obligations and covenants not to allege or assert, nor to allow any of its Sublicensees or Affiliates to allege or assert, nor further to cause or support any other Third Parties to allege or assert, that any such royalty or other payments obligations are unenforceable or illegal in any way.

ARTICLE VI
INTELLECTUAL PROPERTY

6.1 Intellectual Property; Inventions.

(a) The Parties acknowledge that the ownership rights set out in this Section 6.1 are subject to the terms and conditions of this Agreement (including the license grants and restrictions on licensing that are set forth in Article II).

(b) Cephalon shall own all right, title and interest in and to the Cephalon Patents and the Cephalon Know-How.

(c) The Parties agree that ownership of Know-How, patent rights or other intellectual property rights created or conceived through the performance of activities under this Agreement shall be determined in accordance with United States patent laws (regardless of where the applicable activities occurred).

(d) In furtherance of the foregoing, each Party shall, upon request by the other, promptly undertake and perform (and/or cause its Affiliates and its and their respective employees and/or agents to promptly undertake and perform) such further actions as are reasonably necessary for Cephalon and FBIO, as between the Parties, to each perfect its title in any such Know-How, patent rights or other intellectual property rights as set forth in the foregoing provisions of this Section 6.1, as applicable, including by causing the execution of any assignments or other legal documentation, and/or providing the other Party or its patent counsel with reasonable access to any employees or agents who may be inventors of such Know-How, patent rights or other intellectual property rights.

6.2 Patent Prosecution and Maintenance.

(a) **Cephalon Patents**. FBIO shall have the first right, and shall use Commercially Reasonable Efforts, to pursue the filing, prosecution, and maintenance of the Cephalon Patents. FBIO shall be solely responsible for all costs and expenses incurred by FBIO in filing, prosecuting and maintaining the Cephalon Patents in the Territory. FBIO and its chosen patent counsel, which shall be reasonably acceptable to Cephalon ("**Patent Counsel**"), shall take all actions reasonably requested by Cephalon and its patent counsel in connection with FBIO's obligations under this Section 6.2(a) with respect to filing, prosecution, and maintenance, including without limitation, facilitating and permitting direct communication with Cephalon and its patent counsel.

(b) **New or Revised Applications**. FBIO shall, upon forming an intention to file or revise one or more patent applications which are Cephalon Patents subject to the license grants in Section 2.1, promptly inform Cephalon of such intention, and shall provide Cephalon with the opportunity to comment on the content of such FBIO patent application before so filing or revising. FBIO shall consider any such reasonable Cephalon comments in good faith.

(c) **Liaising.** FBIO shall provide Cephalon with a copy of all documents generated or received by FBIO or its attorneys in connection with the filing, prosecution and maintenance of the Cephalon Patents, including, but not limited to, briefs, office actions, examinations, correspondence, etc. FBIO shall keep Cephalon promptly and regularly informed of the course of the filing and prosecution of Cephalon Patents or related proceedings (e.g. interferences, oppositions, reexaminations, reissues, revocations or nullifications) in a timely manner, and to reasonably take into consideration the advice and recommendations of Cephalon and its patent counsel, and FBIO shall authorize its Patent Counsel to speak directly with Cephalon and its patent counsel. In the course of providing comments as contemplated in this Section, if Cephalon expresses its reasonable disagreement with FBIO's proposed course of action, and Cephalon and FBIO are unable to reconcile their differences in an expeditious manner, the matter shall be resolved by a Third Party patent counsel mutually selected by the Parties who (and whose firm) is not, and was not at any time during the five (5) years prior to such dispute, an employee, consultant, legal advisor, officer, director or stockholder of, and does not have any conflict of interest with respect to, either Party. Any decision by such Third Party patent counsel regarding any such dispute shall be made in a manner consistent, and not otherwise in conflict, with the terms of this Agreement. The Parties shall equally share in the costs and expenses of retaining such Third Party patent counsel for any such prosecution disputes.

(d) **Election Not to File/Prosecute/Maintain Cephalon Patents** Cephalon acknowledges and agrees that FBIO shall not be required to file, prosecute or maintain the Cephalon Patents. If FBIO provides Cephalon with written notification that it shall no longer support or pursue the filing, prosecution, or maintenance of a specified Cephalon Patent in a particular country, then (i) FBIO's responsibility for such filing, prosecution, or maintenance of such Cephalon Patent in such country, and the fees and costs related thereto, shall terminate on the date sixty (60) calendar days after Cephalon's receipt of such written notice from FBIO, and (ii) Cephalon shall have the right, but not the obligation, to assume control of, and responsibility for, the filing, prosecution, or maintenance of such Cephalon Patent in such country, at Cephalon's expense. In such event, such patent shall no longer be deemed a Cephalon Patent or subject to the licenses and rights set forth herein; provided, that if such patent is a composition of matter patent in such country, then all licenses and rights with respect to such country shall terminate as well.

6.3 Listing of Patents. FBIO shall have the sole right to determine which of the Cephalon Patents, if any, shall be listed for inclusion in the Approved Drug Products with Therapeutic Equivalence Evaluations publication (known as the "Orange Book") pursuant to 21 U.S.C. Section 355, or any successor Law in the United States, or any similar patent listing in any other country, in each case with respect to the Licensed Products. Cephalon shall co- operate with FBIO to list any of said Cephalon Patents with respect to the Licensed Products.

6.4 Patent Term Extension. If elections with respect to obtaining patent term extension or supplemental protection certificates or their equivalents in any country with respect to any Licensed Product becomes available, upon Regulatory Approval or otherwise, the Parties shall mutually agree on which issued patent to extend, and in any event, the Parties understand and agree that a Cephalon Patent shall be extended (including in the U.S. upon Regulatory Approval thereof), if possible, in lieu of any other patent right only if such Cephalon Patent would extend longer than such other patent right. In addition, the Parties shall seek the maximum patent term extension available for all Cephalon Patents in accordance with this Section 6.4. The prosecution activities related to the foregoing shall be governed by Section 6.1.

6.5 Data Exclusivity. With respect to data exclusivity periods (such as those periods listed in the Orange Book (including any available pediatric extensions) or periods under national implementations of Article 10.1(a)(iii) of Directive 2001/EC/83, and all equivalents in any country), FBIO, in consultation with Cephalon, shall seek and maintain all such data exclusivity periods that may be available for any of the Licensed Products.

6.6 Notification of Patent Certification. Each Party shall notify and provide the other Party with copies of any allegations of alleged patent invalidity, unenforceability or non-infringement of a Cephalon Patent pursuant to a Paragraph IV Patent Certification by a Third Party filing an Abbreviated New Drug Application, an application under §505(b)(2) of the United States Federal Food, Drug, and Cosmetic Act (as amended or any replacement thereof), or any other similar patent certification by a Third Party, and any foreign equivalent thereof. Such notification and copies shall be provided to the other Party within five (5) days after such Party receives such certification, and shall be sent to the address set forth in Section 11.7.

6.7 CREATE Act. Notwithstanding anything to the contrary in this Agreement, each Party shall have the right to invoke the Cooperative Research and Technology Enhancement Act of 2004, 35 U.S.C. § 103(c)(2)-(c)(3) (the "**CREATE Act**") when exercising its rights under this Agreement, but only with the prior written consent of the other Party in its sole discretion. In the event that a Party intends to invoke the CREATE Act, once agreed to by the other Party as required by the preceding sentence, it shall notify the other Party and the other Party shall cooperate and coordinate its activities with such Party with respect to any filings or other activities in support thereof. The Parties acknowledge and agree that this Agreement is a "joint research agreement" as defined in the CREATE Act.

6.8 Enforcement of Patents.

(a) **Notice.** If either Cephalon or FBIO believes that a Cephalon Patent is being infringed by a Third Party with respect to compounds or products that target PARP ("**Competitive Infringement**") or if a Third Party claims that any Cephalon Patent is invalid or unenforceable, the Party possessing such knowledge or belief shall notify the other and provide it with details of such infringement, misappropriation or claim that are known by such Party, together with any available written evidence of such alleged infringement, misappropriation or claim.

(b) **Action by FBIO.**

(i) FBIO shall have the first right, but not the obligation, in its own name and at its own expense to enforce the Cephalon Patents and prosecute apparent Third Party infringers when, in its judgment, such action may be reasonably necessary and justified with respect to Competitive Infringement.

(ii) FBIO has three (3) months from the date of receiving satisfactory written evidence from Cephalon of Competitive Infringement to decide whether to bring an action or proceeding to terminate the Competitive Infringement. FBIO shall give Cephalon written notice of its decision by the end of this three (3)-month period. If FBIO notifies Cephalon that it intends to prosecute the alleged infringer, then FBIO has three (3) months from the date of its notice to Cephalon to either (A) cause the Competitive Infringement to terminate or (B) initiate legal proceedings against the infringer. If any such suit is brought by FBIO in its own name, or jointly with Cephalon if required by law, it shall be at FBIO's sole cost and expense and on its own behalf. Cephalon shall reasonably assist FBIO in any action or proceeding being defended or prosecuted if so requested, and shall be named in or join such action or proceeding if requested by FBIO or if Cephalon so requests. FBIO shall bear all related and reasonable legal costs and expenses if Cephalon is required to be named in or joined in such action or proceeding or is joined in such action or proceeding at FBIO's request. Cephalon may participate in any such action or proceeding at its election and expense (other than as provided in the immediately preceding sentence), whether or not Cephalon is a named party to any such action or proceeding, and FBIO shall reasonably cooperate with Cephalon in such participation.

(c) **Action by Cephalon.**

(i) If FBIO notifies Cephalon within the first three (3)-month period that it does not intend to prosecute the Competitive Infringement or, if FBIO fails to cause the Competitive Infringement to terminate or bring legal action or proceeding to compel termination within three (3) months of the date of its notice to Cephalon (and in all events at least ten (10) days before the end of the applicable Hatch-Waxman Time Period, as defined below), then Cephalon may initiate legal actions or proceedings against the alleged Third Party infringer, in its own name and at its expense and entirely under its own direction and control, according to the terms of this Section 6.8(c). FBIO shall reasonably assist Cephalon in any action or proceeding being defended or prosecuted if so requested, and shall join such action or proceeding if requested by Cephalon. FBIO shall have the right to participate in any such action or proceeding with its own counsel at its own expense and without reimbursement. For purposes of this Agreement, "**Hatch-Waxman Time Period**" means the applicable period of time during which a patent holder or licensee has the right to file an infringement suit to maintain certain rights and privileges upon receipt of Paragraph IV Patent Certification by a Third Party filing an Abbreviated New Drug Application or an application under § 505(b)(2) of the United States Food, Drug, and Cosmetic Act (as amended), or any other similar patent certification by a Third Party, or any foreign equivalent thereof.

(ii) Regardless of whether Cephalon is joined or joins any legal proceeding initiated by FBIO, no settlement, consent judgment or other voluntary final disposition of the legal action or proceeding may be entered into without the consent of Cephalon, which consent may not be unreasonably withheld or delayed.

6.9 Cooperation. If one party initiates legal actions or proceedings to enforce the Cephalon Patents against Competitive Infringement pursuant to this Article VI, the other party shall cooperate with and supply all assistance reasonably requested by the party initiating the actions or proceedings, at the initiating party's request and expense.

6.10 Withdrawal. If either Party brings an action or proceeding under Section 6.8 and subsequently ceases to pursue or withdraws from such action or proceeding, it shall promptly notify the other Party and the other Party may substitute itself for the withdrawing Party under the terms of Section 6.8.

6.11 Damages. In the event that either Party exercises the rights conferred in Section 6.8 and recovers any damages or other sums in such action or proceeding or in settlement thereof, such damages or other sums recovered shall first be applied to all out-of-pocket costs and expenses incurred by the Parties in connection therewith (including attorney's fees), unless not reimbursable hereunder. If such recovery is insufficient to cover all such costs and expenses of both Parties, the controlling Party's costs shall be paid in full first before any of the other Party's costs. If after such reimbursement any funds shall remain from such damages or other sums recovered, such funds shall be *.

6.12 Declaratory Judgment Actions. In the event that any Third Party initiates a declaratory judgment action or other proceeding alleging the invalidity or unenforceability of any of the Cephalon Patents, or if any Third Party brings an infringement action or other proceeding against FBIO or its Affiliates or Sublicensees with respect to any Licensed Product, then FBIO shall have the right to defend such action or proceeding under its own control and at its own expense; provided, however, that the Parties shall mutually agree that Cephalon may assume control of such defense, at its own expense, if Cephalon in good faith believes that assuming control of such defense is beneficial to the Parties. Each Party shall notify the other immediately upon learning of any such action, proceeding, claim or demand. FBIO shall NOT enter into any settlement, consent judgment or other voluntary final disposition of any action or proceeding under this Section 6.12, including any action or proceeding which restricts the scope, or adversely affects the enforceability of any Cephalon Patents, without the prior written consent of Cephalon. Any recovery shall be first applied to reimburse each Party pro rata for any out-of pocket expenses it may have incurred with respect to defense of such action and the remainder shall be retained entirely by the Party controlling the action; provided, however, that any recovery for infringement shall be distributed as described in Section 6.11.

* Confidential material redacted and filed separately with the Commission.

6 . 1 3 Patent Marking. FBIO shall mark, and shall cause all of its Affiliates and Sublicensees to mark, virtually or otherwise, all Licensed Products with all Cephalon Patents in accordance with applicable Law, which marking obligation shall continue for as long as required under applicable Law.

ARTICLE VII
CONFIDENTIALITY

7 . 1 Definitions. FBIO and Cephalon each recognizes that during the Term, a Party (the "**Disclosing Party**") may disclose or provide Confidential Information (as defined herein) to the other Party (the "**Receiving Party**"). The disclosure and use of Confidential Information shall be governed by the provisions of this Article VII. Neither FBIO nor Cephalon shall use the other's Confidential Information except as expressly permitted in this Agreement. For purposes of this Agreement, " **Confidential Information**" means all confidential or proprietary information (including information relating to the business, operations and products of a Party or any of its Affiliates), including Third Party information, disclosed or provided by the Disclosing Party to the Receiving Party or its Affiliates or Sublicensees, regardless of whether any of the foregoing are marked "confidential" or "proprietary" or communicated to the other by the disclosing Party or its Affiliates in oral, written, graphic, or electronic form.

7.2 Obligation. Each Receiving Party agrees that it shall disclose the Disclosing Party's Confidential Information to its own (or its respective Affiliate's, or with respect to FBIO, its Sublicensees') officers, employees, consultants, representatives and agents only if and to the extent necessary to carry out their respective responsibilities under this Agreement or in accordance with the exercise of their rights under this Agreement, and such disclosure shall be limited to and consistent with such responsibilities and rights hereunder. In addition, Receiving Party may disclose Confidential Information as follows (a) on a need-to-know basis to such party's legal and financial advisors; (b) as reasonably necessary in connection with an actual or potential (i) permitted Sublicense of such Party's rights hereunder, (ii) debt or equity financing of the Receiving Party, or (iii) acquisition, consolidation, share exchange or other similar transaction involving the Receiving Party and any Third Party; (c) to the extent the Receiving Party is FBIO, to any Third Party that is or may be engaged by FBIO to perform services in connection with the Development, Manufacture or Commercialization of License Products as necessary to enable such Third Party to perform such services; and (d) as reasonably necessary to make regulatory filings with respect to the Licensed Products or to respond to any inquiry made by a Regulatory Authority with respect to Licensed Products and to prosecute or maintain patent rights, or to file, prosecute or defend litigation related to patent rights. Except as set forth in the foregoing sentence, the Receiving Party shall not disclose Confidential Information of the Disclosing Party to any Third Party without the Disclosing Party's prior written consent. In all events, however, any and all disclosure to a Third Party (or to any such Affiliate or Sublicensee) shall be pursuant to the terms of a non-disclosure/nonuse agreement no less restrictive than this Article VII. The Party which disclosed Confidential Information of the other to any Third Party (or to any such Affiliate or Sublicensee) shall be responsible and liable for any disclosure or use by such Third Party, Affiliate or Sublicensee (or its disclosees) which would have violated this Agreement if committed by the Party itself. No Receiving Party shall use Confidential Information of the Disclosing Party except as expressly allowed by and for the purposes of this Agreement. Each Receiving Party shall take such action to preserve the confidentiality of the Disclosing Party's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information (but in no event less than a reasonable standard of care). Upon expiration or termination of this Agreement, each Receiving Party, upon the Disclosing Party's request, shall return or destroy (at Disclosing Party's discretion) all the Confidential Information disclosed to the Receiving Party pursuant to this Agreement, including all copies and extracts of documents, within sixty (60) days after the request, except for one archival copy (and such electronic copies that exist as part of the Receiving Party's computer systems, network storage systems and electronic backup systems) of such materials solely to be able to monitor its obligations that survive under this Agreement.

7.3 Exceptions. The non-use and non-disclosure obligations set forth in this Article VII shall not apply to any Confidential Information, or portion thereof, that the Receiving Party can demonstrate by competent evidence:

(a) at the time of disclosure is in the public domain;

(b) after disclosure, becomes part of the public domain, by publication or otherwise, through no fault of the Receiving Party or its disclosees (including any Affiliates or Sublicensees);

(c) is made available to the Receiving Party by an independent Third Party without an obligation of confidentiality with respect to such information; or

(d) is independently developed by the Receiving Party without access, use or reference to the Disclosing Party's information.

In addition, the Receiving Party may disclose Confidential Information that is required to be disclosed by Law, by a valid order of a court or by order or regulation of a governmental agency, including but not limited to, regulations of the SEC, FTC, or in the course of arbitration or litigation; provided, however, that in all cases the Receiving Party shall give the other party prompt notice of the pending disclosure and make a reasonable effort to obtain, or to assist the Disclosing Party in obtaining, a protective order or confidential-treatment order preventing or limiting (to the greatest possible extent and for the longest possible period) the disclosure and/or requiring that the Confidential Information so disclosed be used only for the purposes for which the law or regulation required, or for which the order was issued.

7.4 Terms of this Agreement. The Parties agree that the terms of this Agreement shall be treated as Confidential Information of both Parties, and may only be disclosed as permitted by this Article VII.

7.5 Publicity; Publications. The Parties, upon the execution of this Agreement, shall jointly issue a press release with respect to this Agreement and such press release shall be in substantially the form set forth as Exhibit A attached hereto with the final version subject to the mutual agreement of the Parties. Either Party may make subsequent public disclosure of the contents of such press release without further approval of the other Party. Subject to the foregoing, except as required by applicable Laws (including those relating to disclosure of material information to investors), neither Party shall issue a press or news release or make any similar public announcement (it being understood that publication in scientific journals, presentation at scientific conferences and meetings and the like are not subject to this Section 7.5) related to the terms or existence of this Agreement or the conduct of the Development program or the Commercialization of Licensed Products without the prior written consent of the other Party (a "**Required Disclosure**"). For all such Required Disclosures the Party making the Required Disclosure shall use best efforts to (a) provide the other Party with notice and a copy of such proposed disclosure as far in advance of such filing or other disclosure as is reasonably practicable under the circumstances, and (b) provide the other Party a reasonable opportunity to request confidential treatment or review and comment on such communications. Notwithstanding anything to the contrary herein, if a Party seeking to make a disclosure required by applicable Law as set forth in this Section 7.5, and the other Party provides comments, the Party seeking to make such disclosure or its counsel, as the case may be, will in good faith (i) consider incorporating such comments and (ii) use reasonable efforts to incorporate such comments, limit disclosure or obtain confidential treatment to the extent reasonably requested by the other Party. Once any press release or any other written statement is approved for disclosure by both Parties, either Party may make subsequent public disclosure of the contents of such statement without the further approval of the other Party. Neither Party shall use the name of the other Party or its Affiliates in relation to this transaction in any public announcement, press release, publication or other public document without the prior written consent of such other Party; provided, however, that either Party may use the name of the other Party in any document filed with any Governmental Body or as otherwise permitted under this Agreement, including in this Article VII; provided further that FBIO may use the name and any logo of Cephalon to identify Cephalon as a partner of FBIO on any website of FBIO in a manner agreed to in writing in advance of such use by Cephalon. Without limiting the foregoing, FBIO shall use reasonable efforts to provide Cephalon with a copy (to the attention of "Alliance Management" pursuant to Section 11.7) of each abstract, presentation, manuscript and similar materials intended to be published or presented by FBIO or its Affiliates or Sublicensees in any medium or forum within ten (10) Business Days of publishing or presenting such materials.

7.6 Survival. The provisions of this Article VII shall survive expiry or termination of this Agreement for a period of ten (10) years thereafter.

ARTICLE VIII
REPRESENTATIONS, WARRANTIES AND COVENANTS

8 . 1 Representations and Warranties. (a) FBIO represents and warrants to Cephalon, and (b) Cephalon represents to FBIO, in each case as of the Effective Date:

(a) Such Party is a corporation duly organized and validly existing under the Laws of the jurisdiction of its incorporation;

(b) Such Party has all right, power and authority to enter into this Agreement, and to perform its obligations under this Agreement;

(c) Such Party has taken all action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement;

(d) This Agreement is a legal and valid obligation of such Party, binding upon such Party and enforceable against such Party in accordance with the terms of this Agreement, except as enforcement may be limited by applicable bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and by general equitable principles;

(e) To the best of such Party's knowledge, the execution, delivery and performance of this Agreement by such Party does not conflict with, breach or create in any Third Party the right to accelerate, terminate or modify any agreement or instrument to which such Party is a party or by which such Party is bound;

(f) To the best of such Party's knowledge, all consents, approvals and authorizations from all governmental authorities or other Third Parties required to be obtained by such Party in connection with the execution and delivery of this Agreement have been obtained; and the execution, delivery and performance of this Agreement by such Party does not violate any Law of any Governmental Body having authority over such Party;

(g) No person or entity has or shall have, as a result of the execution and delivery of or as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or upon such Party for any commission, fee or other compensation as a finder or broker because of any act by such Party or its Affiliates, agents or Sublicensees; and

(h) To the best of such Party's knowledge, no agreement between it and any Third Party is in conflict with the rights granted to any other Party pursuant to this Agreement.

8.2 Additional Representations and Warranties of Cephalon. Cephalon represents and warrants to FBIO as of the Effective Date that:

(a) No consent by any Third Party or Governmental Body is required with respect to the execution and delivery of this Agreement by Cephalon or the consummation by Cephalon of the transactions contemplated hereby;

(b) Cephalon or its Affiliates exclusively own all right, title and interest in and to the Cephalon Patents. Schedule 1 attached hereto contains a true and complete list of patents and patent applications Controlled by Cephalon and its Affiliates as of the Effective Date that exclusively relate to the Licensed Compound;

(c) Cephalon has full right and authority to grant the licenses set forth in Section 2.1 and it has not granted or conferred upon or undertaken to grant to or confer upon any person, with or without consideration, and there are no outstanding options, licenses, rights or agreements of any kind which grant any rights relating to the Cephalon Technology, and has not undertaken to grant any Third Party with any rights in any of the above, in each case, that would conflict with or limit the scope of any of the rights or licenses granted to FBIO hereunder.

(d) To Cephalon's knowledge, there is no Third Party that is infringing or misappropriating the Cephalon Technology.

(e) No action, claim, proceeding or inquiry or investigation is pending or, to the knowledge of Cephalon, threatened by any Third Party with respect to the patentability or validity of any claims of any of the Cephalon Patents.

(f) To Cephalon's knowledge, the Development and Commercialization of the Licensed Compounds do not infringe any patent rights of a Third Party that may have rights which conflict or interfere with the grant to, or exercise of the licenses set forth in Section 2.1 by, FBIO as envisaged herein.

(g) *.

8.3 Disclaimer. Notwithstanding the representations and warranties set forth in this Article VIII, FBIO acknowledges and accepts the risks inherent in attempting to Develop and Commercialize any pharmaceutical product. There is no implied representation that the Licensed Compounds or Licensed Products can be successfully Developed or Commercialized.

8.4 EXCEPT AS EXPRESSLY SET FORTH HEREIN, CEPHALON DOES NOT MAKE ANY REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY CEPHALON PATENT OR CEPHALON KNOW-HOW, ANY LICENSED COMPOUND, OR ANY LICENSED PRODUCTS, INCLUDING ANY WARRANTIES OF VALIDITY OR ENFORCEABILITY OF ANY PATENTS, TITLE, QUALITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, PERFORMANCE OR NONINFRINGEMENT OF ANY THIRD PARTY PATENTS OR OTHER INTELLECTUAL PROPERTY RIGHTS.

ARTICLE IX
INDEMNIFICATION; LIMITATION OF LIABILITY; INSURANCE

9.1 Indemnification by FBIO. FBIO shall indemnify, defend and hold Cephalon and its Affiliates and each of their respective employees, officers, directors and agents (each a "**Cephalon Indemnitee**") harmless from and against any and all actions, judgments, settlements, liabilities, damages, penalties, fines, losses, costs and expenses (including reasonable attorneys' fees and expenses) to the extent arising out of any Third Party claim, demand, action or other proceeding (each, a "**Claim**") arising out of or resulting from (a) the Development, Manufacture, Commercialization (including testing, handling, storage, transportation, sale or use or other disposition) of any Licensed Compound or Licensed Product; (b) FBIO's or its Affiliates' and Sublicensees' use or practice of the Cephalon Technology; (c) breach by FBIO of any of its representations, warranties, covenants or obligations set forth in this Agreement, or (d) FBIO's or its Affiliates' and Sublicensees' gross negligence, recklessness or willful misconduct; provided, however, that FBIO's obligations pursuant to this Section 9.1 shall not apply to the extent such Claims are subject to Cephalon's indemnification obligations set forth in Section 9.2.

* Confidential material redacted and filed separately with the Commission.

9.2 Indemnification by Cephalon. Cephalon shall indemnify, defend and hold FBIO and its Affiliates and each of their respective agents, employees, officers and directors (each a "**FBIO Indemnitee**") harmless from and against any and all Claims arising out of or resulting from (a) breach by Cephalon of its representations, warranties, covenants or obligations set forth in this Agreement, or (b) Cephalon's or its Affiliates' and Sublicensees' gross negligence, recklessness or willful misconduct; provided, however, that Cephalon's obligations pursuant to this Section 9.2 shall not apply to the extent such Claims are subject to Cephalon's indemnification obligations set forth in Section 9.1.

9.3 Procedure.

(a) The Party or other Person intending to claim indemnification under this Article IX (an "**Indemnified Party**") shall promptly notify the opposed Party (the "**Indemnifying Party**") of any Claim in respect of which the Indemnified Party intends to claim such indemnification (provided, that no delay or deficiency on the part of the Indemnified Party in so notifying the Indemnifying Party shall relieve the Indemnifying Party of any liability or obligation under this Agreement except to the extent the Indemnifying Party has suffered actual prejudice directly caused by the delay or other deficiency), and the Indemnifying Party shall assume the defense thereof (with counsel selected by the Indemnifying Party and reasonably satisfactory to the Indemnified Party) whether or not such Claim is rightfully brought; provided, however, that an Indemnified Party shall have the right to retain its own counsel and to participate in the defense thereof, with the fees and expenses to be paid by the Indemnified Party unless the Indemnifying Party does not assume the defense or unless a representation of both the Indemnified Party and the Indemnifying Party by the same counsel would be inappropriate due to the actual or potential differing interests between them, in which case the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Indemnifying Party. For clarity, in no event shall the Indemnifying Party be required to pay for more than one separate counsel no matter the number or circumstances of all Indemnified Parties.

(b) If the Indemnifying Party shall fail to timely assume the defense of and reasonably defend such Claim, the Indemnified Party shall have the right to retain or assume control of such defense and the Indemnifying Party shall pay (as incurred and on demand) the fees and expenses of counsel retained by the Indemnified Party.

(c) The Indemnifying Party shall not be liable for the indemnification of any Claim settled (or resolved by consent to the entry of judgment) without the written consent of the Indemnifying Party. Also, if the Indemnifying Party shall control the defense of any such Claim, the Indemnifying Party shall have the right to settle such Claim; provided, that the Indemnifying Party shall obtain the prior written consent (which shall not be unreasonably withheld or delayed) of the Indemnified Party before entering into any settlement of (or resolving by consent to the entry of judgment upon) such Claim unless (i) there is no finding or admission of any violation of law or any violation of the rights of any person by an Indemnified Party, no requirement that the Indemnified Party admit negligence, fault or culpability, and no adverse effect on any other claims that may be made by or against the Indemnified Party and (ii) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party and such settlement does not require the Indemnified Party to take (or refrain from taking) any action.

(d) The Indemnified Party, and its employees and agents, shall cooperate fully with the Indemnifying Party and its legal representatives in the investigations of any Claim.

(e) Regardless of who controls the defense, each Party hereto shall reasonably cooperate in the defense as may be requested.

9.4 Expenses. As the Parties intend complete indemnification, all costs and expenses of enforcing any provision of this Article IX shall also be reimbursed by the Indemnifying Party...

9.5 Limitation of Liability. IN NO EVENT SHALL EITHER PARTY OR ITS AFFILIATES BE LIABLE TO THE OTHER PARTY FOR ANY PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES ARISING OUT OF A BREACH OF THIS AGREEMENT, PROVIDED THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE FOREGOING SHALL NOT BE CONSTRUED TO LIMIT THE INDEMNITY OBLIGATIONS SET FORTH IN SECTIONS 9.1 AND 9.2, A PARTY'S OR ITS AFFILIATES' DIRECT OR INDIRECT VIOLATION OF THE SCOPE OF EXCLUSIVE RIGHTS GRANTED TO FBIO HEREUNDER OR EITHER PARTY'S LIABILITY FOR A BREACH OF Article VII.

9.6 Insurance. During the Term and for at least two (2) years thereafter, FBIO shall carry and maintain insurance of the types and in amounts which are reasonable and customary in the U.S. pharmaceutical industry for companies of comparable size and activities. Such insurance shall insure against all liability, including but not limited to, bodily injury or property damage arising out of the manufacture, sale, distribution, marketing, Development or Commercialization of any Licensed Compounds or Licensed Products. Such insurance shall include commercial general liability insurance, including product liability insurance, which coverage shall have limits of liability which are commercially reasonable for a U.S. pharmaceutical company of comparable activity. The coverage limits set forth herein will not create any limitation on FBIO's liability to Cephalon under this Agreement.

ARTICLE X
TERM AND TERMINATION

10.1 Term. The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in this Article X, shall continue in full force and effect, on a country-by-country and Licensed Product-by-Licensed Product basis until the Royalty Term in such country with respect to such Licensed Product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country. The "**Term**" means the period from the Effective Date until the earlier of termination of this Agreement as provided in this Article X or expiration of this Agreement upon the expiration of the last-to-expire Royalty Term. The Parties confirm that subject to the foregoing sentence, this Agreement shall not be terminated or invalidated by any future determination that any or all of the Cephalon Patents have expired or been invalidated.

10.2 Termination upon Material Breach. If a Party breaches any of its material obligations under this Agreement, the Party not in breach may give to the breaching Party a written notice specifying the nature of the breach, requiring it to cure such breach, and, if desired, stating its intention to terminate this Agreement if such breach is not cured. If such breach is not capable of being cured, or is capable of being cured but nonetheless has not within ninety (90) days after the receipt of such notice been cured, then the Party not in breach shall (in addition to and not in lieu of all other available rights and remedies) be entitled to at its option either (a) terminate this Agreement immediately by written notice to the other Party, or (b) continue this Agreement in full force and effect and seek any legal or equitable remedies that the non-breaching Party may have. Notwithstanding the foregoing provisions, in the event of a good-faith dispute as to whether any alleged breach is in fact a material breach, termination under this Section 10.2 in respect of such alleged breach shall not take effect unless and until such dispute is finally resolved (by the final unappealable decision of a court or arbitrator or otherwise) in favor of the Party alleging the breach. In case of a breach of an obligation to pay money, which obligation to pay is not disputed in good faith, the cure period shall be sixty (60) days instead of ninety (90) days.

10.3 Termination by Cephalon for Cause. Cephalon may terminate this Agreement by delivering written notice to FBIO, such termination to be effective upon ninety (90) days following the date of such notice, in the event of any of the following:

(a) FBIO fails to commence a * for a Licensed Product prior to the * of the Effective Date; or

(b) FBIO fails to commence at least * for the Licensed Products in at least * Indications.

10.4 Termination by Cephalon for Patent Challenge.

(a) Cephalon will have the right to terminate this Agreement in full upon written notice to FBIO in the event that FBIO or any of its Affiliates or Sublicensees directly or indirectly asserts a Patent Challenge; provided, that with respect to any such Patent Challenge by any non-Affiliate Sublicensee, Cephalon will not have the right to terminate this Agreement under this Section 10.4(a) if FBIO (i) causes such Patent Challenge to be terminated or dismissed or (ii) terminates such Sublicensee's Sublicense to the Cephalon Patents being challenged by the Sublicensee, in each case within sixty (60) days of Cephalon's notice to FBIO under this Section 10.4(a). In the event FBIO or any of its Affiliates intends to assert a Patent Challenge in any forum, not less than sixty (60) days prior to making any such assertion, FBIO will provide to Cephalon a complete written disclosure of each basis known to FBIO and its Affiliates for such assertion.

(b) FBIO acknowledges and agrees that this Section 10.4 is reasonable, valid and necessary for the adequate protection of Cephalon's interest in and to the Cephalon Patents, and that Cephalon would not have granted to FBIO the licenses under the Cephalon Patents, without this Section 10.4. Cephalon will have the right, at any time in its sole discretion, to strike this Section 10.4 (or any portion thereof) from this Agreement, and Cephalon will have no liability whatsoever as a result of the presence or absence of this Section 10.4 (or any struck portion thereof).

* Confidential material redacted and filed separately with the Commission.

10.5 Termination for Bankruptcy. Cephalon may terminate this Agreement immediately upon written notice to FBIO in the event that FBIO has a petition in bankruptcy filed against it that is not dismissed within sixty (60) days of such filing, files a petition in bankruptcy, or makes an assignment for the benefit of creditors. FBIO may terminate this Agreement immediately upon written notice to Cephalon in the event that Cephalon has a petition in bankruptcy filed against it that is not dismissed within sixty (60) days of such filing, files a petition in bankruptcy, or makes an assignment for the benefit of creditors.

10.6 Termination by FBIO. FBIO may terminate this Agreement in its entirety without cause at any time upon at least one-hundred eighty (180) days prior written notice to Cephalon, provided that FBIO has paid to Cephalon all amounts due and payable up to the effective date of termination.

10.7 Effect of Termination.

(a) **No release.** Upon expiration or termination of this Agreement for any reason, nothing in this Agreement may be construed to release either party from any liability or obligation that accrued or matured prior to the effective date of the expiration or termination, nor preclude either Party from pursuing all rights and remedies it may have hereunder or at law or in equity, with respect to any breach of this Agreement nor prejudice either Party's right to obtain performance of any obligation.

(b) **Survival.** The provisions of 5.8 (with respect to payments which accrued prior to the effective date of termination), 5.9, 5.10, 5.11, 5.12, 5.13, 5.14 and 10.7 and Articles 7, 9 and 11 shall survive termination or expiration of this Agreement.

(c) **Consequences.** In the event of termination pursuant to Sections 10.2, 10.3, 10.4, 10.5 or 10.6:

(i) *Wind-down.* Except as may otherwise be agreed in writing by the Parties, FBIO will be responsible at its own expense for an orderly wind-down, in accordance with accepted pharmaceutical industry norms and ethical practices, of any then on-going clinical trials hereunder for which it has responsibility.

(ii) *Inventory.* At Cephalon's election, either (A) FBIO or its Affiliate(s) or Sublicensees will sell to Cephalon all inventory of Licensed Compounds or Licensed Products in FBIO's (or its Affiliate's or Sublicensees') possession, and in connection therewith, Cephalon shall pay to FBIO *, or (B) FBIO, any Affiliate(s) and any Sublicensees may, after the effective date of termination, for a period of six (6) months sell all Licensed Products that are in inventory as of the date of written notice of termination, provided that FBIO shall pay to Cephalon *. From and after the date of any notice of termination until the effective date of termination, FBIO shall not participate in any activity of the type sometimes referred to as "channel stuffing" or that would result in an increase, temporary or otherwise, in the demand for any Licensed Product in the Field in the Territory prior to such date.

* Confidential material redacted and filed separately with the Commission.

(iii) *Licenses.* All licenses and other rights granted by Cephalon to FBIO hereunder will terminate and such licenses and other rights will revert to Cephalon, and FBIO and its Affiliates and Sublicensees will have no further rights to use any Cephalon Technology (except as expressly set forth in Sections 10.7(c)(i), 10.7(c)(ii) and 10.7(c)(iv)). Each Party will promptly return to the other Party (or as directed by such other Party destroy and certify to such other Party in writing as to such destruction) all of such other Party's Confidential Information and any materials, Cephalon Technology, Licensed Compounds and Licensed Products provided by or on behalf of such other Party hereunder that are in such Party's (or its Affiliates' or in the case of FBIO's Sublicensees') possession or control, save that such Party will have the right to retain (A) one (1) copy of intangible Confidential Information of such other Party for legal purposes, and (B) any of the foregoing that such Party retains any license or other right hereunder. FBIO and its Affiliates and Sublicensees will cease to Develop, Manufacture or Commercialize any Licensed Compounds and Licensed Products and cease all use and practice of the Cephalon Technology.

(iv) *Sublicenses.* Upon termination of this Agreement by FBIO pursuant to Sections 10.2 or 10.6, or by Cephalon pursuant to Sections 10.2, 10.3, 10.4 or 10.5, and FBIO or an Affiliate has granted a Sublicense that is in effect as of such termination and provided that such Sublicensee is not in material breach of such Sublicense as of such termination, then [*].

(v) *Regulatory*. At Cephalon's election, all Regulatory Approvals, Regulatory Filings, regulatory documents and regulatory communications owned (in whole or in part) or otherwise controlled by FBIO and its Affiliates and Sublicensees concerning any Licensed Compounds or Licensed Products will be assigned to Cephalon, and FBIO will provide to Cephalon one (1) copy of the foregoing and all documents contained in or referenced in any such items, together with the raw and summarized data for any clinical trials (and where reasonably available, electronic copies thereof). In the event of failure to obtain assignment, FBIO hereby consents and grants to Cephalon the right to access and reference (without any further action required on the part of FBIO, whose authorization to file this consent with any Regulatory Authority is hereby granted) any such item. During the three (3) month period following the effective date of any such termination, FBIO shall cooperate with Cephalon in order to ensure the orderly transfer of such Regulatory Approvals, Regulatory Filings, regulatory documents, regulatory communications and data to Cephalon's personnel.

[*] Confidential material redacted and filed separately with the Commission.

(vi) *Transition Assistance*. At Cephalon's election, FBIO and its Affiliates and Sublicensees shall reasonably cooperate with Cephalon and its designees to facilitate a smooth, orderly and prompt transition to Cephalon or its designees of its activities with respect to Licensed Compounds and Licensed Products, including any ongoing Development, Manufacturing and Commercialization of Licensed Compounds and Licensed Products, and including any litigation described in Sections 6.8 or 6.12, for a period agreed to by the Parties (not to exceed twelve (12) months after the Term); provided that the transition of any litigation described in Sections 6.8 or 6.12 may be transitioned from FBIO to Cephalon, upon Cephalon's written request, prior to the effective date of termination upon the mutual agreement of the Parties, such agreement not to be unreasonably withheld, conditioned or delayed. During the pendency of any transition, FBIO will cooperate in good faith with Cephalon regarding any litigation under Sections 6.8 or 6.12 and will not take any action in such actions that would reasonably be expected to have a material adverse effect on any Licensed Product. In connection with the transfer of activities under this Section 10.7(c)(vi), the Parties will develop and agree upon a written plan to effect such transition. For a period agreed to by the Parties (not to exceed six (6) months after the Term), in the event that FBIO or its Affiliates or Sublicensees has a manufacturing site for the Licensed Products and only if an assignment under Section 10.7(vii) is not possible or successful, FBIO or its Affiliates or Sublicensees shall manufacture and supply Licensed Products to Cephalon at FBIO's fully-burdened manufacturing cost.

(vii) *Manufacturing.* At Cephalon's election, FBIO will use reasonable efforts to assign to Cephalon or its designee all then-existing Manufacturing contracts with Third Party contract manufacturers in connection with the Manufacture of any Licensed Compounds and Licensed Products. After such assignment, Cephalon will be solely responsible for the performance of the obligations under such Manufacturing contracts.

(viii) *Additional Studies Clinical Data*. At Cephalon's election, promptly after the effective date of termination, FBIO shall transfer a true and complete copy of all clinical data, results and reports that (a) are owned or controlled by FBIO as of the effective date of termination, and (ii) was created by or on behalf of FBIO and its Affiliates or Sublicensees following the Effective Date but prior to the effective date of termination as a result of any clinical trials in the Territory and under and pursuant to this Agreement, and (iii) are necessary or reasonably useful for Cephalon and its Affiliates to develop, manufacture and commercialize Licensed Compounds or Licensed Products in the Territory following the effective date of termination ("**Additional Studies Clinical Data**"). Effective from and after the effective date of termination, FBIO and its Affiliates hereby grant to Cephalon and its Affiliates worldwide, perpetual and irrevocable, nontransferable (except in connection with a permitted assignment of this Agreement in accordance with Section 11.2), exclusive license, with the right to grant sublicenses through multiple tiers, under the Additional Studies Clinical Data solely to develop, manufacture and commercialize such Licensed Compounds or Licensed Products in the Field in the Territory after the effective date of termination.

(ix) *Reversion IP.* At Cephalon's election, FBIO hereby grants (without any further action required on the part of Cephalon), and agrees to grant to Cephalon and its Affiliates a worldwide, perpetual and irrevocable, nontransferable (except in connection with a permitted assignment of this Agreement in accordance with Section 11.2) license (the "**Reversion License**"), with the right to grant sublicenses through multiple tiers, in the Territory, under all Reversion IP that (A) is Controlled by FBIO (or any of its Affiliates or Sublicensees) as of the date of notice of termination, (B) is actually used or incorporated in any Licensed Compounds or Licensed Products as of the date of notice of termination, and (C) only to the extent necessary to Develop, Manufacture and Commercialize, and for the sole purpose of Developing, Manufacturing, and Commercializing, in each case, any Licensed Compounds or Licensed Products; in all cases in the Territory and in the Field. It is understood and agreed that with respect to any Reversion IP that is in-licensed by FBIO or any of its Affiliates or Sublicensees, Cephalon will be responsible for any payments due to a Third Party with respect thereto and Cephalon's rights will be subject to the terms of the applicable Third Party agreement. The Reversion License will be exclusive (even as to FBIO) with respect to Reversion IP that is first created, conceived or made by or on behalf of FBIO or any of its Affiliates or Sublicensees during the conduct of the Development, Manufacture or Commercialization of any Licensed Compounds or Licensed Products under this Agreement, and will be otherwise non-exclusive, but in all cases is limited solely to the Development, Manufacture and Commercialization of any Licensed Compounds or Licensed Products, as provided in the immediately preceding sentences. At Cephalon's written request, the Parties will enter into commercially reasonable prosecution, maintenance, enforcement and defense terms for the exclusively licensed Reversion IP, and Cephalon will bear the costs of such prosecution, maintenance, enforcement and defense activities to the extent controlled by Cephalon. For purposes hereof, "**Reversion IP**" means any patent rights or Know-How Controlled by FBIO or any its Affiliates or Sublicensees that claim or cover any Licensed Compounds or Licensed Products (subject to the last sentence of this Section 10.7(c)(ix)), or their method of manufacture or use, as such patent rights or Know-How exist as of the date of notice of termination (including any other patent right that claims priority, directly or indirectly, to any such patent right, no matter when any such other patent right is filed or issued). Notwithstanding anything to the contrary herein, in no event will any product owned or Controlled by FBIO or its Affiliates or Sublicensees (other than, for clarity, any Licensed Compounds or Licensed Products (i.e., excluding Combination Products)) be included or subject to the license set forth in this Section 10.7(c)(ix).

(x) *Royalty to FBIO.* In the event of termination of this Agreement by FBIO pursuant to Sections 10.2, or 10.6, after [*], then upon Cephalon's election of the rights set forth in Section 10.7(v), Section 10.7(viii) or Section 10.7(ix), Cephalon shall pay to FBIO a royalty of [*] percent ([*]%) on aggregate annual worldwide net sales of all Licensed Products sold by Cephalon and its Affiliates in the Territory in a Calendar Year for a period of five (5) years after the First Commercial Sale of a Licensed Product, subject to a maximum royalty payment equal to (A) if such termination is effective prior to receipt of FDA or EMA approval of an NDA for a Licensed Product for the treatment of the first Indication, [*] percent ([*]%) [*] incurred by FBIO of such Licensed Products prior to the effective date of such termination, or (B) if such termination is effective after receipt of FDA or EMA approval of an NDA for a Licensed Product for the treatment of the first Indication, [*] percent ([*]%) [*] incurred by FBIO of such Licensed Products prior to the effective date of such termination. As it relates to the royalty due FBIO, Cephalon (and its Affiliates) shall comply with the same royalty reporting and audit requirements as detailed in this Agreement. For clarity, no royalty shall be owed by Cephalon in the event of (A) any termination of this Agreement by Cephalon pursuant to Sections 10.2, 10.3, 10.4, or 10.5 or by FBIO pursuant to Section 10.5, or (B) any termination of this Agreement [*], and in each case (clauses (A) or (B)), the rights set forth in Section 10.7(v), Section 10.7(viii) and Section 10.7(ix) shall be royalty-free and fully paid-up.

[*] Confidential material redacted and filed separately with the Commission.

(xi) *Third Party Agreements.* At Cephalon's election, FBIO agrees to discuss in good faith and reasonably cooperate with Cephalon with respect to the assignment and transfer to Cephalon of FBIO's and its Affiliates' right, title and interest in and to any agreements between FBIO or any of its Affiliates and Third Parties that relate solely to the Development, Manufacture or Commercialization of any Cephalon Technology or Licensed Compounds or Licensed Products (including any Third Party licenses or sublicenses) and for any such agreement that does not relate solely to the Development, Manufacture or Commercialization of Cephalon Technology or Licensed Compounds or Licensed Products, the assignment (or license, if applicable) to Cephalon of only such portions of such agreements relating thereto. After such assignment, Cephalon will be solely responsible for the performance of the obligations under such contracts.

(xii) *Trademarks*. At Cephalon's election, FBIO will assign (or, if applicable, will cause its Affiliates or Sublicensees to assign) to Cephalon all of FBIO's (and such Affiliates' or Sublicensees') worldwide right, title and interest in and to any registered or unregistered trademarks or internet domain names that are specific to and solely used for any Licensed Products (it being understood that the foregoing will not include any trademarks or internet domain names that contain the corporate or business name(s) of FBIO or any of its Affiliates or Sublicensees).

10.8 Bankruptcy Code. All rights and licenses granted under or pursuant to this Agreement by a Party are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code. The Parties agree that each Party as licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code or any other provisions of applicable law outside the United States that provide similar protection for "intellectual property." The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against a Party under the U.S. Bankruptcy Code or analogous provisions of applicable law outside the United States, the other Party shall be entitled to a complete duplicate of (or complete access to, as appropriate) any Cephalon Technology or Reversion IP and all embodiments of such Cephalon Technology or Reversion IP (as applicable), which, if not already in such Party's possession, shall be promptly delivered to it (a) upon any such commencement of a bankruptcy proceeding upon the other Party's written request therefor, unless such Party elects to continue to perform all of its obligations under this Agreement or (b) if not delivered under (a) above, following the rejection of this Agreement by or on behalf of such Party upon written request therefor by the other Party. Any agreements supplemental hereto shall be deemed to be "agreements supplementary to" this Agreement for purposes of Section 365(n) of the Bankruptcy Code.

ARTICLE XI
MISCELLANEOUS PROVISIONS

11.1 Relationship of the Parties. Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, joint venture or employer-employee relationship between the Parties. No Party shall have any right or authority to commit or legally bind any other Party in any way whatsoever including, without limitation, the making of any agreement, representation or warranty and each Party agrees to not purport to do so.

11.2 Assignment.

(a) Any assignment not in accordance with this Section 11.2 shall be void.

(b) FBIO may not delegate, transfer or assign its rights or obligations under this Agreement, in whole or in part, by operation of law or otherwise, to any Third Party without the prior written consent of Cephalon, which consent shall not be unreasonably withheld, conditioned or delayed; *provided that,* notwithstanding the foregoing, FBIO may assign its rights or licenses and/or delegate its obligations in whole or in part under this Agreement to an Affiliate or in connection with a Change of Control. As a condition to any permitted assignment hereunder, the assignee must expressly assume, in a writing delivered to Cephalon and signed by a duly authorized officer of the assignee (and in a form reasonably acceptable to Cephalon) all of FBIO's obligations under this Agreement, whether arising before, at or after the assignment.

(c) Cephalon may delegate, sell, transfer or assign its rights or obligations under this Agreement, in whole or part, to an Affiliate, any Third Party or in connection with a Change of Control. Further, Cephalon may sell, transfer or assign its rights to any Third Party to receive payments under Article V, and Cephalon may disclose Confidential Information of FBIO to one or more Third Parties in connection with any such assignment to enable the Third Parties to evaluate and monitor any such purchase, provided that such Third Parties are subject to confidentiality obligations consistent with those set forth in Article VII.

(d) Any permitted assignee will assume all assigned obligations of its assignor under this Agreement. Subject to the foregoing, this Agreement shall be binding on the Parties and their successors and permitted assigns.

11.3 Further Actions. Each Party agrees to execute, acknowledge and deliver such further instruments and to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.4 Force Majeure. No Party shall be liable to any other Party or be deemed to have breached or defaulted under this Agreement for failure or delay in the performance of any of its obligations under this Agreement (other than obligations for the payment of money) for the time and to the extent such failure or delay is caused by or results from acts of God, earthquake, riot, civil commotion, terrorism, war, strikes or other labor disputes, fire, flood, failure or delay of transportation, omissions or delays in acting by a governmental authority, acts of a government or an agency thereof or judicial orders or decrees or restrictions or any other like reason which is beyond the control of the respective Party. The Party affected by force majeure shall provide the other Party with full particulars thereof as soon as it becomes aware of the same (including its best estimate of the likely extent and duration of the interference with its activities), and shall use commercially reasonable efforts to overcome the difficulties created thereby and to resume performance of its obligations hereunder as soon as practicable, and the time for performance shall be extended for a number of days equal to the duration of the force majeure.

11.5 Entire Agreement of the Parties; Amendments. This Agreement and the Schedules hereto constitute and contain the entire understanding and agreement of the Parties respecting the subject matter hereof and cancel and supersede any and all prior or contemporaneous negotiations, correspondence, understandings and agreements between the Parties, whether oral or written, regarding such subject matter (provided, that any and all previous nondisclosure/nonuse obligations are not superseded and remain in full force and effect in addition to the nondisclosure/nonuse provisions hereof). Each Party acknowledges that it has not relied, in deciding whether to enter into this Agreement on this Agreement's expressly stated terms and conditions, on any representations, warranties, agreements, commitments or promises which are not expressly set forth within this Agreement. No modification or amendment of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized representative of each Party.

11.6 Governing Law; Consent to Jurisdiction. All disputes, claims or controversies arising out of this Agreement, or the negotiation, validity or performance of this Agreement, or the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the State of New York without regard to its rules of conflict of laws. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the sole and exclusive jurisdiction of the courts of the State of New York and of the United States of America located in the State of New York (the "**New York Courts**") for any litigation among the parties hereto arising out of or relating to this Agreement, or the negotiation, validity or performance of this Agreement, waives any objection to the laying of venue of any such litigation in the New York Courts and agrees not to plead or claim in any New York Court that such litigation brought therein has been brought in any inconvenient forum or that there are indispensable parties to such litigation that are not subject to the jurisdiction of the New York Courts. To the extent that it may otherwise be applicable, the Parties hereby expressly agree to exclude from the operation of this Agreement the United Nations Convention on Contracts for the International Sale of Goods, concluded at Vienna, on 11 April 1980, as amended and as may be amended further from time to time.

11.7 Notices and Deliveries. Any notice, request, approval or consent required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given if and only if delivered in person, or by express or overnight courier service to the Party to which it is directed at its physical address shown below or such other physical address as such Party shall have last given by such written notice to the other Party.

If to FBIO, addressed to:

Fortress Biotech, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019
Attention: Michael S. Weiss, Executive Chairman
Email: msw@opuspointpartners.com

With a copy to: Foley & Lardner LLP
3000 K Street, NW, Suite 600
Washington, DC 20007
Attention: Gilberto M. Villacorta

If to Cephalon, addressed to:

Cephalon, Inc.
41 Moores Road, Frazer, PA 19355
Attention: Head of Alliance Management

With a copy to: Teva Pharmaceuticals
425 Privet Road, Horsham, PA 19044
Attention: General Counsel

and

Goodwin Procter LLP
53 State Street, Boston, MA 02109
Attention: Robert M. Crawford

11.8 Waiver. No waiver of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized representative of the waiving Party. A waiver by a Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof.

1 1 . 9 Rights and Remedies are Cumulative. Except to the extent expressly set forth herein, all rights, remedies, undertakings, obligations and agreements contained in or available upon violation of this Agreement shall be cumulative and none of them shall be in limitation of any other remedy or right authorized in law or in equity, or any undertaking, obligation or agreement of the applicable Party.

11.10 Severability. This Agreement is severable. When possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be to any extent prohibited by or invalid under applicable Law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement (or of such provision). The Parties shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.

11.11 Third Party Beneficiaries. Except for the rights of Indemnified Parties pursuant to Article IX hereof, the terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective successors or permitted assigns and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person.

11.12 No Implied License. No right or license is granted to FBIO hereunder by implication, estoppel, or otherwise to any Know-How, patent or other intellectual property right owned or controlled by Cephalon or its Affiliates, except by an express license granted hereunder. No right or license is granted to Cephalon hereunder by implication, estoppel, or otherwise to any Know-How, patent or other intellectual property right owned or controlled by FBIO or its Affiliates, except by an express license granted hereunder.

11.13 Equitable Relief. Each Party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other Party, that the other Party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a Party's breach or threatened breach of such covenants and agreements may cause the opposed Party irreparable harm and significant injury, the amount of which shall be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each Party agrees that an opposed Party shall be entitled to seek specific performance, an order restraining any breach or threatened breach of Article VII and all other provisions of this Agreement, and any other equitable relief (including but not limited to temporary, preliminary and/or permanent injunctive relief). This right shall be in addition to and not exclusive of any other remedy available to such other Party at law or in equity.

11.14 Interpretation. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no provision of this Agreement shall be interpreted for or against a Party because that Party or its attorney drafted the provision.

11.15 Construction. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Articles, Sections and Schedules shall be deemed references to Articles and Sections of, and Schedules to, this Agreement unless the context shall otherwise require. The definitions of the terms herein will apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun will include the corresponding masculine, feminine and neuter forms. The Parties each acknowledge that they have had the advice of counsel with respect to this Agreement, that this Agreement has been jointly drafted, and that no rule of strict construction will be applied in the interpretation hereof. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein will be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or therein), (b) any reference to any Laws herein will be construed as referring to such Laws as from time to time enacted, repealed or amended, (c) any reference herein to any person will be construed to include the person's permitted successors and assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof, and (e) all references herein to Articles, Sections, or Schedules, unless otherwise specifically provided, will be construed to refer to Articles, Sections, and Schedules of this Agreement.

11.16 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be deemed to be one and the same instrument. A facsimile or a portable document format (.pdf) copy of this Agreement, including the signature pages, shall be deemed an original.

[*the remainder of this page has been left blank intentionally*]

IN WITNESS WHEREOF, the Parties have caused this License Agreement to be executed and delivered by their respective duly authorized representatives as of the day and year first above written.

FORTRESS BIOTECH, INC.

By: /s/ Michael S. Weiss

Name: Michael S. Weiss

Title: Executive Vice Chairman

CEPHALON, INC.

By: /s/ Ivana Magovcevic-Liebisch

Name: Ivana Magovcevic-Liebisch

Title: SVP, Global Business Development

By: /s/ Michele Holcomb

Name: Michele Holcomb

Title: SVP, COO Global R&D

EXHIBIT A

Joint Press Release

See Attached

Schedule 1

Cephalon Patents

Teva Ref.	Country	Title	Status	Appl. No.	Appl. Date	Publ. No.	Publ. Date	Grant No.	Grant Date	Expected Expiry Date	Notes
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* Confidential material redacted and filed separately with the Commission.

Schedule 2

Initial Development Plan

Phase 1:

Duration: *.

*.

Phase 2:

Duration: *.

*. Tentatively, the key features of the planned Phase 2 study would be as follows:

Study design	*
Clinical sites	*
Principal Investigators	*
Patient populations	*
Treatment arms	*
Number of patients	*
* dose level	*
Primary endpoints	1. *
	2. *
	3. *
	4. *
	5. *

* Confidential material redacted and filed separately with the Commission.

Schedule 3

Licensed Compounds

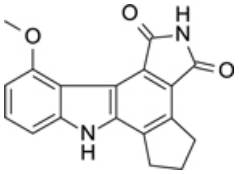
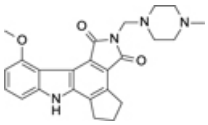
Structure	CEP #	Name (From CAS Scifinder)
	CEP-8983	11-methoxy-4,5,6,7-tetrahydro-1H-cyclopenta[a]pyrrolo[3,4-c]carbazole-1,3(2H)-dione
	CEP-9722	4,5,6,7-tetrahydro-11-methoxy-2-[(4-methyl-1-piperazinyl)methyl]-1H-cyclopenta[a]pyrrolo[3,4-c]carbazole-1,3(2H)-dione

Exhibit 10.13

CHECKPOINT THERAPEUTICS, INC.
NON-EMPLOYEE DIRECTORS COMPENSATION PLAN

CHECKPOINT THERAPEUTICS, INC.
NON-EMPLOYEE DIRECTORS COMPENSATION PLAN

ARTICLE 1
PURPOSE

1.1. PURPOSE. The purpose of the Checkpoint Therapeutics, Inc. Non-Employee Directors Compensation Plan is to attract, retain and compensate highly-qualified individuals who are not employees of Checkpoint Therapeutics, Inc. or any of its Subsidiaries or Affiliates for service as members of the Board by providing them with competitive compensation and an opportunity to participate in the Company's future growth through the granting of stock-based incentive awards. The Company intends that the Plan will benefit the Company and its stockholders by allowing Non-Employee Directors to have a personal financial stake in the Company through an ownership interest in the Stock and will closely associate the interests of Non-Employee Directors with that of the Company's stockholders.

1.2. ELIGIBILITY. All Non-Employee Directors shall automatically be participants in the Plan.

ARTICLE 2
DEFINITIONS

2.1. DEFINITIONS. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the LTIP. Unless the context clearly indicates otherwise, the following terms shall have the following meanings:

(a) "Annual Equity Award" means stock options, stock awards, restricted stock, restricted stock units, stock appreciation rights, or other awards based on or derived from the Stock which are authorized under this Plan for award to Non-Employee Directors under Section 6.2 of the Plan.

(b) "Award" means any Initial Equity Award or Annual Equity Award granted to a Non-Employee Director under Article 6 of the Plan.

(c) "Basic Cash Retainer" means the annual cash retainer (excluding any Supplemental Cash Retainer, Meeting Fees and expenses) payable by the Company to a Non-Employee Director pursuant to Section 5.1 hereof for service as a director of the Company, as established from time to time by the Board and set forth in Schedule I hereto.

(d) "Company" means Checkpoint Therapeutics, Inc., a Delaware corporation.

(e) "Initial Equity Award" means stock options, stock awards, restricted stock, restricted stock units, stock appreciation rights, or other awards based on or derived from the Stock which are authorized under this Plan for award to Non-Employee Directors under Section 6.1 of the Plan.

(f) "LTIP" means the Checkpoint Therapeutics, Inc. Amended and Restated 2015 Incentive Plan, or any subsequent equity compensation plan approved by the Board and designated as the LTIP for purposes of this Plan.

(g) "Meeting Fees" means fees for attending a meeting of the Board or one of its Committees as set forth in Section 5.3 hereof.

(h) "Non-Employee Director" means a director of the Company who is not an employee of the Company or any of its Subsidiaries or Affiliates.

(i) "Plan" means the Checkpoint Therapeutics, Inc. Non-Employee Directors Compensation Plan, as amended from time to time.

(j) "Plan Year(s)" means the approximate twelve-month periods between annual meetings of the stockholders of the Company.

(k) "Supplemental Cash Retainer" means the supplemental annual cash retainer (excluding Basic Cash Retainer, Meeting Fees and expenses) payable by the Company to a Non-Employee Director pursuant to Section 5.2 hereof for service as Chairman of the Board, Lead Director, or chair of a committee of the Board, as established from time to time by the Board and set forth in Schedule I hereto.

ARTICLE 3
ADMINISTRATION

3.1. ADMINISTRATION. The Plan shall be administered by the Board, or, at the discretion of the Board from time to time, the Plan may be administered by a committee of the Board. Subject to the provisions of the Plan, the Board shall be authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for the administration of the Plan. The Board's interpretation of the Plan, and all actions taken and determinations made by the Board pursuant to the powers vested in it hereunder, shall be conclusive and binding upon all parties concerned including the Company, its stockholders and persons granted awards under the Plan. The Board may appoint a plan administrator to carry out the ministerial functions of the Plan, but the administrator shall have no other authority or powers of the Board. To the extent the Board has delegated any authority and responsibility under this Plan to a committee of the Board, such committee shall have the powers and protections of the Board hereunder, and any reference herein to the Board (other than in this Section 4.1) shall include such committee. To the extent any action of the Board under the Plan conflicts with actions taken by such committee, the actions of the Board shall control.

3.2. RELIANCE. In administering the Plan, the Board may rely upon any information furnished by the Company, its public accountants and other experts. No individual will have personal liability by reason of anything done or omitted to be done by the Company or the Board in connection with the Plan.

3.3. INDEMNIFICATION. Each person who is or has been a member of the Board or who otherwise participates in the administration or operation of the Plan shall be indemnified by the Company against, and held harmless from, any loss, cost, liability or expense that may be imposed upon or incurred by him or her in connection with or resulting from any claim, action, suit or proceeding in which such person may be involved by reason of any action taken or failure to act under the Plan and shall be fully reimbursed by the Company for any and all amounts paid by such person in satisfaction of judgment against him or her in any such action, suit or proceeding, provided he or she will give the Company an opportunity, by written notice to the Board, to defend the same at the Company's own expense before he or she undertakes to defend it on his or her own behalf. This right of indemnification shall not be exclusive of any other rights of indemnification.

ARTICLE 4
SHARES

4.1. SOURCE OF SHARES FOR THE PLAN. The Awards and shares of Stock that may be issued pursuant to the Plan shall be issued under the LTIP, subject to all of the terms and conditions of the LTIP, including but not limited to Section 5.1 of the LTIP, which provides that the maximum aggregate number of Shares associated with any Award granted under this Plan in any calendar year to any one Non-Employee Director shall be 100,000 Shares. The terms contained in the LTIP are incorporated into and made a part of this Plan with respect to Awards granted pursuant hereto, and any such Awards shall be governed by and construed in accordance with the LTIP. In the event of any actual or alleged conflict between the provisions of the LTIP and the provisions of this Plan, the provisions of the LTIP shall be controlling and determinative. The Plan is considered to be and shall be operated as a subplan of the LTIP, and does not constitute a separate source of shares for the grant of the Awards provided herein.

ARTICLE 5
CASH COMPENSATION

5.1. BASIC CASH RETAINER. Each Non-Employee Director shall be paid a Basic Cash Retainer for service as a director during each Plan Year, payable in advance, on the first business day following each annual meeting of stockholders. The amount of the Basic Cash Retainer shall be established from time to time by the Board. The amount of the Basic Cash Retainer is set forth in Schedule I, as amended from time to time by the Board. Each person who first becomes an Non-Employee Director on a date other than an annual meeting date shall be paid a pro rata amount of the Basic Cash Retainer for that Plan Year to reflect the actual number of days served in the Plan Year.

5.2. SUPPLEMENTAL CASH RETAINER. The Chairman of the Board, Lead Director, and chairs of each committee of the Board may be paid a Supplemental Cash Retainer during a Plan Year, payable at the same times as installments of the Basic Cash Retainer are paid. The amount of the Supplemental Cash Retainers shall be established from time to time by the Board, and shall be set forth in Schedule I, as amended from time to time by the Board. A pro rata Supplemental Cash Retainer will be paid to any Non-Employee Director who is elected by the Board to a position eligible for a Supplemental Cash Retainer on a date other than the beginning of a Plan Year, to reflect the actual number of days served in such eligible capacity during the Plan Year.

5.3. MEETING FEES. Each Non-Employee Director may be paid a fee for each meeting of the Board or committee thereof in which he or she participates. The amount of the fees, if any, shall be established from time to time by the Board and shall be set forth in Schedule I, as amended from time to time by the Board. For purposes of this provision, casual or unscheduled conferences among directors shall not constitute an official meeting.

5.4. EXPENSE REIMBURSEMENT. All Non-Employee Directors shall be reimbursed for reasonable travel and out-of-pocket expenses in connection with attendance at meetings of the Board and its committees, or other Company functions at which the Chief Executive Officer, Chairman of the Board, or Lead Director requests the director to participate.

ARTICLE 6
EQUITY AWARDS

6.1 INITIAL EQUITY AWARD. Subject to share availability under the LTIP, on the first date a Non-Employee Director is initially elected or appointed to the Board, he or she shall be granted an Initial Equity Award. The Initial Equity Award is set forth in Schedule I, as amended from time to time by the Board. Such Initial Equity Award shall be subject to the terms and restrictions described in Schedule I and below in this Article 6.

6.2 ANNUAL EQUITY AWARD. Subject to share availability under the LTIP, on the day following each annual meeting of the Company's stockholders, each Non-Employee Director serving as such on that date (other than a director who first became a Non-Employee Director at the stockholders meeting held on the previous day) shall be granted an Annual Equity Award. The Annual Equity Award is set forth in Schedule I, as amended from time to time by the Board. Such Annual Equity Award shall be subject to the terms and restrictions described in Schedule I and below in this Article 6.

6.3 TERMS AND CONDITIONS OF AWARDS. Awards granted under this Article 6 shall be subject to the terms and conditions described below and in the LTIP.

(a) Vesting. Each Award granted under this Plan shall vest as provided in Schedule I, as amended from time to time by the Board; provided, however, that each Award shall become fully vested upon the occurrence of a Change of Control.

(b) Effect of Termination of Directorship. Upon termination of a Non-Employee Director's membership on the Board for any reason (including without limitation, by reason of death, Disability, retirement or failure to be re-nominated or re-elected as a director), the Non-Employee Director shall forfeit all of his or her right, title and interest in and to any unvested portion of the Initial Equity Award or Annual Equity Award, as the case may be.

(c) Award Certificates. All Awards shall be evidenced by a written Award Certificate between the Company and the Non-Employee Director, which shall include such provisions, not inconsistent with the Plan or the LTIP, as may be specified by the Board.

6.4 ADJUSTMENTS. The adjustment provisions of the LTIP shall apply with respect to Awards granted pursuant to this Plan. Without limiting the foregoing, in the event of a subdivision of the outstanding Stock (stock-split), a declaration of a dividend payable in shares of Stock, or a combination or consolidation of the outstanding Stock into a lesser number of shares of Stock, the number of Awards to be granted to Non-Employee Directors in accordance with Article 6 hereof shall be adjusted proportionately and the shares of Stock then subject to each Award shall automatically be adjusted proportionately without any change in the aggregate purchase price therefore.

ARTICLE 7
AMENDMENT, MODIFICATION AND TERMINATION

7.1. AMENDMENT, MODIFICATION AND TERMINATION. The Board may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board, require stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of a securities exchange on which the Stock is listed or traded, then such amendment shall be subject to stockholder approval; and provided further, that the Board may condition any other amendment or modification on the approval of stockholders of the Company for any reason.

ARTICLE 8
GENERAL PROVISIONS

8.1. EXPENSES OF THE PLAN. The expenses of administering the Plan shall be borne by the Company.

8.2. EFFECTIVE DATE AND DURATION OF THE PLAN. The Plan shall be effective as of the date it is approved by the Board. The Plan shall remain in effect until terminated by the Board.

CHECKPOINT THERAPEUTICS, INC.

By: /s/ James F. Oliviero, President & CEO

SCHEDULE I

Effective as of January 8, 2016

The following shall remain in effect until changed by the Board:

Basic Cash Retainer:	$50,000, paid quarterly in advance ($12,500 per quarter).
Supplemental Cash Retainer for Audit Chair:	$10,000, paid quarterly in advance ($2,500 per quarter).
Initial Equity Award:	50,000 shares of Restricted Stock, which shares shall vest and become non-forfeitable in equal annual installments over three years, beginning on the third (3rd) anniversary of the Grant Date, subject to the Non-Employee Director's continued service on the Board on such date.
Annual Equity Award:	The greater of (i) a number of shares of Restricted Stock having a fair market value on the Grant Date of $50,000, or (ii) 10,000 shares of Restricted Stock, which shares shall vest and become non-forfeitable on the third (3rd) anniversary of the Grant Date, subject to the Non-Employee Director's continued service on the Board on such date.

Exhibit 10.14

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

OPTION AGREEMENT

This Option Agreement (the "Agreement") dated as of March 17, 2015 (the "Effective Date"), is entered into by and between Fortress Biotech, Inc. ("Fortress"), a Delaware Corporation having a place of business at 3 Columbus Circle, 15th Floor, New York, NY 10019, and TG Therapeutics, Inc. ("TG"), a Delaware Corporation having a place of business at 3 Columbus Circle, 15th Floor, New York, NY 10019, with respect to the following:

WHEREAS, Fortress entered into a license agreement (the "License Agreement") with NeuPharma, Inc. ("NeuPharma") dated as of March 17, 2015, pursuant to which Fortress licensed certain intellectual property rights with respect to Compounds and owns or controls certain know-how, technology, documentation, data, and other materials relating thereto; Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the License Agreement;

WHEREAS, Fortress wishes to grant, and TG wishes to receive, an option to enter into a global collaboration in the Territory for such intellectual property rights with respect to the Compounds and the know-how, technology, documentation, data, and other materials relating thereto, all on the terms and subject to the conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions.

For purposes of this Agreement, the following terms shall have the following meanings:

1.1. "Confidential Information" shall mean, with respect to a party, all information (and all tangible and intangible embodiments thereof), which is owned or controlled by such party, and is disclosed by such party to the other party in connection with this Agreement (whether prior to or following the Effective Date). Nothwithstanding the foregoing, Confidential Information of a party shall not include information which, and only to the extent that, the receiving party (the "Recipient") can demonstrate that (a) the disclosed information was public knowledge at the time of such disclosure to the Recipient, or thereafter became public knowledge, other than as a result of actions of the Recipient in violation hereof; (b) the disclosed information was rightfully known by the Recipient (as shown by its written records) prior to the date of disclosure to the Recipient by the other party without a duty of confidentiality to any party; (c) the disclosed information was disclosed to the Recipient on an unrestricted basis from a source unrelated to any party to this Agreement and not under a duty of confidentiality to the other party; or (d) the disclosed information was independently developed by the Recipient without use of the Confidential Information disclosed by the other party.

1.2. "Collaboration Agreement" shall mean a definitive global collaboration agreement between the parties, in a form mutually acceptable to the parties and incorporating the terms and conditions set forth in Exhibit A.

1.3. "Field" all prophylactic, palliative, therapeutic or diagnostic uses in humans or animals for the prevention, diagnosis and treatment of hematological malignancies, including, without limitation, all Leukemia's, Lymphoma's, Multiple Myeloma and Waldentroms Macroglobulemia. Additionally, the Field shall include the prevention, diagnosis and treatment of Autoimmune Diseases, which shall mean any disease which results from a loss of immune tolerance to self-antigens, including without limitation multiple sclerosis, rheumatoid arthritis, systemic lupus erythematosus, sjogren syndrome, celiac disease, Graves' disease, myasthenia gravis, Type I diabetes, idiopathic thrombocytopenic purpura, pemphigus vulgaris, among others, including any presentation or manifestation thereof.

1.4. "Option" shall mean the exclusive option set forth in Section 3.2.

1.5. "Option Period" shall mean the period ending on the date that is 180 days following the Effective Date; subject to a 3-month extension upon prior written consent of Fortress, not to be unreasonably withheld.

2. Representations and Warranties.

2.1. Mutual Representations and Warranties. Each party hereby represents and warrants to the other party as follows:

2.1.1. Existence. Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized.

2.1.2. Authorization and Enforcement of Obligations. Such party (a) has the requisite power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary actions on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation enforceable against such party in accordance with its terms.

2.1.3. No Conflict. The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict or violate any requirements of applicable laws or regulations, and (b) do not conflict with, or constitute default under, any contractual obligations of such party.

2.2. Products. Fortress represents and warrants to TG that, as of the Effective Date, Fortress owns or has rights to the Compounds.

3. Option.

3.1. Option Consideration. Upon the execution of this Agreement, TG shall pay to Fortress $25,000 as consideration for granting the Option (the "Option Fee").

3.2. Grant of Option. In consideration of the Option Fee, Fortress hereby grants to TG an exclusive (as defined below in this Section 3.2) option to enter into a collaboration for the Compounds in the Field and Territory (the "Collaboration Option") on the terms described in Exhibit A. For purposes of this Section 3.2, "exclusive" means that during the Option Period, Fortress will not grant a third party a license or enter into a collaboration to make, use or sell Compounds in the Territory and Field.

3.3. Exercise of Option. During the Option Period, TG shall have the right, but not the obligation, within its sole discretion, to exercise the Option by delivering written notice of such exercise (the "Exercise Notice") to Fortress. Upon exercise of the Option, Fortress and TG shall negotiate the Collaboration Agreement in good faith and upon agreement to the terms therefore, will execute the Collaboration Agreement.

3.4. TG agrees that it shall not, except as set forth in the Option Agreement, exercise any rights to the Compounds. In the event the parties do not execute the Collaboration Agreement prior to the expiration of the Option Period, the Option shall expire and (i) Fortress shall be free to grant a third party a license to make, use or sell Compounds in the Territory and Field and (ii) TG shall not exercise any rights under to the Compounds. This Section 3.4 shall survive the expiration or termination of this Agreement.

4. Confidentiality.

4.1. Confidential Information. During the term of this Agreement, and for a period of five (5) years following the termination hereof, each party shall maintain in confidence the Confidential Information of the other party, and shall not use, disclose or grant the use of the Confidential Information except on a need-to-know basis to those directors, officers, affiliates employees, permitted licensees, permitted assignees and agents, consultants, clinical investigators or contractors, to the extent such disclosure is reasonably necessary in connection with performing its obligations or exercising its rights under this Agreement. To the extent that disclosure is authorized by this Agreement, prior to such disclosure, each party hereto shall obtain agreement of any such person to hold in confidence and not make sure of the Confidential information for any purpose other than those permitted by this Agreement. Each party shall notify the other promptly upon discovery of any unauthorized use or disclosure of the other party's Confidential information.

4.2. Permitted Disclosures. The confidentiality obligations contained in this Section 4 shall not apply to the extent that Recipient is required (a) to disclose information by law, regulation, or order of a governmental agency or a court of competent jurisdiction, or (b) to disclose information to any governmental agency for purposes of obtaining approval to test or market a product, provided in either case that the Recipient shall provide written notice hereof to the other party and sufficient opportunity to object to any such disclosure or to request confidential treatment hereof.

5. Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY IN ANY MANNER, UNDER ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, TORT (INCLUDING WITHOUT LIMITATION NEGLIGENCE), INDEMNITY, BREACH OF WARRANTY, OR OTHER THEORY, FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, PUNITIVE, STATUTORY OR SPECIAL DAMAGES, INCLUDING LOST PROFITS AND LOSS OF DATA, REGARDLESS OF WHETHER SUCH PARTY WAS ADVISED OF OR WAS AWARE OF THE POSSIBILITY OF SUCH DAMAGES.

6. Term: Termination.

6.1. Term. This Agreement shall commence on the Effective Date and, unless earlier terminated pursuant to Section 6.2, shall terminate upon expiration of the Option Period.

6.2. Termination.

6.2.1. If a party has materially breached any of its obligations hereunder, and such material breach shall continue for thirty (30) days after written notice of such breach was provided to the breaching party, the nonbreaching party shall have the right, at its option, to terminate this Agreement effective at the end of such thirty (30) day period.

6.2.2. TG may terminate this Agreement for its convenience by providing thirty (30) days advanced written notice to Fortress.

6.3. Effect of Expiration or Termination. Expiration or termination of this Agreement shall not relieve the parties of any obligation accruing prior to such expiration or termination and the provisions of Sections 4, 5, 6.3, and 7 shall survive the expiration or termination of this Agreement.

7. Miscellaneous.

7.1. Entire Agreement. This Agreement and all exhibits and schedules hereto embody the entire agreement between the parties and supersedes any prior representations, understandings, and agreements between the parties regarding the subject matter hereof. There are no representations, understandings, or agreements, oral or written, between the parties regarding the subject matter hereof that are not fully expressed herein.

7.2. Severability. Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof, and without affecting the validity or enforceability of any of the terms of this Agreement in any other jurisdiction.

7.3. Notices. Any consent, notice, or report required or permitted to be given or made under this Agreement by one of the parties hereto to the other party shall be in writing, delivered by any lawful means to such other party at its address indicated below, or to such other address as the addressee shall have last furnished in writing to the addressor and (except as otherwise provided in this Agreement) shall be effective upon receipt by the addressee. Notice shall be addressed as followed:

To TG:	TG Therapeutics, Inc. 3 Columbus Circle, 15th Floor New York, NY 10019 USA Attn. Michael S. Weiss
To Fortress:	Fortress Biotech, Inc. 3 Columbus Circle, 15th Floor New York, NY 10019 Attn. Lindsay Rosenwald

7.4. Assignment. Neither party shall assign its rights or obligations under this Agreement without the prior written consent of the other party, provided however, that each party may, without such consent, assign this Agreement and its rights and obligations hereunder (a) to any Affiliate, or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement.

7.5. Headings. The section headings are for convenience only and are not a part of this Agreement.

7.6. Counterparts. 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.

7.7. Waiver. The waiver by either party hereto of any right hereunder or the failure to perform or of a breach by the other party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other party whether of a similar nature or otherwise.

7.8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of law principles thereof.

In Witness Whereof, the parties have executed this Agreement effective as of the Effective Date.

TG Therapeutics, Inc.

/s/ Michael S. Weiss
By: Michael S. Weiss
Title: Chief Executive Officer

Fortress Biotech, Inc.

/s/ Michael S. Weiss
By: Michael S. Weiss
Title: Executive Vice Chairman

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

EXHIBIT A - TERM SHEET

COMPOUNDS	As defined in the License Agreement
FORTRESS KNOW-HOW	As defined as "Know-How" in the License Agreement
FORTRESS Patents	As defined as "Licensor Patents" in the License Agreement
TERRITORY	As defined in the License Agreement.
FIELD OF USE	As defined in the Option Agreement; provided that any BTK inhibitors discovered under the Sponsored Research Agreement with NeuPharma funded by TGTX, the Field of Use shall not be restricted and shall include all uses under the License Agreement.
DIRECT SALES ROYALTIES	*% royalties on Net sales > $* *% royalties on Net sales >$* but <$* *% royalties on Net Sales >$*

* Confidential material redacted and filed separately with the Commission.

MILESTONE PAYMENTS TO FORTRESS	The following amounts within 20 days of the following milestones: Upon Exercise of Option: $* 1: $* – * 2: $* – * 3: $* – * 4: $* on * 5: $* on * 6: $* on * 7: $* on * 8: $* on * 9: $* on * Milestones 2-7 above shall be payable one time for any Product (including RX518) primarily targeting EGFR. For any Product primarily targeting BTK, Milestones 2-7 shall be payable for each of the first three Indications for which Product achieves the respective Product Milestone Event.

* Confidential material redacted and filed separately with the Commission.

RESPONSIBILITIES OF THE PARTIES	The parties shall share the costs of all IND-Enabling work 50/50. IND-Enabling costs shall include, without limitation, all pre-clinical toxicology, pharmacology, CMC, and other work required for the filing of an IND. These costs shall include only external costs incurred and each party shall be responsible for internal costs (personnel, overhead, etc.) incurred in connection with the IND filing. Each party shall pay the costs of filing their own IND and thereafter, TG shall be responsible for 100% of the clinical development, drug supply, and commercialization costs and expenses of developing the Compounds in the Field. Parties shall share CMC and formulation development costs. TG shall pay individually for any specific experiments that relate solely to the BTK properties of the Compounds. Any Compounds that target BTK and are derived from the sponsored research by TG, TG shall be responsible for the full costs of development and commercialization and will have full worldwide rights to these Compounds under the License Agreement.
GOVERNING LAW	The Collaboration Agreement shall be governed by the laws of the State of New York without regard to principals of conflicts of law thereof.
Other Provisions	The Agreement would also contain additional customary terms and conditions agreed by the Parties.
EFFECT OF TERM SHEET	The terms and conditions set forth in this Exhibit A shall not be binding on either party until such time as the parties enter into the Collaboration Agreement.

September 11, 2015

Dr. Lindsay Rosenwald
Fortress Biotech, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019

Mr. Michael Weiss
Checkpoint Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019

EXTENSION OF OPTION AGREEMENT

Gentlemen:

As discussed, we would like to extend the Option Period in the Option Agreement dated March 17, 2015 (the "Option Agreement") between TG Therapeutics, Inc. and Fortress Biotech, Inc.

1. Parties. Effective March 17, 2015, Fortress and the Checkpoint Therapeutics, Inc. ("Checkpoint") entered into an agreement pursuant to which Fortress assigned to Checkpoint all of its right and interests under the License Agreement.

2. Option Period. Pursuant to Section 1.5 of the Option Agreement, the Option Period shall mean the date that is 180 days following the Effective Date; subject to a 3-month extension upon prior written request, not to be unreasonably withheld. As such, the Parties agree to extend the Option Period for 3 months, with an expiration date of December 17, 2015.

3. Terms. The Amendment shall be governed under all of the same terms as the Option Agreement.

4. Defined Terms. Any capitalized term not defined in this Amendment shall be defined as defined in the Option Agreement.

5 . Counterparts. This Amendment may be executed by any party by PDF file signature, and on one or more counterparts, and by different parties on separate counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, all of which together shall constitute but one and the same instrument.

TG Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019

Sincerely,
TG Therapeutics, Inc.

/s/ Michael S. Weiss
By: Michael S. Weiss
Title: Executive Chairman, Interim CEO

Agreed and Accepted by:
Fortress Biotech, Inc.

/s/ Lindsay Rosenwald
By: Dr. Lindsay Rosenwald
Title: Chief Executive Officer

Agreed and Accepted by:
Checkpoint Therapeutics, Inc.

/s/ Michael S. Weiss
By: Mr. Michael S. Weiss
Title: Executive Chairman, Interim CEO and President

December 15, 2015

Mr. James Oliviero
Checkpoint Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019

EXTENSION OF OPTION AGREEMENT

Dear James:

As discussed, we would like to extend the Option Period in the Option Agreement dated March 17, 2015 (the "Option Agreement") between TG Therapeutics, Inc. and Fortress Biotech, Inc. ("Fortress"), as previously extended on September 11, 2015.

1 . Parties. Effective March 17, 2015, Fortress and Checkpoint Therapeutics, Inc. ("Checkpoint") entered into an agreement pursuant to which Fortress assigned to Checkpoint all of its right and interests under the License Agreement.

2. Option Period. Pursuant to Section 1.5 of the Option Agreement, the Option Period shall mean the date that is 180 days following the Effective Date; subject to a 3-month extension upon prior written request, not to be unreasonably withheld. The parties agree to further extend the Option Period for an additional 30 days, with an expiration date of January 17, 2016.

3. Terms. This Extension of Option Agreement shall be governed under all of the same terms as the Option Agreement.

4. Defined Terms. Any capitalized term not defined in this Amendment shall be defined as defined in the Option Agreement.

5 . Counterparts. This Amendment may be executed by any party by PDF file signature, and on one or more counterparts, and by different parties on separate counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, all of which together shall constitute but one and the same instrument.

TG Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019

Sincerely,
TG Therapeutics, Inc.

/s/ Michael S. Weiss
By: Michael S. Weiss
Title: Executive Chairman, Interim CEO

Agreed and Accepted by:
Checkpoint Therapeutics, Inc.

/s/ James Oliviero
By: Mr. James Oliviero
Title: CEO and President

January 11, 2016

Mr. James Oliviero
Checkpoint Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019

EXTENSION OF OPTION AGREEMENT

Dear James:

As discussed, we would like to extend the Option Period in the Option Agreement dated March 17, 2015 (the "Option Agreement") between TG Therapeutics, Inc. and Fortress Biotech, Inc. ("Fortress"), as previously extended on September 11, 2015 and December 15, 2015.

1. Parties. Effective March 17, 2015, Fortress and Checkpoint Therapeutics, Inc. ("Checkpoint") entered into an agreement pursuant to which Fortress assigned to Checkpoint all of its right and interests under the License Agreement.

2. Option Period. Pursuant to Section 1.5 of the Option Agreement, the Option Period shall mean the date that is 180 days following the Effective Date; subject to a 3-month extension upon prior written request, not to be unreasonably withheld. The parties agree to further extend the Option Period for an additional 180 days, with an expiration date of July 17, 2016.

3. Terms. This Extension of Option Agreement shall be governed under all of the same terms as the Option Agreement. The parties hereby acknowledge and agree that, under the Option Agreement, TG shall pay individually for any specific experiments that relate solely to the BTK properties of the Compounds. Accordingly, all costs associated with the Research Agreement dated September 15, 2015 between Checkpoint and NeuPharma shall be borne by TG Therapeutics, with such obligation for this Research Agreement surviving the expiration or earlier termination of the Option Agreement.

4. Defined Terms. Any capitalized term not defined in this Amendment shall be defined as defined in the Option Agreement.

5. Counterparts. This Amendment may be executed by any party by PDF file signature, and on one or more counterparts, and by different parties on separate counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, all of which together shall constitute but one and the same instrument.

TG Therapeutics, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019

Sincerely,
TG Therapeutics, Inc.

/s/ Michael S. Weiss
By: Michael S. Weiss
Title: Executive Chairman, Interim CEO

Agreed and Accepted by:
Checkpoint Therapeutics, Inc.

/s/ James Oliviero
By: Mr. James Oliviero
Title: CEO and President

July 8, 2016

Mr. James Oliviero
Checkpoint Therapeutics, Inc.
2 Gansevoort Street, 9th Floor
New York, NY 10014

EXTENSION OF OPTION AGREEMENT

Dear James:

As discussed, we would like to extend the Option Period in the Option Agreement dated March 17, 2015 (the "Option Agreement") between TG Therapeutics, Inc. and Checkpoint Therapeutics, Inc. ("Checkpoint"), as previously extended on September 11, 2015, December 15, 2015, and January 11, 2016.

1. Parties. Effective March 17, 2015, Fortress Biotech, Inc. ("Fortress") and Checkpoint entered into an agreement pursuant to which Fortress assigned to Checkpoint all of its right and interests under the License Agreement.

2. Option Period. Pursuant to Section 1.5 of the Option Agreement, the parties agree to further extend the Option Period for an additional 176 days, with an expiration date of December 31, 2016.

3. Terms. This Extension of Option Agreement shall be governed under all of the same terms as the Option Agreement.

4. Defined Terms. Any capitalized term not defined in this Amendment shall be defined as defined in the Option Agreement.

5. Counterparts. This Amendment may be executed by any party by PDF file signature, and on one or more counterparts, and by different parties on separate counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, all of which together shall constitute but one and the same instrument.

TG Therapeutics, Inc.
2 Gansevoort Street, 9th Floor
New York, NY 10014

Sincerely,
TG Therapeutics, Inc.

/s/ Michael S. Weiss
By: Michael S. Weiss
Title: Executive Chairman, Interim CEO

Agreed and Accepted by:
Checkpoint Therapeutics, Inc.

/s/ James Oliviero
By: Mr. James Oliviero
Title: CEO and President

Exhibit 10.15

RESEARCH AGREEMENT

THIS RESEARCH AGREEMENT (this "Agreement"), dated as of September 15th, 2015 (the "Effective Date"), between Fortress Biotech, Inc. (f/k/a Coronado Biosciences, Inc.), a Delaware Corporation (the "Company") having an address 3 Columbus Circle, 15th Floor, New York, NY 10019, and NeuPharma, Inc., a Delaware corporation ("NeuPharma") having an address of 1175 Chess Drive, Ste 206, Foster City, CA 94404.

PRELIMINARY STATEMENT

On March 17, 2015, NeuPharma and the Company entered into a license agreement pursuant to which,*inter alia*, NeuPharma granted the Company an exclusive royalty-bearing right and license under the Licensor Technology to research, Develop, have Developed, manufacture, have manufactured, use, import and Commercialize and have Commercialized the Licensed Products (the "License Agreement").

Pursuant to the License Agreement, the Parties contemplated the possibility entering into a sponsored research agreement to identify additional inhibitors of EGFR and/or BTK, with differing kinase profile from the current lead Licensed Products.

Accordingly, the Parties have agreed as to the terms and conditions on which NeuPharma shall conduct the research required to identify additional Compounds and Licensed Products as follows:

TERMS AND CONDITIONS

In consideration of their mutual covenants set forth in this Agreement, Company and NeuPharma agree as set forth herein.

1. DEFINITIONS

The following initially capitalized terms have the meanings set forth herein, unless otherwise expressly provided. Each meaning shall apply to both singular and plural forms of such capitalized terms as the context may require. Capitalized terms used herein but not defined herein shall have the meaning ascribed to such term in the License Agreement.

"Force Majeure" means, as to any person, any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, prevention from or hindrance in obtaining energy or other utilities, labor disputes of whatever nature or any other reason beyond the reasonable control of the person in question.

"Party" means NeuPharma or Company, and "Parties" means NeuPharma and Company.

"Research" means the work to be performed by NeuPharma pursuant to this Research Agreement as set forth in one or more Research Work Orders.

"Research Work Order" means any plan of work to be conducted by NeuPharma pursuant to this Agreement executed by the Parties and attached hereto a form as Exhibit A, as amended from time to time by the Parties.

"Results" has the meaning provided in Section 5.4.

"Subject Inventions" shall mean patentable inventions or discoveries conceived and reduced to practice in the course of the Research by one or more employees or agents of NeuPharma, or by one or more employees or agents of Company, or jointly by one or more employees or agents of NeuPharma and one or more employees or agents of Company, including all intellectual property rights therein and thereto.

"Term" has the meaning provided in Section 11.1 below.

2. CONDUCT OF THE RESEARCH

2.1 Research; Additional Research Work Orders. Commencing on the Effective Date, NeuPharma shall use reasonable efforts to conduct the Research in a professional manner, consistent with the applicable Research Work Orders. Company shall identify a designated representative in the Research Work Order ("Designated Representative") to be Company's contact person with respect to the conduct of the Research. NeuPharma shall consider in good faith the advice and guidance of the Designated Representative with respect to the conduct of the Research. Any disputes as to the conduct of the Research shall be settled by agreement of the CEO's of each of the Parties. At the request of the Company, NeuPharma shall prepare a proposal for additional Research Work Orders. Additionally, if during the conduct of the Research, either Party believes a modification to Research Work Order is necessary, the Parties shall discuss in good faith any modifications to a Research Plan that may be proposed by Company or NeuPharma. Such proposed modifications shall not become effective until agreed to in writing by Company and NeuPharma; provided, however, that for items in the budget that require discussion among the parties, NeuPharma will not move forward without the agreement of the Designated Representative. NeuPharma shall have the right to subcontract any of its obligations under this Agreement, provided that NeuPharma shall be responsible for the activities of its subcontractors performing NeuPharma's obligations under this Agreement.

2.2 Cooperation. To the extent reasonably required to perform the Research, NeuPharma shall permit personnel of Company, upon reasonable prior notice to NeuPharma and conditioned upon appropriate assurances of confidentiality and compliance with NeuPharma restrictions applicable to such facilities, to visit the NeuPharma facilities where the Research is being conducted.

3. NEUPHARMA AND COMPANY RESOURCES

3.1 Personnel. Following the Effective Date as it relates to the initial Research Work Order and once additional Research Work Orders are finalized, NeuPharma will take reasonable steps to make available suitably qualified personnel for the conduct of the Research. NeuPharma shall be responsible for all compensation, fringe benefits, reimbursement of expenses and withholding of governmental taxes and charges with respect to its personnel, and NeuPharma shall have the right to terminate or replace any of its personnel involved in the Research in its discretion.

3.2 Equipment and Facilities. All equipment and facilities necessary to perform the Research shall be the responsibility of NeuPharma.

4. PAYMENT

4.1 Payments. Company shall not be obligated to pay any amount for Research other than as specifically stated in a Research Work Order. Except as set forth in a Research Work Order, this Agreement or the License Agreement, including with respect to prosecution of any Licensor Patents, NeuPharma shall be responsible for all costs and expenses it incurs in connection with this Agreement. Company shall make the payments to NeuPharma for the Research as set forth in each Research Work Order. All such payments shall be made by bank wire transfer in accordance with the instructions agreed to by the Parties.

5. RECORDS; REPORTS; OWNERSHIP OF DATA AND DOCUMENTS; INTELLECTUAL PROPERTY

5.1 Records. NeuPharma will maintain complete and accurate records of the conduct, status and progress of the Research in compliance with its standard internal practices as in effect during the term of the Agreement and make such records available to Company during mutually convenient times during normal business hours upon reasonable advanced written notice.

5.2 Reports. On quarterly basis following the Effective Date, NeuPharma will provide a written report to Company with respect to the Research. Such reports will be prepared in the standard format of NeuPharma, and will summarize the work performed on the Research during the prior quarter and results obtained to date. Additionally, between quarterly reports NeuPharma shall communicate with the Designated Representative on a regular basis, including weekly or bi-monthly calls, or other agreed upon frequency of calls as the Parties may agree, to review the Research and troubleshoot any issues and/or suggest modifications. A final written report shall be delivered by NeuPharma to Company within 30 days after the completion of the Research or the termination of this Agreement, whichever is earlier. Company shall, upon NeuPharma's request, provide a written report of any Results prepared or generated by Company, conducted in connection with the Research.

5.3 Personnel. Each Party shall obtain, or shall have obtained, from each of its personnel involved in the Research an agreement by which each of them assigns to such Party all of his or her right, title and interest in and to (a) any invention or discovery conceived or reduced to practice in the performance of the Research, and (b) all rights, including copyright rights, in and to any original work of authorship prepared in connection with the Research.

5.4 Ownership of Data and Documents. All reports, findings, data and supporting documentation, in whatever form *(e.g.,* laboratory notebooks, original data, slides, photographs or computer records), that are prepared or generated by NeuPharma or Company pursuant to this Agreement and that do not constitute Subject Inventions (collectively, the "Results") shall be the property of the preparing or generating Party. Results prepared or generated by NeuPharma that pertain directly to SRA Compounds shall be deemed to be included in Licensor Know-How licensed to Company under the License Agreement. Results prepared or generated by Company that pertain directly to SRA Compounds shall be deemed to be included in Company Technology licensed to NeuPharma under the License Agreement.

5.5 Subject Inventions. Each Party shall promptly report to the other Party any Subject Invention, which report shall be accompanied by an invention disclosure that describes in reasonable detail the substance of the discovery or invention (a "Disclosure Report"). All rights to Subject Inventions conceived solely by employees, contractors, representatives or agents of NeuPharma will belong solely to NeuPharma ("NeuPharma Inventions"). All rights to Subject Inventions conceived solely by employees, contractors, representatives or agents of Company will belong solely to Company ("Company Inventions"'). All rights to Subject Inventions conceived jointly by employees, contractors, representatives or agents of NeuPharma and employees or agents of Company will belong jointly to NeuPharma and Company ("Joint Inventions"). All NeuPharma Inventions Covering SRA Compounds shall be deemed included in Licensor Patents licensed to Company under the License Agreement. All Company Inventions outside the Territory Covering SRA Compounds shall be deemed included in Coronado Technology licensed to NeuPharma under the License Agreement. Except as expressly provided in this Agreement, it is understood that neither Party shall have any obligation to account to the other for profits, or to obtain any approval of the other Party to license, assign or otherwise exploit such jointly owned inventions or intellectual property, by reason of joint ownership thereof, and each Party hereby waives any right it may have under the laws of any jurisdiction to require any such approval or accounting.

5.6 Compounds. Any inhibitor(s) primarily targeting EGFR or BTK that are discovered in performance of the Research at any time during the term of this Agreement ("SRA Compounds") shall be deemed Compounds under the License Agreement. To the extent that NeuPharma provides company with any information or materials pertaining to inhibitors that are not SRA Compounds, Company agrees to use such information and materials only for the purpose of internal evaluation of the structure-activity relationships of SRA Compounds by Company and for no other purposes.

6. NOTICES

All notices under this Agreement shall be sent by registered or certified mail, postage prepaid, or by overnight courier service. Notices pertaining to this Agreement shall be sent to:

If to NeuPharma:

Address:

NeuPharma, Inc.
1175 Chess Dr., Ste 206
Foster City, CA 94404
Attention: Shawn Qian

If to the Company:

Fortress Biotech, Inc.
3 Columbus Circle, 15th Floor
New York, NY 10019
Attention: Leonid Gorelik

7. REPRESENTATIONS AND WARRANTIES

7.1 Company. Company hereby represents and warrants that: (a) it has full power and authority to enter into this Agreement, and (b) it is bound by this Agreement in accordance with its terms.

7.2 NeuPharma. NeuPharma hereby represents and warrants that it (a) has full power and authority to enter into this Agreement, and (b) is bound by this Agreement in accordance with its terms.

8. DISCLAIMERS AND LIMITATION OF LIABILITY

8.1 Warranties Disclaimed. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES PROVIDED IN SECTION 7, EACH PARTY DISCLAIMS ALL WARRANTIES OF WHATEVER NATURE, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR AS TO THE SUCCESS OR LIKELIHOOD OF SUCCESS OF THE RESEARCH, DEVELOPMENT OR COMMERCIALIZATION OF A COMPOUND, INCLUDING ANY SRA COMPOUND.

8.2 Indemnification.

(a) Company shall indemnify, defend and hold harmless NeuPharma and its officers, directors, medical and professional staff, employees, affiliates and representatives and their respective successors, heirs and assigns (the "NeuPharma Indemnitees"), against any liability, damage, loss or expense incurred by or imposed upon them in connection with any claims, suits, actions, demands or judgments ("Claim") by a third party arising out of the manufacture, use or sale of any material or product by or on behalf of Company as a result of the Research and/or embodying Subject Inventions and/or based on any theory of product liability (including, but not limited to, actions in the form of tort, warranty, or strict liability) concerning any process or service made, used or sold by Company pursuant to any right or license granted under this Agreement. Company shall not have any obligations under this paragraph with respect to Claims arising out of the negligence or intentional misconduct of the NeuPharma Indemnitees.

(b) NeuPharma shall indemnify, defend and hold harmless the Company and its officers, directors, medical and professional staff, employees, affiliates and representatives and their respective successors, heirs and assigns ("Company Indemnitees"), against any liability, damage, loss or expense incurred by or imposed upon them in connection with any Claim by a third party arising out of NeuPharma's negligence, bad faith, willful misconduct or material breach of this Agreement. NeuPharma shall not have any obligation under this paragraph with respect to Claims arising out of the negligence or intentional misconduct of the Company Indemnitees.

(c) The procedure and expenses for a Party or other Person intending to claim indemnification under this Section 8.2 shall be as set forth in Sections 9.3 and 9.4 of the License Agreement, *mutatis mutandis.*

9. CONFIDENTIALITY

9.1 Mutual Confidentiality. Neither Party shall disclose the other Party's Confidential Information to any person other than its employees, officers, directors, affiliates, agents and representatives who are bound by obligations of confidentiality and who have a need to know such information in order to perform their obligations in connection with the Research. Each Party may only use the other Party's Confidential Information as permitted to perform its respective obligations under this Agreement. "Confidential Information" means any information disclosed by a Party to the other Party that is reasonably expected to be treated in a confidential manner under the circumstances of disclosure under this Agreement or by the nature of the information itself.

9.2 Exceptions. The obligations of confidentiality applicable to Confidential Information of the other Party shall not apply to any information that is (a) known publicly or becomes known publicly through no fault of the recipient; (b) learned by the recipient on a non-confidential basis from a third party entitled to disclose it without obligation of confidentiality; (c) developed by the recipient independently of and without use of or reference to Confidential Information of the other Party as evidenced by prior written records of the recipient; (d) already known to the recipient without obligations of confidentiality before receipt from the disclosing party, as shown by its prior written records; or (e) is disclosed to the public to the extent required by law, regulation or the order of a judicial or administrative authority, provided that the recipient notifies the disclosing party promptly upon receipt at any such order or becoming aware of any such law or regulation. If a Party becomes legally compelled to disclose any Confidential Information of the other Party, such Party will (1) provide the other Party prompt written notice, if legally permissible, and will use its best efforts to assist such other Party in seeking a protective order or another appropriate remedy and (2) furnish only that portion of the Confidential Information that is legally required to be disclosed. Any Confidential Information legally compelled to be disclosed shall maintain its confidentiality protection for all purposes other than such legally compelled disclosure.

9.3 Publicity. Neither Party may issue a press releases or otherwise disclose the existence or terms of this Agreement without the prior written consent of the other Party; provided, however, that once the existence or any terms or conditions of this Agreement has been publicly disclosed in a manner mutually and reasonably agreed-to by the Parties, either Party may republish the facts previously disclosed without the prior consent of the other Party.

10. TERM AND TERMINATION

10.1 Term. The term of this Agreement shall commence on the Effective Date, and, unless terminated earlier as provided herein, shall expire on the earlier of (i) the completion of the Research or (ii) the second anniversary of the Effective Date.

10.2 Right to Terminate. Company shall have the right to terminate this Agreement at any time upon thirty (30) days written notice to NeuPharma. Either Company or NeuPharma may terminate this Agreement effective upon notice to the other:

(a) the other Party commits a material breach of this Agreement and the breach is not remedied within 30 days after the receipt of notice identifying the breach, requiring its remedy and stating the intent of the Party giving notice to terminate in the absence of remedy, or

(b) the other Party (i) becomes unable to pay its debts as they become due, (ii) suspends payment of its debts, (iii) enters into or becomes subject to corporate rehabilitation or bankruptcy proceedings or liquidation or dissolution that is not dismissed within 60 days of filing, (iv) makes an assignment for the benefit of its creditors or (v) seeks relief under any similar laws for debtor's relief.

10.3 Effect of Expiration or Termination. Upon the termination of this Agreement, NeuPharma shall cease all Research. Within 30 days following the expiration or termination of this Agreement, each Party shall promptly deliver to the other party all of its Confidential Information (save one copy for purposes of determining compliance with its obligations of confidentiality hereunder). This Section 10.3 and Sections 1, 5.4, 5.5, 5.6, 6, 8, 9 and 11 shall survive expiration or termination of this Agreement. Termination or expiration of this Agreement shall not relieve the Parties of any liability that accrued hereunder before the effective date of such termination or expiration. In addition, termination or expiration of this Agreement shall not preclude either Party from pursuing all rights and remedies it may have hereunder or at Law or in equity with respect to any breach of this Agreement nor prejudice either Party's right to obtain performance of any obligation.

11. MISCELLANEOUS

(a) Neither this Agreement nor any right or obligation hereunder shall be assignable in whole or in part, whether by operation of law, or otherwise by one party without the other prior written permission. Notwithstanding the foregoing, either Party may assign or transfer all of its rights and obligations under this Agreement without the consent of the other Party to an Affiliate of such assigning Party or a person that succeeds to all or substantially all of that Party's business or assets to which this Agreement pertains whether by sale, merger, operation of law or otherwise. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the Parties hereto and their respective successors and permitted assignees. Any transfer or assignment of this Agreement in violation of this Section 11(a) shall be null and void.

(b) This Agreement and the License Agreement contains the entire agreement between the Parties relating to the subject matter hereof, and all prior understandings, representations and warranties between the Parties are superseded by this Agreement and the License Agreement.

(c) Changes and additional provisions to this Agreement shall be binding on the Parties only if agreed upon in writing and signed by the Parties.

(d) This Agreement shall be construed and interpreted in accordance with the laws of the State of New York and all rights and remedies shall be governed by such laws without regard to principles of conflicts of law. Any dispute arising under or with respect to this Agreement may be brought and maintained solely in the state or federal courts located in New York, NY, and the Parties expressly consent to the exclusive jurisdiction of such courts for such purpose.

(e) The Parties do not intend to violate any public policy or statutory common law. However, if any sentence, paragraph, clause or combination of this Agreement is in violation of any law or is found to be otherwise unenforceable, such sentence, paragraph, clause or combination of the same shall be deleted and the remainder of this Agreement shall remain binding, provided that such deletion does not alter the basic purpose and structure of this Agreement.

(f) Nothing herein shall create any association, partnership, joint venture, fiduciary duty or the relation of principal and agent between the Parties hereto, it being understood that each Party is acting as an independent contractor, and neither Party shall have the authority to bind the other or the other's representatives in any way.

(g) No delay on the part of either Party hereto in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any power or right hereunder preclude other or further exercise thereof or the exercise of any other power or right. No waiver of this Agreement or any provision hereof shall be enforceable against any Party hereto unless in writing, signed by the Party against whom such waiver is claimed, and shall be limited solely to the one event.

(h) This Agreement has been prepared jointly and no rule of strict construction shall be applied against either Party. In this Agreement, the singular shall include the plural and vice versa and the word "including" shall be deemed to be followed by the phrase "without limitation." The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(i) This Agreement may be executed in counterparts, each of which together shall constitute one and the same Agreement. For purposes of executing this agreement, a facsimile copy of this Agreement, including the signature pages, will be deemed an original.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, Company and NeuPharma have caused this Agreement to be executed and delivered as of the date hereof.

FORTRESS BIOTECH, INC.

By /s/ Michael Weiss

Name: Michael Weiss

Title: Executive Vice Chairman

NEUPHARMA, INC.

By /s/ Shawn Qian

Name: Shawn Qian

Title: President & CEO

EXHIBIT A

Research Work Order #1

Scope of Research to be Conducted:	Identify selective compounds with more potent BTK inhibition: BTK IC_{50} <10 nM; IC_{50} wtEGFR/BTK >10; selectivity against majority of the kinome.
Company's Designated Representative	Leonid Gorelik
Budget/Payment Obligations:	The projected 12-month budget is totaled $1,300,000 to $1,533,000. The non-refundable down payment of $260,000 is due within 7 days after the agreement is signed. NeuPharma shall raise quarterly invoices to Company for the work conducted and expenses incurred for that particular quarter. Payment by Company on any invoice issued by NeuPharma shall be due within thirty (30) days of the receipt date of such invoice. If NeuPharma does not receive payment of any sum due to it on or before the due date therefor, simple interest shall thereafter accrue on the sum due to Company from the due date until the date of payment at a rate equal to the lesser of (a) US dollar one-month LIBOR plus 500 basis points, or (b) the maximum rate permissible under applicable Law.
Projected Start Date:	October 1, 2015
Projected End Date:	October 1, 2016

Exhibit 10.16

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT **("Assignment and Assumption Agreement")** is effective as of September 15 2015, by and between by and between Fortress Biotech., Inc., a Delaware corporation **("Fortress")** and Checkpoint Therapeutics, Inc., a Delaware corporation **("Checkpoint").**

RECITALS

WHEREAS, Fortress and NeuPharma **("NeuPharma")** are parties to that certain Research Agreement (the **"NeuPharma Agreement");**

WHEREAS, pursuant to the NeuPharma Agreement, Fortress may assign the NeuPharma Agreement to an Affiliate (as defined in the NeuPharma Agreement) of Fortress without NeuPharma's prior written consent; and

WHEREAS, Checkpoint is an Affiliate of Fortress; and

WHEREAS, Fortress wishes to assign the NeuPharma Agreement to Checkpoint and, in connection therewith, Checkpoint has agreed to accept such assignment and assume the obligations thereunder.

AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed that:

1 . Assignment. Fortress hereby sells, assigns, conveys, transfers and delivers to Checkpoint all of Fortress's right, title and interest in and to the NeuPharma Agreement.

2 . Assumption. Checkpoint hereby accepts the foregoing assignment, and in connection therewith, Checkpoint hereby agrees to assume all liabilities arising thereunder from and after the Effective Date.

4. Effective Time. The effective time of this Assignment and Assumption Agreement is 11:59 p.m. EST on the date hereof.

5 . Counterparts; Electronic Delivery. This Assignment and Assumption Agreement may be executed in any number of counterparts with the same effect as if each of the parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one Assignment and Assumption Agreement. This Assignment and Assumption Agreement, to the extent signed and delivered by means of a facsimile machine or via e-mail, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

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

FORTRESS BIOTECH, INC.

By: /s/ Lindsay Rosenwald

Name: Lindsay Rosenwald

Title: CEO

CHECKPOINT THERAPEUTICS, INC.

By: /s/ Michael Weiss

Name: Michael Weiss

Title: Interim President and CEO

[Signature Page to Assignment and Assumption Agreement]

Exhibit 10.17

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT **("Assignment and Assumption Agreement")** is effective December 18, 2015 (the **"Effective Date"**), by and between Fortress Biotech, Inc. (**"Fortress"**), a Delaware corporation, and Checkpoint Therapeutics, Inc. ("Checkpoint"), a Delaware corporation.

RECITALS

WHEREAS, Fortress and Cephalon, Inc. (**"Cephalon"**) are parties to that certain License Agreement, dated December 18, 2015 (the **"License Agreement"**);

WHEREAS, pursuant to Section 11.2 of the License Agreement, Fortress may assign the License Agreement to an Affiliate (as defined in the License Agreement) of Fortress without Cephalon's prior written consent;

WHEREAS, Checkpoint is an Affiliate of Fortress; and

WHEREAS; Fortress wishes to assign the License Agreement to Checkpoint and, in connection therewith, Checkpoint has agreed to accept such assignment and assume the obligations thereunder.

AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed that:

1. **Assignment**. Fortress hereby sells, assigns, conveys, transfers and delivers to Checkpoint all of Fortress' right, title, and interest in and to the License Agreement.

2. **Assumption**. Checkpoint hereby accepts the foregoing assignment, and in connection therewith, Checkpoint hereby agrees to assume all of Fortress' obligations under the License Agreement, whether arising before, at or after the Effective Date.

3. **Effective Time**. The effective time of this Assignment and Assumption Agreement is 11:59pm EST on the date hereof.

4. **Counterparts; Electronic Delivery**. This Assignment and Assumption Agreement may be executed in any number of counterparts with the same effect as if each of the parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one Assignment and Assumption Agreement. This Assignment and Assumption Agreement, to the extent signed and delivered by means of facsimile machine or via e-mail, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

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

FORTRESS BIOTECH, INC.

By: /s/ Lindsay Rosenwald

Name: Lindsay Rosenwald

Title: CEO

CHECKPOINT THERAPEUTICS, INC.

By: /s/ James Oliviero

Name: James Oliviero

Title: President & CEO

Exhibit 10.18

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "**Agreement**") is dated as of May 26, 2016 (the "**Effective Date**") by and between Jubilant Biosys Limited, a company organized under the laws of India, having its principal place of business at No. 96, Industrial Suburb, 2nd Stage, Yeshwanthpur, Bangalore – 560022, India ("**Licensor**"), and Checkpoint Therapeutics, Inc, Inc., a Delaware corporation with its place of business at 2 Gansevoort Street, 9th Floor, New York, New York 10014 ("**Checkpoint**"). Checkpoint, on the one hand, and Licensor, on the other hand, shall each be referred to herein as a "**Party**" or, collectively, as the "**Parties**."

RECITALS:

WHEREAS, Checkpoint is engaged in the research, development, manufacturing and commercialization of pharmaceutical products, and Checkpoint is interested in Developing and Commercializing products containing the Compounds; and

WHEREAS, Checkpoint desires to license from Licensor, and Licensor wishes to license to Checkpoint, on an exclusive basis, the right to use Licensor Technology to Develop and Commercialize products containing the Compounds in the Territory.

NOW, THEREFORE, in consideration of the foregoing and of the various promises and undertakings set forth herein, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 "**Abandoned Patent**" is defined in Section 6.1(b).

1.2 "**Abandoned Terminated Country**" is defined in Section 6.1(b).

1.3 "**Abandonment**" or "**Abandon**" is defined in Section 6.1(b).

1.4 "**Affiliate**" means a Person or entity that controls, is controlled by or is under common control with a Party, but only for so long as such control exists. For the purposes of this Section 1.4, the word "**control**" (including, with correlative meaning, the terms "**controlled by**" or "**under common control with**") means the actual power, either directly or indirectly through one or more intermediaries, to direct the management and policies of such Person or entity, whether by the ownership of at least 50% of the voting stock of such entity, or by contract or otherwise.

1 . 5 "**BLA**" means a Biologics License Application under the United States' Public Health Services Act and Federal Food, Drug and Cosmetics Act, each as amended, and the regulations promulgated thereunder, or a comparable filing seeking Regulatory Approval in any country.

1.6 "**Business Day**" means any day other than Saturday, Sunday, or a day that is a federal legal holiday in the U.S.

1 . 7 "**Calendar Quarter**" means each three -month period commencing January 1, April 1, July 1 or October 1, provided however that (a) the first Calendar Quarter of the Term shall extend from the Effective Date to the end of the first full Calendar Quarter thereafter, and (b) the last Calendar Quarter of the Term shall end upon the termination or expiration of this Agreement.

1.8 "**Calendar Year**" means the period beginning on the 1st of January and ending on the 31st of December of the same year, provided however that (a) the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the same calendar year as the Effective Date, and (b) the last Calendar Year of the Term shall commence on January 1 of the Calendar Year in which this Agreement terminates or expires and end on the date of termination or expiration of this Agreement.

1 . 9 "**cGCP**" means current Good Clinical Practices (a) as promulgated under 21 C.F.R. Parts 11, 50, 54, 56, 312 and 314, as the same may be amended or re-enacted from time to time and (b) required by law in countries other than the United States where clinical studies are conducted.

1.10 "**cGLP**" means current Good Laboratory Practices (a) as promulgated under 21 C.F.R. Part 58, as the same may be amended or re-enacted from time to time and (b) as required by law in countries other than the United States where non-clinical laboratory studies are conducted.

1.11 "**cGMP**" means current Good Manufacturing Practices (a) as promulgated under 21 C.F.R. Parts 210 and 211, as the same may be amended or re-enacted from time to time and (b) as required by law in countries other than the United States where pharmaceutical product Manufacturing is conducted.

1.12 "**Clinical Trial**" means any Phase 1 Trial, Phase 2 Trial, Phase 3 Trial, or Post-Marketing Study, as applicable.

1 . 1 3 "**Combination Product**" means (a) a product containing a Licensed Product together with one or more other active ingredients that have independent biologic or chemical activity when present alone that are sold as a single unit, or (b) a Licensed Product together with one or more products, devices, pieces of equipment or components thereof, that are sold as a single package at a single price.

1 . 1 4 "**Commercialization**" or "**Commercialize**" means (a) any and all activities undertaken at any time for a particular Licensed Product and that relate to the manufacturing, marketing, promoting, distributing, importing or exporting for sale, offering for sale, and selling of the Licensed Product, (b) seeking Pricing Approvals and Reimbursement Approvals for such Licensed Product, (c) Post-Marketing Studies and (d) interacting with Regulatory Authorities regarding the foregoing (a) through (c).

1.15 "**Commercially Reasonable Efforts**" means the carrying out of obligations or tasks in a manner consistent with the efforts a Party (which in no event shall be less than the level of efforts and resources standard in the pharmaceutical industry for a company similar in size and scope to such Party) consistent with its normal business practices devotes to research, development or marketing of a pharmaceutical product or products of similar market potential, profit potential resulting from its own research efforts or for its own benefit, taking into account technical, regulatory and intellectual property factors, target product profiles, product labeling, past performance, costs, economic return, the regulatory environment and competitive market conditions in the therapeutic or market niche. Sublicensees shall be measured to the standard of Commercially Reasonable Efforts of the Party from whom they directly or indirectly licensed.

1.16 "**Competing Product**" means BRD4 inhibitors.

1.17 "**Compound**" means (i) the compounds set forth on Schedule 1 attached hereto and (ii) any all compounds structurally related to such compounds that are Covered by Licensor Patents set forth in Schedule 2 hereto.

1.18 "**Controlled**" means, with respect to (a) Patent Rights, (b) Know-How or (c) biological, chemical or physical material, that a Party or one of its Affiliates owns or has a license or sublicense to such Patent Rights, Know-How or material (or in the case of material, has the right to physical possession of such material) and has the ability to grant a license or sublicense to, or assign its right, title and interest in and to, such Patent Rights, Know-How or material as provided for in this Agreement without violating the terms of any agreement or other arrangement with any Third Party.

1.19 "**Covered**" means that the use, manufacture, sale, offer for sale, development, commercialization or importation of the subject matter in question by an unlicensed entity would infringe a Valid Claim of a Patent Right; provided that infringement of any Valid Claim of a pending patent application shall be determined as if such Valid Claim were issued or granted.

1.20 "**Development**" or "**Develop**" means, with respect to a Licensed Product, (a) all non-clinical and clinical drug development activities that are undertaken after the Effective Date up to and including the date of obtaining Regulatory Approval of such Licensed Product including (i) the conduct of Clinical Trials, toxicology and pharmacology testing, test method development and stability testing, process development ("Process Development") (including the Manufacture of validation and engineering batches), formulation development, delivery system development, quality assurance and quality control development, analytical method development, human clinical studies and regulatory affairs activities and statistical analysis and report writing; (ii) the preparation of Clinical Trial design and operations; and (iii) preparing and filing Drug Approval Applications, (b) all activities related to the optimization of a commercial-grade Manufacturing process for the Manufacture of Licensed Product including, test method development and stability testing, formulation, validation, productivity, trouble shooting and next generation formulation, process development, Manufacturing scale-up, development-stage Manufacturing, and quality assurance/quality control development and (c) any and all other activities that may be necessary or useful to obtain Regulatory Approval. When used as a verb, "Developing" means to engage in Development and "Developed" has a corresponding meaning.

1.21 "**Development Inventions**" shall mean any inventions, improvements and Know-how (i) developed, generated, discovered, conceived or reduced to practice in whole or part by Checkpoint or its Affiliates, whether or not patentable, during the performance of the Development, relating to the development, use or manufacture of a (x) Compound or (y) Licensed Product, but only such distinct unit of such Licensed Product that contains no active ingredients other than Compounds, and (ii) solely owned by Checkpoint or its Affiliates. Development Inventions excludes Research Inventions.

1.22 "**Development Milestones**" means Milestones 1 through 5 in the table listing the Milestones in Section 5.2.

1.23 "**Development Patents**" means all Patent Rights Controlled by Checkpoint or its Affiliates Covering Development Inventions.

1.24 "**Development Plan**" means, with respect to a Compound and/or any Licensed Product, a high level non-binding written plan for, the Development activities anticipated to be conducted by Checkpoint or its Affiliates for such Compound and/or Licensed Product, as such written plan may be amended, modified or updated in accordance with Section 3.2. Topics that may be covered in the plan include (a) the Clinical Trials that are expected to be conducted, and the expected timeline for conducting such Clinical Trials; (b) the expected Drug Approval Applications to be required and prepared, and the expected timetable for making such Drug Approval Applications; (c) the proposed timelines for Manufacturing, Manufacturing scale-up, formulation, filling and/or shipping of the Product, and in each case the budgeted funding for such development activities. .

1.25 "**Development Program**" means the Development activities to be conducted by Checkpoint during the Term with respect to the Compounds.

1.26 "**Development Report**" means with respect to a period, a report that summarizes: (a) significant Development activities conducted during such period and results obtained with respect to Compounds and Licensed Products (including the status of and plans for all Clinical Trials), (b) Significant Development Events applicable to the Compounds and/or Licensed Products, (c) a summary of all Development Inventions conceived or reduced to practice by Checkpoint over such period, and (d) an estimate of the expected timing of any Development Milestones with respect to the Licensed Products.

1.27 "**Drug Approval Application**" means, with respect to a Licensed Product in the Territory, an application for Regulatory Approval for such product in a country in the Territory. For purposes of clarity, Drug Approval Application shall include, without limitation, (a) an NDA or BLA (for U.S.) or MAA (for Europe); (b) a counterpart of an NDA, BLA or MAA in any country or region in the Territory; and (c) all supplements (including supplemental applications such as sNDAs) and amendments to the foregoing.

1.28 "**EMA**" means the European Medicines Agency or any successor agency.

1.29 "**Expert**" is defined in Section 11.2.

1.30 "**European Commission**" means the authority within the European Union that has the legal authority to grant Regulatory Approvals in the European Union based on input received from the EMA or other competent Regulatory Authorities.

1.31 "**EU**" means the member states of the European Union as of the Effective Date, as it is constituted on the Effective Date and as it may be expanded from time to time after the Effective Date.

1.32 "**FDA**" means the United States Food and Drug Administration, or a successor federal agency thereto.

1.33 "**FD&C Act**" means that federal statute entitled the Federal Food, Drug, and Cosmetic Act and enacted in 1938 as Public Law 75-717, as such may have been amended, and which is contained in Title 21 of the C.F.R. Section 301 et seq.

1.34 "**Field**" means any use, application or purpose, including, without limitation, the treatment, palliation, diagnosis or prevention of any human or animal disease, disorder or condition.

1.35 "**First Commercial Sale**" means, with respect to a Licensed Product in any country, the first commercial sale, transfer or disposition of such Licensed Product in such country to a Third Party by Checkpoint, an Affiliate of Checkpoint and/or a Sublicensee, and shall include and mean to occur where the first commercial sale, transfer or disposition of any Licensed Product in that country takes place after Regulatory Approval therefor has been obtained in such country.

1.36 "**GAAP**" means United States generally accepted accounting principles.

1.37 "**Generic Product**" refers to any pharmaceutical product that is introduced in the applicable country by an entity other than Checkpoint or its Affiliates or Sublicensees, which contains the same or equivalent (by FDA or other Regulatory Authority standards, on a country-by-country basis) active pharmaceutical ingredient(s) as contained in a Licensed Product sold by Checkpoint or its Affiliate or Sublicensee in such country, including any such pharmaceutical product that is AB-rated or determined to be bioequivalent to a Licensed Product by the FDA or is otherwise substitutable for a Licensed Product or is similarly rated by other Regulatory Authorities outside the United States, on a country-by-country basis. For the avoidance of doubt, a Generic Product will not necessarily infringe a Licensor Patent.

1.38 "**Governmental Body**" means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal); (d) multi-national or supranational organization or body; or (e) individual, entity or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.39 "**Hatch-Waxman Act**" means the Drug Price Competition and Patent Term Restoration Act of 1984, as amended.

1.40 "**Know-How**" means any scientific or technical information, results and data of any type whatsoever, in any tangible or intangible form whatsoever, that is not in the public domain or otherwise publicly known, including, without limitation, discoveries, inventions, trade secrets, databases, practices, protocols, regulatory filings, methods, processes, techniques, software, works of authorship, plans, concepts, ideas, biological and other materials, reagents, specifications, formulations, formulae, data (including, but not limited to, pharmacological, biological, chemical, toxicological, clinical and analytical information, quality control, trial and stability data), case reports forms, data analyses, reports, studies and procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), summaries and information contained in submissions to and information from ethical committees, the FDA or other Regulatory Authorities, and manufacturing process and development information, results and data, whether or not patentable, all to the extent not claimed or disclosed in a patent or pending patent application. The fact that an item is known to the public shall not be taken to exclude the possibility that a compilation including the item, and/or a development relating to the item, is (and remains) not known to the public. "Know-How" includes any rights including copyright, moral, trade secret, database or design rights protecting such Know-How. "Know-How" excludes Patent Rights.

1.41 "**IND**" shall mean any Investigational New Drug Application (including any amendments thereto) filed with the FDA pursuant to 21 C.F.R. §321 before the commencement of clinical trials of a Licensed Product, or any comparable filings with any Regulatory Authority in any other jurisdiction.

1.42 "**Launch**" means the First Commercial Sale of a Licensed Product by Checkpoint.

1.43 "**Law**" or "**Laws**" means all applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the binding effect of law of any Governmental Body.

1.44 "**Licensed Product**" means any product, that contains or comprises, in part or in whole, a Compound (alone or with one or more other active ingredients), in any dosage form, formulation, presentation or package configuration.

1.45 "**Licensor Know-How**" means any and all Know-How that (a) is Controlled by Licensor or any of its Affiliates as of the Effective Date or at any time thereafter during the Term and (b) pertains to the Manufacture, use or sale of Licensed Products, including Research Inventions (other than Research Patents).

1.46 "**Licensor Patents**" means all Patent Rights (i) that are Controlled by Licensor or any of its Affiliates as of the Effective Date that Cover the Compound or a Licensed Product, or their Manufacture, sale or use, including the patent applications listed on Schedule 2 attached hereto, (ii) consisting of Research Patents, and (iii) any Patent Rights arising from the patents and patent applications described in the foregoing subclauses (i) and (ii).

1.47 "**Licensor Technology**" means the Licensor Patents and the Licensor Know-How.

1.48 "**Major Countries**" means Japan, the United States, England, Germany and France.

1.49 "**Manufacture**" means all activities related to the production, manufacture, processing, filling, finishing, packaging, labeling, shipping and holding of Licensed Product or any intermediate thereof, including process development, process qualification and validation, scale-up, pre-clinical, clinical and commercial manufacture and analytic development, product characterization, stability testing, quality assurance and quality control.

1.50 "**Market**" means to promote, advertise, distribute, market, offer to sell and/or sell for purposes of a commercial sale, and "**Marketing**" and "**Marketed**" have a corresponding meaning.

1.51 "**Marketing Plan**" is defined in Section 3.7.

1.52 "**Milestone**" is defined in Section 5.2.

1.53 "**Milestone Payment**" is defined in Section 5.2.

1.54 "**NDA**" means a New Drug Application filed with the FDA pursuant to 21 C.F.R. §200, as such regulations may be amended from time to time, for approval by such agency for the sale of Licensed Products in the U.S., and all supplements filed pursuant to the requirements of the FDA (including all documents, data and other information concerning a Licensed Product that are necessary for, or included in, FDA approval to market a Licensed Product).

1.55 "**Net Sales**" means the gross amount invoiced or otherwise charged by Checkpoint, its Affiliates and Sublicensees ("Selling Party") to Third Parties for sales of a Licensed Product, less:

(a) Normal and customary trade, quantity, cash and discounts and credits allowed and taken;

(b) Discounts, refunds, rebates, chargebacks, retroactive price adjustments and any other allowances given and taken which effectively reduce the net selling price, including, without limitation, Medicaid rebates, institutional rebates or volume discounts;

(c) Product returns and allowances granted to such Third Party;

(d) Normal and customary administrative fees paid to group purchasing organizations (e.g., Medicare) and government-mandated rebates;

(e) Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

(f) Any tax, tariff or duties properly imposed on the production, sale, delivery or use of the Licensed Product, including, without limitation, sales, use, excise or value added taxes and customs and duties;

(g) Allowances for reasonable and verifiable distribution expenses; and

(h) Bad debt actually written off during the accounting period, as reported by the Selling Party in accordance with GAAP, applied on a consistent basis.

Licensed Products are considered "sold" when billed out or invoiced or, in the event such Licensed Products are not billed out or invoiced, when the consideration for sale of the Products is received. If a sale, transfer or other disposition with respect to Licensed Products involves consideration other than cash or is not at arm's length, then the Net Sales from such sale, transfer or other disposition shall be calculated from the average selling price for such Licensed Product during the Calendar Quarter in the country where such sale, transfer or disposition took place. Notwithstanding the foregoing, Net Sales shall not include, and shall be deemed zero with respect to: (i) Licensed Products used by Checkpoint, its Affiliates or Sublicensees for their internal use (without receipt of value in excess of the cost of goods), (ii) the distribution of promotional samples of Licensed Products provided free of charge, (iii) Licensed Products provided free of charge or at a price not to exceed the cost of goods by Checkpoint for Clinical Trials or research, development or evaluation purposes, or (iv) sales of Licensed Products among Checkpoint and its Sublicensees and their respective Affiliates for resale (provided such Affiliate or Sublicensee is not the end user).

Net Sales of any Licensed Product that is part of a Combination Product shall be determined on a country-by-country basis as follows: the Net Sales of the Combination Product (prior to application of the following adjustment) shall be multiplied by the fraction A/(A+B), where A is the net selling price in such country of a Licensed Product without the additional active ingredient in the Combination Product, if sold separately for the same dosage as contained in the Combination Product, and B is the net selling price in such country of any other active ingredients in the combination if sold separately for the same dosage (or form) as contained in the Combination Product. All net selling prices of the elements of such Combination Product shall be calculated as the average net selling price of the said elements during the applicable accounting period for which the Net Sales are being calculated. In the event that, in any country, no separate sale of either such above-designated Licensed Product (containing only such Licensed Product and no other active ingredients) or any one or more of the active ingredients included in such Combination Product are made during the accounting period in which the sale was made or if the net selling price for an active ingredient cannot be determined for an accounting period, Net Sales for purposes of determining payments under this Agreement shall be calculated by multiplying the sales price of the Combination Product by a mutually agreed percentage based on the relative contribution of the Licensed Product and the other additional active ingredients.

Notwithstanding anything to the contrary, in the case of discounts on "bundles" of separate products or services which include Licensed Products (such "bundles" including but not limited to (w) situations where the Licensed Product is sold at a discount to induce the sale of other related or unrelated products, (x) contingent arrangements involving drugs that share the same NDC (whether the same or different package sizes), drugs with different NDCs, (y) circumstances in which a discount is conditioned on the achievement of some other performance requirement for the Licensed Product (e.g. achievement of market share or placement on a formulary tier), or (z) otherwise where the resulting price concessions or discounts are greater than those which would have been available had the bundled products been purchased separately or outside the bundled arrangement), Checkpoint may calculate Net Sales and royalties due hereunder by applying a discount to the price of a Licensed Product equal to the average percentage discount of all products of Checkpoint, its Affiliate(s), or Sublicensee(s) in a particular "bundle", calculated as follows:

Average percentage

discount on a particular "bundle" = [1 - (X/Y)] x 100

where X equals the total discounted price of a particular "bundle" of products, and Y equals the sum of the undiscounted bona fide list prices of each unit of every product in such "bundle". If a Licensed Product in a "bundle" is not sold separately, and no bona fide list price exists for such Licensed Product, Checkpoint and Licensor shall, for purposes of calculating Net Sales and royalties due hereunder, negotiate in good faith a reasonable imputed list price for such Licensed Product and Net Sales with respect thereto shall be based on such imputed list price..

Undefined terms in the definition of Net Sales shall be construed in accordance with GAAP but only to the extent consistent with the express terms of the definition of Net Sales.

1.56 "**Paragraph IV Certification**" means a certification pursuant to the Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417), as amended, which shall include but not be limited to any such certification pursuant to 21 U.S.C. §355(b)(2)(A)(iv) or 21 U.S.C. §355(j)(2)(A)(vii)(IV), or any reasonably similar or equivalent certification or notice in the United States or any jurisdiction outside the United States, included in (or made with respect to or in connection with) a Regulatory Filing concerning a Licensed Product and challenging the validity, infringement, or enforceability of any Licensor Patent.

1.57 "**Patent Prosecution**" means, with respect to any Patent Right (a) preparing, filing and prosecuting applications (of all types), (b) paying filing, issuance and maintenance fees, (c) managing and conducting any interference, opposition, invalidation, re-issue, reexamination, renovations, nullification, post-grant review, inter partes review, derivation proceeding, cancellation proceeding or other similar administrative proceeding or administrative appeal thereof and (d) subject to Sections 6.3(d) and 6.4(f), settling any interference, opposition, revocation, nullification or cancellation proceeding. A Party responsible for Patent Prosecution shall be responsible for all of its fees and expenses incurred in connection therewith (including, without limitation, attorneys' fees).

1.58 "**Patent Right**" means: (a) an issued or granted patent, including any extension, supplemental protection certificate, registration, confirmation, reissue, reexamination, extension or renewal thereof; (b) a pending patent application, including any continuation, divisional, continuation-in-part, substitute or provisional application thereof; and (c) all counterparts or foreign equivalents of any of the foregoing issued by or filed in any country or other jurisdiction.

1.59 "**Person**" means any natural person, corporation, firm, business trust, joint venture, association, organization, company, partnership or other business entity, or any government or agency or political subdivision thereof.

1.60 "**Phase I Trial**" means a clinical trial of a Licensed Product in human patients conducted primarily for the purpose of determining the safety, tolerability and preliminary activity of the Licensed Product, including, without limitation, for determining the maximum tolerated dose, or optimal dose. For purposes of this Agreement, a Phase I trial shall specifically exclude a study in healthy volunteer.

1.61 "**Phase II Trial**" means a clinical trial of a Licensed Product in human patients commenced after identifying the maximum tolerated dose, or a lower dose if it is determined to be the optimal dose by Checkpoint, conducted primarily for the purpose of obtaining sufficient information about the Licensed Product's safety and efficacy to permit the design of a Phase III Trial.

1.62 "**Phase III Trial**" means a clinical trial of a Licensed Product in human patients, which trial is designed (a) to establish that the Licensed Product is safe and efficacious for its intended use; (b) to define warnings, precautions and adverse reactions that are associated with the Licensed Product in the dosage range to be prescribed; (c) to be, either by itself or together with one or more other clinical trials having a comparable design and size, the pivotal human clinical trial in support of an application for Regulatory Approval or label expansion of the Licensed Product, and (d) consistent with 21 CFR § 312.21(c) (as hereafter modified or amended), or with respect to a jurisdiction other than the United States, a similar clinical study.

1.63 "**Phase IV Clinical Trial**" or "**Post-Marketing Study**" means a post-marketing human clinical trial for a Licensed Product commenced after receipt of a Regulatory Approval in the country for which such trial is being conducted and that is conducted within the parameters of the Regulatory Approval for the Product. Phase IV Clinical Trials may include, without limitation, epidemiological studies, modeling and pharmacoeconomic studies, investigator-sponsored clinical trials of Product and post-marketing surveillance studies.

1.64 "**Pivotal Clinical Trial**" means (a) a Phase III Trial or, (b) a Phase II Trial to the extent: (i) in the United States, the protocol for that Phase II Trial shall have been reviewed by the FDA under its current Special Protocol Assessment Guidelines (or equivalent guidelines issued in the future), and any comments from the FDA on that protocol are incorporated in the final protocol for that Phase II Trial or are resolved to the FDA's satisfaction as evidenced by further written communications from the FDA; or (ii) a process with a comparable result – acceptance of a Phase II Trial protocol as "potentially pivotal" – has occurred with the EMA or other Regulatory Authorities in the EU; or (iii) based on the results of that Phase II Trial, either the FDA or the EMA has determined that the Phase II Trial can be considered as a pivotal clinical trial for purposes of obtaining Regulatory Approval.

1.65 "**Pricing Approval**" means any approval or authorization of any Governmental Body or Regulatory Authority establishing prices for a Licensed Product in a jurisdiction in the Territory.

1.66 "**Product Trademarks**" means the Trademark(s) to be used in connection with the Commercialization of Licensed Products in the Territory and any registrations thereof or any pending applications relating thereto (excluding, in any event, any trademarks, service marks, names or logos that include any corporate name or logo of the Parties or their Affiliates).

1.67 "**Proprietary Materials**" means any tangible chemical, biological or physical materials that are conceived or reduced to practice by Checkpoint in the conduct of the Development Program and/or in connection with the Commercialization of Licensed Products.

1.68 "**Regulatory Authority**" means (a) the FDA, (b) the EMA or the European Commission, or (c) any regulatory body with similar regulatory authority over pharmaceutical or biotechnology products in any other jurisdiction anywhere in the world.

1.69 "**Regulatory Approval**" means the license or marketing approval necessary as a prerequisite for Marketing a product in a country in the Territory. For the avoidance of doubt, Regulatory Approval outside of the United States shall include any Pricing Approval or marketing approval needed prior to the sale of a Licensed Product in the Field.

1.70 "**Regulatory Filing**" shall mean any filing or application with any Regulatory Authority, including INDs, NDAs and BLAs and their foreign equivalents with respect to a Licensed Product.

1.71 "**Reimbursement Approval**" means any approval or authorization of any Regulatory Authority or Governmental Body for establishing a health insurance or drug reimbursement scheme for a Licensed Product in a jurisdiction in the Territory.

1.72 "**Research Inventions**" shall mean any inventions, discoveries, improvements, processes, techniques, Know-How, information and data developed, generated, discovered, conceived or reduced to practice during the performance of the Work Plan (as defined in Section 4.1) and relating to the Compounds, whether or not patentable.

1.73 "**Research Patents**" means all Patent Rights Covering Research Inventions.

1.74 "**Response**" shall have the meaning set forth in Section 11.1.

1.75 "**Royalty Term**" means, and determined on a Licensed Product-by-Licensed Product and country-by-country basis, the period commencing from the First Commercial Sale of a given Licensed Product in such country and ending on the expiry of the last-to-expire Licensor Patent containing a Valid Claim Covering such Licensed Product in such country.

1.76 "**Significant Development Event**" means any of the following material Development events, a summary of which shall be included in any Development Report: (a) any material interaction and/or written correspondence between Checkpoint or its Sublicensees and any Regulatory Authority with respect to a Compound or a Licensed Product; (b) any material event with respect to any Clinical Trial involving the Compound and/or a Licensed Product, including any such event that is ongoing as of the date of the applicable Development Report, or is reasonably expected to occur or be initiated within twelve (12) months of the date of the applicable Development Report; and (c) any material result obtained in the conduct of any Clinical Trial involving a Compound and/or a Licensed Product during the period covered by the Development Report. For purposes of this definition, "material" shall be defined as any event and/or result which have had or may have a significant impact on the activities and timelines defined in the Development Plan of a Licensed Product.

1.77 "**sNDA**" means a supplemental New Drug Application, as defined in the FD&C Act and applicable regulations promulgated thereunder.

1.78 "**Sublicense**" means an agreement under which Licensee grants a sublicense under the license set forth in Section 2.1.

1.79 "**Sublicensee**" means a Third Party or Affiliate to which Checkpoint has, pursuant to Section 2.2, granted sublicense rights under any of the license rights granted under Section 2.1.

1.80 "**Tax**" or "**Taxes**" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

1.81 "**Technical Dispute**" shall have the meaning set forth in Section 11.2.

1.82 "**Terminated Country(ies)**" is defined in Section 10.9.

1.83 "**Territory**" means worldwide.

1.84 "**Third Party**" means any Person other than Licensor, Checkpoint or their Affiliates.

1.85 "**Third Party Action**" means any claim or action made by a Third Party against a Party that claims that a Licensed Product's use, Development, manufacture or sale by Checkpoint or its Sublicensees infringes such Third Party's intellectual property rights in the Territory.

1.86 "**Trademark**" shall include any word, name, symbol, color, designation or device or any combination thereof that functions as a source identifier, including any trademark, trade dress, service mark, trade name, logo, design mark or domain name, whether or not registered.

1.87 "**United States**" or "**U.S.**" means the United States of America and its territories and possessions.

1.88 "**Valid Claim**" means a claim of any pending Patent Right (including patent applications) or any issued, unexpired United States or granted foreign patent that has not been dedicated to the public, disclaimed, abandoned or held invalid or unenforceable by a court or other body of competent jurisdiction from which no further appeal can be taken, and that has not been explicitly disclaimed, or admitted in writing to be invalid or unenforceable or of a scope not covering a particular product or service through reissue, disclaimer or otherwise, provided that if a particular claim has not issued within eight (8) years of its initial filing, it shall not be considered a Valid Claim for purposes of this Agreement unless and until such claim is included in an issued or granted Patent, notwithstanding the foregoing definition.

ARTICLE II
LICENSES AND OTHER RIGHTS

2.1 **Grant of License to Checkpoint.** Licensor, on behalf of itself and its Affiliates, hereby grants to Checkpoint and its Affiliates, and Checkpoint and its Affiliates hereby accept, an exclusive (even as to Licensor), royalty-bearing right and license (with the right to grant sublicenses in accordance with the provisions of Section 2.2) under the Licensor Technology to research, Develop, have Developed, Manufacture, have Manufactured, use, import, Commercialize and have Commercialized the Compound and Licensed Products in and for the Field and Territory.

2.2 **Grant of Sublicenses by Checkpoint.** The rights and licenses granted in Section 2.1 includes the right to grant sublicenses through multiple tiers of Sublicensees directly or through Sublicensees, provided: (i) Checkpoint shall enter into a Sublicense with each of its Sublicensees that contains terms and conditions that are consistent in all material respects with the terms and conditions of this Agreement and that provide that upon termination of this Agreement with respect to a country covered by such Sublicense, Licensor is a third party beneficiary of such Sublicense; (ii) each Sublicensee agrees in writing with Checkpoint to maintain accurate and complete books and records and permit Licensor to review such books and records (including through the audit provisions of this Agreement); and (iii) such Sublicense agreement permits Checkpoint or a Sublicensee to assign to Licensor such Sublicense agreement. Notwithstanding the foregoing sentence, it is not required that a Sublicense include provisions for the Sublicensee to pay Royalties or make milestone payments directly to Licensor or to provide royalty reports directly to Licensor. Checkpoint shall be and remain fully responsible for the compliance by Sublicensees with the terms and conditions of this Agreement applicable to such Sublicensees. Checkpoint shall not be relieved of its obligations pursuant to this Agreement as a result of such Sublicense, except to the extent such obligations are satisfactorily performed by any such sublicensee. With respect to each Sublicense (and any amendments thereto), Checkpoint shall forward to Licensor (x) a copy of any Sublicense and any amendments thereto, and (y) a certificate in writing that the Sublicense (and any amendments thereto) are in compliance with the terms of this Agreement, within thirty (30) days following the full execution thereof, provided that Checkpoint shall have the right to remove from such copy any confidential information therein.

2.3 **Bankruptcy Code.** All rights and licenses granted under or pursuant to this Agreement by Licensor to Checkpoint are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code. The Parties agree that Checkpoint, as a licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code.

2.4 **Technology Transfer.** As soon as reasonably practicable after the Effective Date, but in no event later than thirty (30) days following the Effective Date, Licensor will provide to Checkpoint (i) a copy of all Licensor Know-How (including but not limited to any preclinical data, clinical data, assays and associated materials, protocols, and procedures pertaining to Licensor's Development of the Licensed Products as of the Effective Date) and (ii) the biological materials described on Schedule 3 attached hereto (the "**Materials**"). All such transfers will be done in a reasonably secure manner using either encrypted media or encrypted transfer technology, or, if paper utilizing secure courier or tracked delivery processes. Checkpoint shall pay for the reasonable, documented costs of shipping the Materials to it. If, during the term of this Agreement Licensor possesses Licensor Know-How not previously provided to Checkpoint, it shall, within thirty (30) days after it comes into possession of such Licensor Know-How, provide copies of such Know-How to Checkpoint.

2.5 **Non-Compete.** On a country-by-country basis during the Royalty Term for each country (and with respect to an Abandoned Terminated Country, the Royalty Term for the United States), Checkpoint, its Affiliates and its Sublicensees shall not directly or indirectly engage in the research, development, Manufacture or commercialization of a Competing Product in such country. On a country-by-country basis during the Royalty Term for each country, Licensor, its Affiliates shall not directly or indirectly engage in the research, development, Manufacture or commercialization of a Competing Product in such country; provided, however, that any Affiliate of Licensor engaged in the provision of development or contract manufacturing services to Third Parties for a fee may provide development and contract manufacturing services to a Third Party relating to a Competing Product. This Section 2.5 shall not apply to Competing Products or prospective Competing Products acquired after the Effective Date by either Party or its Affiliates through acquisition of or merger with a Third Party or by purchase of substantially all of the assets of a Third Party.

ARTICLE III
DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION

3.1 **Objective of Development Program and Diligence by Checkpoint.**

(a) Pursuant to the Development Program, Checkpoint, itself or through or with its Affiliates or Sublicensees, shall use Commercially Reasonable Efforts to Develop and to Commercialize at least one Licensed Product in each of the Major Countries and use Commercially Reasonable Efforts to Develop and to Commercialize at least one Licensed Product in at least one country that is not a Major Country. In addition, Checkpoint shall use Commercially Reasonable Efforts to Develop and to Commercialize the Licensed Products in the rest of the Territory; provided, however, for the sake of clarity, Checkpoint will not be in breach or violation of its requirement to use such Commercially Reasonable Efforts in a country (other than such Major Countries and such other one country that is not a Major Country), if the Development and/or Commercialization in such country is not economically prudent or feasible as reasonably determined by Checkpoint in its sole discretion.

(b) Checkpoint and/or its Affiliates and Sublicensees shall perform Development of the Licensed Product in good scientific manner and in compliance in all material respects with all applicable Laws and with cGLPs, cGMPs and cGCPs (or, if and as appropriate under the circumstances, International Conference on Harmonization ("**ICH**") guidance (or other comparable regulation and guidance of any Regulatory Authority in the Territory).

3.2 **Development Plan and Report.** Within ninety (90) days of the Effective Date, Checkpoint shall provide Licensor a Development Plan. Within thirty (30) days of the end of each Calendar Year, Checkpoint shall prepare and provide to the Licensor an updated Development Plan detailing any amendments, modifications and/or updates to any existing Development Plan along with a Development Report. For the avoidance of doubt, Development Plans are nonbinding and Checkpoint shall not be in breach of this Agreement if it does not Develop the Compound or Licensed Products in accordance with any Development Plan. Upon Regulatory Approval of a Licensed Product for a particular Major Country, Checkpoint's obligations under this Section 3.2 shall terminate for that country.

3.3 **Authority.** As between Checkpoint and Licensor, Checkpoint shall have the exclusive right, and sole decision-making authority, to Develop, manufacture and Commercialize any Licensed Products in and for the Field (either itself or through its Affiliates, agents, subcontractors and/or Sublicensees).

3.4 **Costs and Expenses.** Checkpoint shall be solely responsible for all of the costs and expenses related to Development, Manufacture and Commercialization of the Licensed Products.

3.5 **Regulatory.** Checkpoint and Sublicensees shall be responsible for, and shall control all filings and interactions with Regulatory Authorities with respect to the Licensed Products, and Checkpoint and its Sublicensees shall control and coordinate all clinical and regulatory strategy for the Licensed Products. Any NDAs, Regulatory Approvals, INDs, or other Regulatory Filings shall be submitted and maintained solely at the expense of, in the name of, and exclusively owned by Checkpoint or its designee with respect to the Licensed Product, and Checkpoint shall be responsible for any Regulatory Filing fees and other regulatory fees. Licensor agrees to cooperate with, and provide reasonable assistance to Checkpoint, at Checkpoint's expense (including all internal personnel costs) in the preparation of such Regulatory Filings at Checkpoint's expense.

3.6 **Manufacturing.** During the Term, Checkpoint and its Sublicensees shall have the sole obligation and responsibility, and at their sole cost and expense, for all aspects of Manufacturing, including without limitation, testing packaging and labeling the Licensed Products, and any costs associated with storage, release and Third Party logistics. Checkpoint and Sublicensees may engage contract Manufacturers to Manufacture (including labeling, packaging and testing) the Product. As a part of such responsibilities, Checkpoint covenants and agrees to use Commercially Reasonable Efforts to obtain the right under any agreement with a Third Party providing for the Manufacture or distribution of the Product to assign such agreement to Licensor upon termination of this Agreement in the circumstance where the provisions of Section 10.7 are applicable. Checkpoint shall or shall cause all Manufacturing to be done in accordance with cGMP and applicable Law.

3.7 **Marketing.** Following receipt of Marketing Approval for a Licensed Product in a jurisdiction in the Territory and during the remainder of the Term:

(a) Checkpoint shall be solely responsible to Market the Licensed Product in the Territory using Commercially Reasonable Efforts. As used in this Section, "Checkpoint" includes its Affiliates and Sublicensees.

(b) At least once per calendar year following the first Regulatory Approval of a Licensed Product in a jurisdiction, Checkpoint shall provide to licensor a high level written status report summarizing the material Marketing activities conducted by Checkpoint and its Affiliates (but not its Sublicensees) pertaining to the Licensed Product.

ARTICLE IV
LICENSOR RESEARCH

4 . 1 **Overview.** Licensor agrees to use Commercially Reasonable Efforts to conduct and complete the research project (the "**Research Project**") described in Schedule 4 hereto (the "**Work Plan**") in accordance with the timeline set forth in the Work Plan. Upon completion of all of the tasks set forth in the Work Plan, Licensor shall deliver to Checkpoint the deliverables set forth in the Work Plan. The date on which Checkpoint provides written notice (the "**Confirmation Notice**") to Licensor stating that (i) it has received all such deliverables and (ii) such deliverables are of reasonable quality and meet the requirements of the Work Plan shall be the "**Deliverable Date**." Checkpoint will not unreasonably withhold, delay or condition providing the Confirmation Notice. All Licensor Know-How generated in connection with such Research Project shall be delivered to Checkpoint within thirty (30) days following the completion of the Work Plan and shall deemed Licensor Know-How licensed to Checkpoint hereunder. Any dispute between the Parties on whether Licensor's deliverables under the Work Plan meet the requirements of the Work Plan shall be subject to the dispute resolution provisions of Section 11.2.

4.2 **Payment.** Checkpoint shall pay Licensor for the performance of the Work Plan in accordance with the fee and payment scheduled included in the Work Plan. Checkpoint shall have the right to terminate the Research Project at any time by providing written notice of the same to Licensor. Upon receipt of such notice, Licensor shall terminate the conduct of the Work Plan and Checkpoint shall not be responsible for any additional payments with respect to the Work Plan (except for payments for work in process and completed tasks and expenses arising from cancellation by Licensor of contracts or commitments and Licensor's winding down expenses.

4 . 3 **Status.** Every other calendar month until Licensor delivers the Confirmation Notice, the Parties shall meet at a time and place, either in person or via teleconference, mutually agreed upon by the Parties to discuss the status of the Work Plan. Within ten (10) days following the date Licensor substantially completes the work under the Work Plan, Licensor shall provide to Checkpoint a reasonably detailed written report regarding the deliverables provided in the Work Plan. Licensor shall promptly provide to Checkpoint any other information reasonably requested by Checkpoint from time to time regarding the Work Plan at Checkpoint's expense.

4 . 4 **Research Inventions.** Notwithstanding anything to the contrary contained in the Work Plan, Licensor shall own all right, title and interest in and to the Research Inventions, including, without limitation, all Research Patents and all other intellectual property rights appurtenant to the Research Inventions. Research Patents shall be Licensor Patents and come within the ambit of the license of Section 4.1.

ARTICLE V
Financial Provisions

5.1 **License Fee.** Checkpoint shall pay to Licensor a non-refundable, non-creditable license fee of two million U.S. dollars ($2,000,000) within thirty (30) days of the Effective Date. As of the Effective Date, there are no pending performance obligations on Licensor to receive the license fee.

5 . 2 **Milestone Payments.** Checkpoint shall, with respect to the first Licensed Product to achieve a milestone event below (a "**Milestone**"), pay to Licensor the respective non-refundable and non-creditable milestone payment ("**Milestone Payment**") under the column "First Achievement Milestone Payment" within thirty (30) days following Checkpoint's receipt of actual knowledge of such achievement. In the event a Milestone (other than the first Milestone listed below) is achieved by a Second Licensed Product (as defined below), Checkpoint shall pay to Licensor the respective milestone payment under the column "Second Product Milestone Payment" within thirty (30) days following Checkpoint's receipt of actual knowledge of such achievement. For avoidance of doubt, each Milestone Payment in the table below shall only be paid once under this Agreement, regardless of the number of times such Milestone may be achieved. "**Second Licensed Product**" means, with respect to a Milestone, a Licensed Product containing a Compound that was not contained in the Licensed Product that first achieved such Milestone. For clarity, with respect to each Milestone, a Second Product Milestone cannot be triggered by a Licensed Product containing the same Compound that achieved the respective First Achievement Milestone, even if for a different indication. By way of further clarification, with respect to a Licensed Product contained in a Combination Product, the Net Sales that trigger the Milestone Payment will be that portion of Net Sales attributable to the Licensed Product as provided in the definition of "Net Sales". Notwithstanding the table below, upon achievement of a Development Milestone, payments for such Development milestone and all prior Development Milestones shall be due and payable to the extent not already paid.

Milestone Event	First Achievement Milestone Payment	Second Product Milestone Payment
1. *.	$ *	N/A
2. *.	$ *	$ *
3. *	$ *	$ *
4. *	$ *	$ *
5. *	$ *	$ *
6. *	$ *	$ *
7. *.	$ *	$ *
8. *	$ *	$ *
9. *.	$ *	$ *
10. *.	$ *	$ *
11. *.	$ *	$ *
12. *.	$ *	$ *

Within thirty (30) days of achieving a Milestone, Checkpoint shall provide written notice to Licensor of such achievement. If at any time Licensor disputes whether a Development Milestone has been achieved, the matter shall be referred for resolution in accordance with Section 11.2 as a Technical Dispute.

5.3 **Royalty Payments for Licensed Product**.

(a) In addition to those payments due to Licensor under 5.1 and 5.2 above, Checkpoint shall pay to Licensor a tiered royalty on the Calendar Year, worldwide aggregate Net Sales of all Licensed Products during the Licensed Product-by-Licensed Product and country-by-country Royalty Terms by Checkpoint and its Affiliates and Sublicensees (but excluding Net Sales of a given Licensed Product in a given country after its applicable Royalty Term), at the percentage rates set forth below:

Portion of Aggregate Calendar Year Net Sales of all Licensed Products (U.S. Dollars)	Incremental Royalty Rate
$* to $*	*%
More than $* to $*	*%
More than $*	*%

The thresholds in the above table shall be pro-rated for any Calendar Year in which the first Royalty Term commences or the last Royalty Term expires or terminates by multiplying such threshold (e.g., $500 million, $1 billion) by the number of days such Royalty Term was in effect during such Calendar Year and dividing the result by 365.

(b) On a Licensed Product-by-Licensed Product and country-by-country basis upon expiration of the Royalty Term, for a Licensed Product in a country, the rights, licenses and sublicenses granted to Checkpoint hereunder with respect to such Licensed Product in such country shall continue in effect but become exclusive fully paid-up, royalty-free, transferable (to the extent not transferable previously), perpetual and irrevocable, provided that Checkpoint shall remain liable for any unpaid Milestone Payments and any royalty payments previously owed or accrued. For the avoidance of doubt, in a country where no Licensor Patent containing a Valid Claim covering a Licensed Product has ever existed nor ever exists, no royalties shall be due.

* Confidential material redacted and filed separately with the Commission.

* Confidential material redacted and filed separately with the Commission.

5.4 **Timing of Payment.** Payments in the nature of royalties payable under Section 5.3(a) shall be payable on actual Net Sales and shall accrue at the time provided therefor by GAAP. Payments in the nature of royalty obligations that have accrued during a particular Calendar Quarter shall be paid, on a Calendar Quarter basis, within 60 days after the end of each Calendar Quarter commencing with the Calendar Quarter in which the First Commercial Sale occurred.

5.5 **Royalty Reports and Records Retention.** Within sixty (60) days after the end of each Calendar Quarter during which Licensed Products have been sold, Checkpoint shall deliver to Licensor, together with the applicable royalty/payment in the nature of royalties payment due, a written report, on a Licensed Product-by-Licensed Product and country-by-country basis, of Net Sales for such Calendar Quarter. Such report shall (i) total Net Sales for each Licensed Product and Combination Product (including an itemization of the deductions applied to such gross sales to derive such Net Sales and if a Licensed Product is part of a Combination Product the percentage of the Combination Product's Net Sales attributed to the Licensed Product) during the relevant Calendar Quarter, in each case on a dosage-by-dosage, country-by-country basis, including a summary of currency exchange rates used in the calculations, and (ii) the calculation of royalties due on the foregoing. In addition for any Sublicense, the report shall provide the information in clauses (i) through (ii) above. Such report shall be deemed "Confidential Information" of Checkpoint subject to the obligations of Article VII of this Agreement. For three years after each sale of a Licensed Product, Checkpoint shall keep (and shall cause its Affiliates and Sublicensees to keep) complete and accurate records of such sale in sufficient detail to confirm the accuracy of the royalty or royalty/payment in the nature of royalties calculations hereunder.

5.6 **Audits**.

(a) Upon the written request of Licensor, and not more than once in each Calendar Year, Checkpoint shall permit an independent certified public accounting firm ("**Auditors**") of nationally recognized standing selected by Licensor and reasonably acceptable to Checkpoint, at Licensor's expense, to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of Checkpoint and its Affiliates or Sublicensees to verify the accuracy of the royalty reports and the Milestone Payments for Milestones which are not Development Milestones. Such review may cover: (i) the records for sales made in any Calendar Year ending not more than three years before the date of such request, and (ii) only those periods that have not been subject to a prior audit. The accounting firm shall disclose to Licensor only whether the royalty reports and Milestone Payments are correct or incorrect and the specific details concerning any discrepancies. No other information shall be provided to Licensor by the Auditors. This right to audit shall remain in effect during the Term of this Agreement and for a period of two (2) years after the termination of this Agreement.

(b) If such accounting firm concludes that additional royalties or Milestone Payments were owed during such period, Checkpoint shall pay the additional royalties and Milestone Payments within 30 days after the date such public accounting firm delivers to Checkpoint such accounting firm's written report. If such accounting firm concludes that an overpayment was made, such overpayment shall be fully creditable against amounts payable in subsequent payment periods or at Checkpoint's request, shall be reimbursed to Checkpoint within 30 days after the date such public accounting firm delivers such report to Checkpoint. Licensor shall pay for the cost of any audit by Licensor, unless Checkpoint has underpaid Licensor by $50,000 or more for a specific royalty period, in which case Checkpoint shall pay for the reasonable costs of audit.

(c) Each Party shall treat all information that it receives under this Section 5.6 in accordance with the confidentiality provisions of Article VII of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with the audited Party obligating such firm to retain all such financial information in confidence pursuant to such confidentiality agreement, except to the extent necessary for a Party to enforce its rights under the Agreement.

5.7 **Mode of Payment and Currency.** All payments to Licensor under this Agreement, whether or not in respect of Net Sales or milestone events, shall be made by deposit of U.S. Dollars in the requisite amount to such bank account as Licensor may from time to time designate by advance written notice to Checkpoint. Conversion of sales or expenses recorded in local currencies to Dollars will be performed in a manner consistent with Checkpoint's normal practices used to prepare its audited financial statements for external reporting purposes, provided that such practices use a widely accepted source of published exchange rates. These practices are set forth on Schedule 5 attached hereto. Based on the resulting Net Sales in U.S. Dollars, the then applicable royalties/payment in the nature of royalties shall be calculated.

5.8 **Late Payments.** If a Party does not receive payment of any sum due to it on or before the due date therefor, simple interest shall thereafter accrue on the sum due to such Party from the due date until the date of payment at a rate equal to the lesser of (a) U.S. Dollar one-month LIBOR as of the date such payment was due (taken from a widely accepted source of published interest rates), plus three (3) percentage points, or (b) the maximum rate permissible under applicable Law. Accrual and payment of interest shall not be deemed to excuse or cure breaches of contract arising from late payment or nonpayment.

5.9 **Taxes.** All amounts due hereunder exclude all applicable sales, use, and other taxes and duties, and Checkpoint shall be responsible for payment of all such taxes (other than based on Licensor's income) and duties and any related penalties and interest, arising from the payment of amounts due under this Agreement. The Parties agree to cooperate with one another and use Commercially Reasonable Efforts to avoid or reduce tax withholding or similar obligations in respect of payments in the nature of royalties, Milestone Payments, and other payments made by Checkpoint to Licensor under this Agreement. To the extent Checkpoint is required to withhold taxes on any payment to Licensor, Checkpoint shall pay the amounts of such taxes to the proper governmental authority in a timely manner and promptly transmit to Licensor official receipts issued by the appropriate taxing authority and/or an official tax certificate, or such other evidence as Licensor may reasonably request, to establish that such taxes have been paid. Licensor shall provide Checkpoint any tax forms that may be reasonably necessary in order for Checkpoint to not withhold tax or to withhold tax at a reduced rate under an applicable bilateral income tax treaty. Licensor shall use Commercially Reasonable Efforts to provide any such tax forms to Checkpoint at least 45 days before the due date for any payment for which Licensor desires that Checkpoint apply a reduced withholding rate. Each Party shall provide the others with reasonable assistance to enable the recovery, as permitted by applicable law, of withholding taxes, value added taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the Party bearing such withholding tax or value added tax. Notwithstanding the foregoing, if Checkpoint transfers or sublicenses any rights under this Agreement, Drug Approval Applications or Regulatory Approvals, Development Inventions or relocates or assigns this Agreement and as a result Checkpoint or its assignee is required to withhold or deduct any taxes by any government outside the United States, any subdivision thereof, or any other governmental unit within the territory of such government (such taxes collectively referred to as "**Charges**"), in excess of Charges that Licensor would otherwise be required to pay had such transfer, relocation, or assignment not been made, or Licensor is required to pay any Charge imposed by any government outside the United States in excess of Charges that Licensor would otherwise be required to pay had such transfer or assignment not been made, Checkpoint shall pay such additional amounts so that payments received by Licensor net of all Charges, shall equal the amount to which Licensor would have been entitled had there been no such Charges, provided, however that Checkpoint shall have no obligation to pay any additional amount to the extent that the Charges are imposed by reason of Licensor failing to provide a form or similar other evidence reasonably requested by Checkpoint that would allow for a reduction or exemption of such Charges that Licensor is legally able to provide (including, for the avoidance of doubt, Licensor's qualification for the benefit of an applicable income tax convention).

ARTICLE VI
Inventions and Patents

6.1 **Patent Prosecution and Maintenance.**

(a) Patents. Checkpoint shall reimburse up to $50,000 in expenses (including attorney's fees) incurred by Licensor for filing of patent applications (national, international or PCT) included in the Licensor Patents and filed prior to the Effective Date within thirty (30) days of receipt of Licensor's invoice for such expenses. Thereafter Checkpoint shall be solely responsible for Patent Prosecution of the Licensor Patents worldwide. Except as provided in Section 6.1(b), Checkpoint shall assume and have sole responsibility for Patent Prosecution for the Licensor Patents in the Territory. Checkpoint will, to the extent reasonably practicable, provide Licensor a reasonable opportunity to review and comment on any material patent filings or correspondence with patent authorities pertaining to the Licensor Patents, provided that all decisions with respect to Patent Prosecution of the Licensor Patents under this Section 6.1(a) shall be made by Checkpoint in its sole reasonable discretion. In the event any Licensor Patents come under the Control of Licensor after the Effective Date Licensor shall promptly notify Checkpoint. Checkpoint shall not abandon prosecution or maintenance of any Licensor Patent without first notifying Licensor in a reasonably timely manner of Checkpoint's intention and reason therefor, and providing Licensor with reasonable opportunity to consider to assume, with no obligation to do so, responsibility for prosecution and maintenance of such Licensor Patent as set forth in Section 6.1(b).

(b) **Abandonment.** If Checkpoint provides Licensor with written notification that it will no longer support or pursue the filing, prosecution, or maintenance ("**Abandonment**" and when uses as a verb "**Abandon**") of a specified Licensor Patent in a particular country (an "**Abandoned Patent**"), then (a) Checkpoint's responsibility for such filing, prosecution, or maintenance of the Abandoned Patent in such country, and the fees and costs related thereto, will terminate on the earlier of (x) the date sixty (60) Calendar Days after Licensor's receipt of such written notice from Checkpoint or (y) Licensor's assumption of the filing, prosecution and maintenance of such Abandoned Patent in such country, and (b) the specified Abandoned Patent shall no longer be deemed a Licensor Patent hereunder. If Checkpoint Abandons all Licensor Patents in a country, Licensor by notice to Checkpoint may terminate such country from this Agreement and such country will become an "**Abandoned Terminated Country**". Following Licensor's notice, Checkpoint's (and its Sublicensees') rights to any Licensor Patents in such country shall terminate.

6 . 2 **Certification under Drug Price Competition and Patent Restoration Act.** Each of Licensor and Checkpoint shall immediately give written notice to the other of any Paragraph IV Certification.

6.3 **Enforcement of Patents**.

(a) **Notice.** If either Party becomes aware of (i) any actual, potential, or alleged infringement of any of the rights to Licensor Patents granted to Checkpoint under this Agreement with respect to Licensed Products, (ii) misappropriation of any Licensor Know-How or (iii) a Paragraph IV Certification a certification (each of subclauses (i), (ii) and (iii), an "**Infringement**") and, such Party shall give to the other Party prompt and reasonably detailed written notice of such actual, potential, or alleged Infringement. Notwithstanding the foregoing, each Party shall notify the other Party within two (2) Business Days of its receipt of, or receipt of notice of, any Paragraph IV Certification. This Section 6.3 sets forth the rights of the Parties to commence and prosecute an action relating to such Third Party Infringement (an "**Offensive Enforcement Action**").

(b) **Right to Bring an Action for Licensor's Patents.** Checkpoint shall have (i) the right, but not the obligation to undertake control of, and manage and prosecute, compromise or settle, including selection of counsel (collectively, "**Prosecute**"), any Offensive Enforcement Action relating to a Paragraph IV Certification and (ii) the right but not the obligation to Prosecute any other Offensive Infringement Action. If Checkpoint has not exercised its first right to Prosecute a non Paragraph IV Offensive Infringement Action within one hundred eighty (180) days of receipt of notice of the same, or a Paragraph IV Offensive Infringement Action within twenty (20) days of receipt of notice of same, it shall within five (5) days notify Licensor in writing and Licensor may, by written notice to Checkpoint, Prosecute such action (either such Party who Prosecutes such action, the "**Prosecuting Party**"). The non-Prosecuting Party may, in its sole discretion and at its expense, join in any Offensive Infringement Action and in such case shall reasonably cooperate with the Prosecuting Party. At the Prosecuting Party's request the non-Prosecuting Party shall provide the Prosecuting Party with all relevant documentation (as may be requested by the Prosecuting Party) evidencing that the Prosecuting Party is validly empowered by the non-Prosecuting Party to initiate an Offensive Infringement Action. The non-Prosecuting Party shall be under the obligation to join the Prosecuting Party in its Offensive Infringement Action if the Prosecuting Party determines that this is necessary to demonstrate "standing to sue", provided that the Prosecuting Party shall pay the fees (including attorneys' fees) if the non-Prosecuting Party retains its own counsel. The Prosecuting Party shall have the sole and exclusive right to select counsel for any suit initiated by it pursuant to this Section 6.3 (but not the non-Prosecuting Party's counsel). Checkpoint's or Licensor's rights under this Section may be exercised by their respective Affiliates or in Checkpoint's case, Sublicensees.

(c) **Costs and expenses of an Action.** Subject to Section 6.3(b) and (f), each Party involved in an Action under Section 6.3(b) shall pay its own costs and expenses incurred in connection with such Action.

(d) **Settlement.** No Party shall settle or otherwise compromise (or resolve by consent to the entry of judgment upon) any Offensive Infringement Action or Patent Prosecution by admitting that any Licensor Patent is to any extent invalid or unenforceable or any settlement (or consent to the entry of a judgment) that entails any payment by the other Party, any license, covenant not to sue relating to, dedication to the public of, abandonment of, any Licensor Technology or would otherwise grant any rights to Manufacture, use, sell or otherwise commercialize a Competing Product, or materially adversely affect the rights of the other Party, without the other Party's prior written consent.

(e) **Reasonable Assistance.** Each Party (if it is not the Party Prosecuting or defending Licensor's Patent Rights) shall provide reasonable assistance to the other Party, including providing access to relevant documents and other evidence and making its employees and consultants available, subject to the other Party's reimbursement of any reasonable out-of-pocket expenses incurred on an on-going basis by the non-enforcing or non-defending Party in providing such assistance.

(f) **Distribution of Amounts Recovered.** Any amounts recovered by the Party initiating an Offensive Infringement Action pursuant to this Section 6.3, whether by settlement or judgment, shall be allocated in the following order: (i) to reimburse the Prosecuting Party for any costs incurred; (ii) to reimburse the non-Prosecuting Party for its costs incurred in such Offensive Infringement Action, if it joins (as opposed to taking over) such Offensive Infringement Action; and (iii) the remaining amount of such recovery shall (A) if Checkpoint (or a Sublicensee) is the Prosecuting Party in the Offensive Infringement Action, the remainder shall be allocated to Checkpoint and the portion thereof attributable to "lost sales" shall be deemed to be Net Sales for the Calendar Quarter in which the amount is actually received by Checkpoint and Checkpoint shall pay to Licensor a royalty on such portion based on the royalty rates set forth in Section 5.3(a), and the portion thereof not attributable to "lost sales" shall be allocated to Checkpoint and (B) if Licensor is the Prosecuting Party then the remaining amount of the recovery shall be retained by the Licensor.

(g) Irrespective of whether Checkpoint or the Licensor decide to take any action under Section 6.3(b), the payment obligations under Section 5 shall remain unaffected.

6.4 **Third Party Actions Claiming Infringement**.

(a) **Notice.** If either Licensor or Checkpoint becomes aware of any Third Party Action, such Party shall promptly notify the other of all details regarding such claim or action that is reasonably available to such Party.

(b) **Duty to Defend.** Subject to the respective indemnity obligations of the Parties set forth in Article IX, Checkpoint shall have the obligation, at its sole cost and expense, to defend a Third Party Action described in Section 6.4(a) and (subject to Section 6.4(f)) to compromise or settle such Third Party Action. Checkpoint shall have the sole and exclusive right to select counsel for such Third Party Action.

(c) **Consultation.** Checkpoint shall be the "**Controlling Party**" in a Third Party Action. The Controlling Party shall consult with the non-Controlling Party, pursuant to an appropriate joint defense or common interest agreement, on all material aspects of the defense. The non-Controlling Party shall have a reasonable opportunity for meaningful participation in decision-making and formulation of defense strategy. The Parties shall reasonably cooperate with each other in all such actions or proceedings. The non-Controlling Party will be entitled to join the Third Party Action and be represented by independent counsel of its own choice at its own expense.

(d) **Appeal.** Subject to the respective indemnity obligations of the Parties set forth in Article IX, in the event that a judgment in a Third Party Action is entered against Licensor and an appeal is available, the Controlling Party shall, in the absence of the non-Controlling Party's written consent to the contrary, have the obligation to file such appeal. If applicable Law requires the non-Controlling Party's involvement in an appeal, the non-Controlling Party shall be a nominal party in the appeal and shall provide reasonable cooperation to such Party at such Party's expense.

(e) **Costs and expenses of an Action.** Subject to the respective indemnity obligations of the Parties set forth in Article IX, the Controlling Party shall pay all costs and expenses associated with such Third Party Action other than the expenses of the other Party if the other Party elects to join such Third Party Action, (as provided in the last sentence of Section 6.4(c)). For the avoidance of doubt, all damage and liability awards and settlement payments shall be paid by the Controlling Party subject to the respective indemnity obligations of the Parties set forth in Article IX.

(f) **No Settlement without Consent.** Neither Licensor or Checkpoint shall settle or otherwise compromise (or resolve by consent to the entry of judgment upon) any Third Party Action or Patent Prosecution by admitting that any Licensor Patent is to any extent invalid or unenforceable or that any Licensed Product, or its use, Development, importation, manufacture or sale infringes such Third Party's intellectual property rights, or entering into a settlement providing for a license, covenant not to sue relating to, dedication to the public of, abandonment of, any Licensor Technology or would otherwise grant any rights to Manufacture, use, sell or otherwise commercialize a Competing Product or materially adversely affects the rights of the other Party, in each case without the other Party's prior written consent.

(g) The payment obligations under Section 5 shall remain unaffected during or following any Third Party Action.

6.5 **Trademark Infringement**.

(a) With respect to any and all claims instituted by Third Parties against Licensor or Checkpoint or any of their respective Affiliates or Sublicensees for Trademark infringement involving the Marketing of the Licensed Products, Checkpoint shall be solely responsible for, and indemnify Licensor against, any and all Losses arising out of or resulting from the use of any Trademarks.

(b) In the event that a Party becomes aware of actual or threatened infringement of a Trademark used in connection with a Licensed Product, that Party shall promptly notify the other Party in writing. Checkpoint shall have the right but not the obligation to bring an action with respect to such infringement against any Third Party for infringement of a Trademark used in connection with a Licensed Product. Checkpoint shall bear all out-of-pocket costs and expenses of the action (including court costs, reasonable fees of attorneys, accountants and other experts and other expenses of litigation or proceedings) and shall be entitled to any recovery in such infringement action.

ARTICLE VII
CONFIDENTIALITY

7.1 **Confidentiality Obligations.** The Parties agree that, for the Term and for five (5) years thereafter, each Party will keep completely confidential and will not disclose, and will not use for any purpose except for the purposes contemplated by this Agreement, any Confidential Information of the other Party. "**Confidential Information**" means all information and know-how and any tangible embodiments thereof provided by or on behalf of one Party to the other Party either in connection with the discussions and negotiations pertaining to this Agreement or in the course of performing under this Agreement, which may include data, knowledge, practices, processes, ideas, research plans, formulation or manufacturing processes and techniques, scientific, manufacturing, marketing and business plans, and financial and personnel matters relating to the disclosing Party or to its present or future products, sales, suppliers, customers, employees, investors or business; provided that, information or know-how of a Party will not be deemed Confidential Information of such Party for purposes of this Agreement if such information or know-how: (a) was already known to the receiving Party, other than under an obligation of confidentiality or non-use, at the time of disclosure to such receiving Party, as can be shown by written records; (b) was generally available or known to parties reasonably skilled in the field to which such information or know-how pertains, or was otherwise part of the public domain, at the time of its disclosure to such receiving Party; (c) became generally available or known to parties reasonably skilled in the field to which such information or know-how pertains, or otherwise became part of the public domain, after its disclosure to such receiving Party through no fault of the receiving Party; (d) was disclosed to such receiving Party, other than under an obligation of confidentiality or non-use, by a Third Party who had no obligation to the disclosing Party not to disclose such information or know-how to others, as can be shown by written records; or (e) was independently discovered or developed by such receiving Party, as can be shown by its written records, without the use or benefit of, or reliance on, Confidential Information belonging to the disclosing Party.

7.2 **Authorized Disclosure.** Each Party may disclose Confidential Information of the other Party to the extent that such disclosure is:

(a) made in response to a valid order of a court of competent jurisdiction; provided, however, that in each case such disclosing Party will, to the extent reasonably practicable, (i) first have given written notice to the other Party and given such other Party a reasonable opportunity to take appropriate action and (ii) cooperate with such other Party as necessary to obtain an appropriate protective order or other protective remedy or treatment; provided, further, that in each case, the Confidential Information disclosed in response to such court or governmental order will be limited to that information which is legally required to be disclosed in response to such court or governmental order, as determined in good faith by counsel to the Party that is obligated to disclose Confidential Information pursuant to such order;

(b) otherwise required to be disclosed by any applicable law, rule, or regulation (including, without limitation, the U.S. and foreign securities laws and the rules and regulations promulgated thereunder) or the requirements of any stock exchange to which a Party is subject; provided, however, that the Party that is so required will provide such other Party with written notice of such disclosure reasonably in advance thereof to the extent reasonably practicable and reasonable measures will be taken to assure confidential treatment of such information, including such measures as may be reasonably requested by the disclosing Party with respect to such Confidential Information;

(c) is in such Party's or its Affiliates' financial statements or the notes thereto and is required under the applicable accounting standard or under regulation;

(d) made by such Party, in connection with the performance of this Agreement, to such Party's Affiliates, licensees or sublicensees, directors, officers, employees, consultants, representatives or agents, or to other Third Parties, in each case on a need to know basis and solely to use such information for business purposes relevant to and permitted by this Agreement, and provided that (i) each individual and entity to whom such Confidential Information is disclosed is bound in writing to non-use and non-disclosure obligations no less than substantially as restrictive as those set forth in this Agreement and (ii) the Party making such disclosure shall be liable for such Third Parties' compliance with such obligations; or

(e) made by such Party to existing or potential acquirers, existing or potential collaborators, licensees, licensors, sublicensees, investment bankers, accountants, attorneys, existing or potential investors, merger candidates, partners, venture capital firms or other financial institutions or investors for use of such information for business purposes relevant to this Agreement or for due diligence in connection with the financing, licensing or acquisition of such Party (or such Party's acquisition of, or merger with, a Third Party), and provided that (i) each individual and entity to whom such Confidential Information is disclosed is bound in writing to non-use and non-disclosure obligations (or in the case of attorneys or accountants, an equivalent professional duty of confidentiality) at least as restrictive as those set forth in this Agreement and (ii) the Party making such disclosure shall be liable for such Third Parties' compliance with such obligations.

7.3 **Publicity**.

(a) The Parties agree that the public announcement of the execution of this Agreement shall be substantially in the form of the press release attached as Schedule 6 (the "**Joint Press Release**").

(b) The Parties recognize that each Party may from time to time desire to issue press releases and make public statements or disclosures regarding the subject matter of this Agreement. In such event, the Party desiring to issue an additional press release or make a public statement or disclosure shall provide the other Party with a copy of the proposed press release, statement or disclosure for review and approval in advance, provided, however, that if in the reasonable opinion of a Party's legal counsel a press release or disclosure in respect of this Agreement is required to satisfy applicable Law or applicable stock exchange rule or regulation, such Party shall submit the proposed press release or disclosure in writing to the other Party as far in advance as reasonably practicable (and in no event less than two (2) Business Days prior to the anticipated date of disclosure if reasonably practicable,) so as to provide a reasonable opportunity to comment thereon (and such comments shall be considered in good faith). Once any public statement or disclosure has been made in accordance with Section 7.3(a) or this Section 7.3(b), then either Party may appropriately communicate information contained in such permitted statement or disclosure.

(c) Notwithstanding the provisions of Section 7.3(a) or Section 7.3(b):

(i) To the extent a Party determines in good faith that it is required by applicable Laws or the rules or regulations of a stock exchange on which the securities of the disclosing Party are listed to publicly file, or otherwise disclose, this Agreement or any of its terms to or with a Regulatory Authority or Governmental Body, such disclosing Party shall provide a proposed redacted form of this Agreement to the other Party within a reasonable amount of time prior to filing or disclosure (and in any event at least five (5) Business Days before filing or disclosure) for the other Party to review and comment upon such redacted form. The Party making such filing, registration, notification or disclosure shall consider in good faith the reviewing Party's reasonable comments regarding such redacted form and shall use commercially reasonable efforts to seek confidential treatment for the redacted terms, to the extent such confidential treatment is applicable and reasonably available consistent with applicable Laws or the rules or regulations of the applicable stock exchange. Each Party shall be responsible for its own legal and other external costs in connection with any such filing, registration or notification.

(ii) Each Party may disclose to any actual or potential or actual investor, lender, investment bank or other bank, acquirer, acquisition or merger target, licensee, licensor, or other strategic partner to the extent necessary or useful in connection with the evaluation or negotiation of a potential transaction or contractual relationship, or performance of obligations or enforcement of rights under such a transaction or relationship, in each case pursuant to a written obligation of confidentiality and non-use substantially as stringent as those set forth in this Article VII, a complete copy of this Agreement or any of the terms thereof.

ARTICLE VIII
REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 **Representations and Warranties of Licensor.** Licensor represents and warrants to Checkpoint as of the Effective Date that:

(a) Licensor is a corporation, duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with full corporate power and authority to operate its properties and to carry on its business as presently conducted.

(b) Licensor has full power and authority to execute, deliver and perform this Agreement. There are no liens or other encumbrances on the Licensor Technology or any part thereof which would interfere with the rights granted, or assignment of assets, to Licensee hereunder. This Agreement constitutes the legally binding and valid obligation of Licensor, enforceable in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, moratorium and other laws affecting creditors' rights generally.

(c) The execution, delivery and performance by Licensor of this Agreement and the consummation of the transactions contemplated hereby will not result in any violation of, conflict with, result in a breach of or constitute a default under any contract or agreement to which Licensor or any Affiliate thereof is a party.

(d) There is no action, suit, proceeding or investigation pending or, to Licensor's and its Affiliates' knowledge, currently threatened in writing against or affecting Licensor or any Affiliate thereof that questions the validity of this Agreement or the right of Licensor to enter into this Agreement or consummate the transactions contemplated hereby and, to Licensor's and its Affiliates' knowledge, there is no basis for the foregoing.

(e) No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority, or any Third Party, on the part of Licensor or any Affiliate thereof is required in connection with the execution, delivery and performance of this Agreement.

(f) Licensor has disclosed in writing to Licensee all Patent Rights owned or Controlled by Licensor or its Affiliates as of the Effective Date that Cover any Licensed Products incorporating Compound thereof in the Field, or which relate to Developing, manufacturing or Commercializing Licensed Products, and all such Patent Rights are set forth on Schedule 2 attached hereto.

(g) No research or Development of the Licensor Technology, Manufacture of Licensed Products or research leading to the inventions Covered by the Licensor Patents was supported in whole or part by funding or grants by any governmental agency or philanthropic or charitable organization.

(h) The Licensor Technology is wholly owned by Licensor, free and clear of all mortgages, pledges, charges, liens, equities, security interests, or other encumbrances or similar agreements, or any other obligation.

(i) No Third Party or Affiliate of Licensor has any rights or ownership interest in any Licensor Technology, and neither Licensor nor any Affiliate thereof obtained rights to any of the Licensor Technology by license or any similar contract or agreement with any Third Party or Affiliate of Licensor.

(j) Neither Licensor nor any Affiliate thereof is aware, without investigation, as of the Effective Date that any issued United States Third Party Patent would be infringed, misappropriated, or otherwise violated by the use, manufacture, sale, import, export or Development or Commercialization, of any Compound described on Schedule 1.

(k) Licensor and its Affiliates have taken all reasonable actions necessary or appropriate to preserve the confidentiality of all trade secrets, proprietary and other confidential information material to Licensed Products and Licensor Technology.

(l) Neither Licensor nor any Affiliate thereof is aware of any Third Party activities which would constitute misappropriation or infringement of any Licensor Technology.

(m) All Development of Licensed Product performed prior to the Effective Date was performed in accordance with GLP, GCP, and all Applicable Laws, and all human clinical studies of Licensed Products performed by or on behalf of Licensor or its Affiliates prior to the Effective Date were performed in accordance with the protocols established therefor.

(n) The Materials and tangible Licensor Know-How provided by Licensor to Checkpoint or its designee are, at the time of delivery to Checkpoint or its designee, owned by Licensor, free and clear of all liens, mortgages, encumbrances, pledges and security interest of any kind.

8.2 **Representations and Warranties of Checkpoint.** Checkpoint represents and warrants to Licensor as of the Effective Date and also covenants with respect to Section 8.2(d) or 8.2(g), that:

(a) Checkpoint is a corporation, duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with full corporate power and authority to operate its properties and to carry on its business as presently conducted.

(b) Checkpoint has full power and authority to execute, deliver and perform this Agreement. This Agreement constitutes the legally binding and valid obligations of Checkpoint, enforceable in accordance with their terms, except as such enforcement may be limited by applicable bankruptcy, moratorium and other laws affecting creditors' rights generally.

(c) The execution, delivery and performance by Checkpoint of this Agreement and the consummation of the transactions contemplated thereby will not result in any violation of, conflict with, result in a breach of or constitute a default under any contract or agreement material to Checkpoint, its business or its assets.

(d) Without limiting any other term or provision of this Agreement, Checkpoint shall comply with all applicable Laws in performing this Agreement, including all laws and regulations concerning corrupt practices or which in any manner prohibit the giving of any financial or other advantage including all Marketing activities conducted by it or its Affiliates, including, without limitation, the Federal Health Care Programs Anti-Kickback Law, Title 42 of the U.S. Code Section 1420a-7(b)(b), and any comparable or similar state anti-kickback laws or regulations, and all federal, state and foreign health care fraud and abuse statute and regulations, except where the failure to so comply would not reasonably be expected to have a material adverse effect on the Licensed Patents or Net Sales.

(e) No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority on the part of Checkpoint is required in connection with the execution, delivery and performance of this Agreement.

(f) There is no action, suit, proceeding or investigation pending or, to Checkpoint's knowledge, currently threatened against or affecting Checkpoint or that questions the validity of this Agreement, or the right of Checkpoint to enter into this Agreement or consummate the transactions contemplated hereby and, to Checkpoint's knowledge, there is no reasonable basis for the foregoing.

(g) Checkpoint will notify Licensor in writing if it determines that it will or does (i) permanently cease all Development, Manufacture and Commercialization of Licensed Products or (ii) suspend all Development, Manufacture and Commercialization of Licensed Products for more than nine (9) months ("**Notice of Termination or Suspension**").

8 . 3 **Disclaimer.** EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, INCLUDING SECTIONS 8.1 AND 8.2, AS APPLICABLE, THE PARTIES MAKE NO REPRESENTATIONS AND GRANT NO WARRANTIES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE, AND THE PARTIES EACH SPECIFICALLY DISCLAIM ANY OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, OR EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, OR AS TO THE SUCCESS OR LIKELIHOOD OF SUCCESS OF THE RESEARCH, DEVELOPMENT OR COMMERCIALIZATION OF LICENSED PRODUCT UNDER THIS AGREEMENT.

ARTICLE IX
INDEMNIFICATION; LIMITATION OF LIABILITY; INSURANCE

9.1 **Indemnification by Checkpoint.** Checkpoint shall indemnify, defend and hold Licensor and its Affiliates, and each of their respective employees, officers, directors and agents (the "**Licensor Indemnitees**") harmless from and against any and all liabilities, damages, penalties, fines, losses, costs and expenses (including reasonable attorneys' fees and expenses) (individually and collectively, "**Losses**") to the extent arising out of any and all Third Party claims, demands, actions or other proceedings (each, a "**Claim**") arising out of (a) the testing, use, Development or Commercialization of a Compound or any Licensed Product by or on behalf of Checkpoint, any of the Checkpoint Indemnitees or any Sublicensee, (b) Checkpoint's, its Affiliates' or its Sublicensees' material breach of this Agreement, (c) misappropriation or infringement of, or the use of, any Product Trademarks, (d) Checkpoint's or its Affiliates' breach or noncompliance with the terms of any Sublicense arising prior to or as a result of the termination of this Agreement, or (e) Checkpoint's, its Affiliates' or its Sublicensees' gross negligence or willful misconduct, excluding, in the case of each of (a)-(d) above, any Claim or Loss with respect to which Licensor has an obligation to indemnify Checkpoint Indemnitees pursuant to Section 9.2.

9.2 **Indemnification by Licensor.** Licensor shall indemnify, defend and hold Checkpoint and its Affiliates and each of their respective agents, employees, officers and directors (the "**Checkpoint Indemnitees**") harmless from and against any and Losses to the extent arising out of any and all Claims arising out of (a) Licensor's failure to properly conduct the Work Plan, (b) Licensor's material breach of this Agreement, (c) the use, Development or Commercialization of a Compound or any Licensed Product by or on behalf of Licensor or any of the Licensor Indemnitees or any licensee thereof (specifically excluding product liability claims arising out of Licensed Product sold or distributed by Checkpoint, its Affiliates or Sublicensee), or (d) Licensor's gross negligence, willful misconduct, excluding, in the case of each of (a)-(d) above, any Claim or Loss with respect to which Checkpoint has an obligation to indemnify Licensor Indemnitees pursuant to Section 9.1.

9.3 **Procedure**.

(a) The Party or other Person intending to claim indemnification under this Article IX (an "Indemnified Party") shall promptly notify the opposed Party (the "Indemnifying Party") of any Claim in respect of which the Indemnified Party intends to claim such indemnification (provided, that no delay or deficiency on the part of the Indemnified Party in so notifying the Indemnifying Party will relieve the Indemnifying Party of any liability or obligation under this Agreement except to the extent the Indemnifying Party has suffered actual prejudice directly caused by the delay or other deficiency), and the Indemnifying Party shall assume the defense thereof (with counsel selected by the Indemnifying Party and reasonably satisfactory to the Indemnified Party) whether or not such Claim is rightfully brought; provided, however, that an Indemnified Party shall have the right to retain its own counsel and to participate in the defense thereof, with the fees and expenses to be paid by the Indemnified Party unless the Indemnifying Party does not assume the defense or unless a representation of both the Indemnified Party and the Indemnifying Party by the same counsel would be inappropriate due to the actual or potential differing interests between them, in which case the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Indemnifying Party. (Provided, that in no event shall the Indemnifying Party be required to pay for more than one separate counsel no matter the number or circumstances of all Indemnified Parties.)

(b) If the Indemnifying Party shall fail to timely assume the defense of and reasonably defend such Claim, the Indemnified Party shall have the right to retain or assume control of such defense and the Indemnifying Party shall pay (as incurred and on demand) the fees and expenses of counsel retained by the Indemnified Party.

(c) The Indemnifying Party shall not be liable for the indemnification of any Claim settled (or resolved by consent to the entry of judgment) without the written consent of the Indemnifying Party. Also, if the Indemnifying Party shall control the defense of any such Claim, the Indemnifying Party shall have the right to settle such Claim; provided, that the Indemnifying Party shall obtain the prior written consent (which shall not be unreasonably withheld or delayed) of the Indemnified Party before entering into any settlement of (or resolving by consent to the entry of judgment upon) such Claim unless (i) there is no finding or admission of any violation of law or any violation of the rights of any person by an Indemnified Party, no requirement that the Indemnified Party admit negligence, fault or culpability, and no adverse effect on any other claims that may be made by or against the Indemnified Party and (ii) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party and such settlement does not require the Indemnified Party to take (or refrain from taking) any action.

(d) The Indemnified Party, and its employees and agents, shall cooperate fully with the Indemnifying Party and its legal representatives in the investigations of any Claim.

(e) Regardless of who controls the defense, each Party hereto shall reasonably cooperate in the defense as may be requested.

9.4 **Expenses.** As the Parties intend complete indemnification, all costs and expenses of enforcing any provision of this Article IX shall also be reimbursed by the Indemnifying Party.

9.5 **Limitation of Liability.** IN NO EVENT SHALL EITHER PARTY OR ITS AFFILIATES BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF A BREACH OF THIS AGREEMENT, PROVIDED THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE FOREGOING SHALL NOT BE CONSTRUED TO LIMIT THE INDEMNITY OBLIGATIONS SET FORTH IN SECTIONS 9.1 AND 9.2, OR EITHER PARTY'S LIABILITY FOR A BREACH OF ARTICLE VII.

9.6 **Insurance.** During the term of this Agreement and for a period of five (5) years after its expiration or earlier termination (measured by termination or expiration of the last Licensed Product for a country whose Royalty Term is in effect), Checkpoint shall obtain insurance as follows. The insurance shall insure Checkpoint against all liability related to its activities relating to the Development, Manufacture or sale of Licensed Products subject to this Agreement, subject to the limits set forth above. The insurance above, shall be in amounts that are reasonable and customary in the pharmaceutical industry for the Territory, but in no event shall any Checkpoint's liability insurance relating to commercial Manufacture, sale or distribution of a Licensed Product provide coverage less than two million U.S. dollars (U.S. $2,000,000) per occurrence (or claim) and an annual aggregate of two million U.S. dollars (U.S. $2,000,000). Policies for the Development, commercial Manufacture, sale or distribution of a Licensed Product shall include a contractual endorsement naming Licensor as an additional insured in relation to liabilities arising from its obligations under the terms of this Agreement and require the insurance carriers to provide Licensor with no less than thirty (30) days' written notice of any change in the terms or coverage of the policies or their cancellation.

ARTICLE X
TERM AND TERMINATION

10.1 **Term and Expiration.** The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in this Article X, shall continue in full force and effect, on a country-by-country and Licensed Product-by-Licensed Product basis until the Royalty Term in such country with respect to such Licensed Product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country (the "**Term**").

10.2 **Termination upon Material Breach.** If a Party breaches any of its material obligations under this Agreement (a "**Material Breach**"), the other Party may give to the breaching Party a written notice specifying the nature of the Material Breach, requiring it to cure such Material Breach, and, if desired, stating its intention to terminate this Agreement if such Material Breach is not cured. If such Material Breach is not capable of being cured, or is capable of being cured but nonetheless has not within 60 days after the receipt of such notice been cured, then the non-breaching Party (in addition to and not in lieu of all other available rights and remedies) be entitled to at its option either (a) terminate this Agreement immediately by written notice to the other Party, or (b) continue this Agreement in full force and effect and seek any legal or equitable remedies that the non-breaching Party may have.

10.3 **Termination for Insolvency.** Either Party (i.e., the non-insolvent Party) may terminate this Agreement, if, at any time, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of the Party or of substantially all of its assets, or if the other Party proposes a written agreement of composition or extension of substantially all of its debts, or if the other Party shall be served with an involuntary petition against it, filed in any insolvency proceeding, and such petition shall not be dismissed within sixty (60) days after the filing thereof, or if the other Party shall propose or be a party to any dissolution or liquidation, or if the other Party shall make an assignment of substantially all of its assets for the benefit of creditors.

10.4 **Termination for Patent Challenge.** Licensor will be permitted to terminate this Agreement by written notice effective upon receipt if Checkpoint or its Affiliates or its Sublicensees, directly or indirectly through assistance granted to a Third Party, commence any interference or opposition proceeding, challenge in a legal or administrative proceeding the validity or enforceability of, or oppose in a legal or administrative proceeding any extension of or the grant of a supplementary protection certificate with respect to, any Licensor Patents (a "Patent Challenge"). Checkpoint will include provisions in all agreements granting Sublicenses of Checkpoint's rights hereunder (other than agreements with manufacturers, services providers, distributors and other agents) providing that if the Sublicensee or its Affiliates undertake a Patent Challenge with respect to any Licensor Patents under which the Sublicensee is Sublicensed, Checkpoint will be permitted to terminate such Sublicense agreement. If a Sublicensee of Checkpoint (or an Affiliate of such Sublicensee) undertakes a Patent Challenge of any such Licensor Patent Rights under which such Sublicensee is sublicensed, then Checkpoint upon receipt of notice from Licensor of such Patent Challenge will terminate the applicable Sublicense agreement. If Checkpoint fails to so terminate such Sublicense agreement, Licensor may terminate Checkpoint's right to Sublicense in the country(ies) covered by such Sublicense agreement and any Sublicenses previously granted in such country(ies) shall automatically terminate. In connection with such Sublicense termination, Checkpoint shall cooperate with Licensor's reasonable requests to cause such a terminated Sublicensee to discontinue activities with respect to the Licensed Product in such country(ies).

10.5 **Termination for Convenience**. This Agreement may be terminated by Checkpoint at any time for its convenience upon sixty (60) days prior written notice to Licensor.

10.6 **Termination for Suspension of Development**. If prior to Regulatory Approval of a Licensed Product, Checkpoint or its Affiliates provides Notice of Termination or Suspension, then Licensor may terminate this Agreement on thirty (30) days' notice to Checkpoint.

10.7 **Termination for Good Scientific Reason.** Checkpoint may terminate this Agreement with respect to any specific Compound and the related Licensed Product upon sixty (60) days' prior written notice to Licensor if (i) such Compound or Licensed Product has an adverse safety profile or causes serious adverse reactions; or (ii) Checkpoint reasonably determines that such Licensed Product will not qualify for Regulatory Approval in the United States.

10.8 **Termination for Abandonment.** If Checkpoint Abandons all Licensor Patents in a country, then Licensor may terminate the Agreement with respect to such country on thirty (30) days' written notice to Checkpoint.

10.9 **Effects of Termination/Expiration**.

(a) If this Agreement is terminated by Checkpoint under Sections 10.3, 10.5 or 10.7, or by Licensor under Sections 10.3, 10.4, 10.6 or 10.8, with respect to one or more Licensed Products ("Terminated Products"), in all or any countries of the Territory (the "**Terminated Country(ies)**"):

(i) Any and all licenses granted by Licensor to Checkpoint under this Agreement with respect to the Terminated Products shall terminate in their entirety or with respect to the Terminated Country(ies), as the case may be, on the effective date of such termination;

(ii) Upon Licensor's written request, Checkpoint shall transfer the following assets (collectively, the "**Transferred Product Assets**") to Licensor without charge (except as provided in Section 10.9(c), below), provided that Licensor shall be responsible for all of costs and expenses incurred by Checkpoint in connection with such transfer:

(1) Checkpoint shall promptly transfer to Licensor, at Licensor's expense, copies of all data, reports, records and documentation and materials that both (i) it Controls and (ii) relate solely to the unit of the Terminated Product that contains no active ingredients other than Compounds ("Covered Product") (e.g. a tablet that contains other active ingredients would not be a distinct unit but if the Terminated Products consisted of two tablets one could be a distinct unit), in such Terminated Country(ies), provided that Checkpoint shall redact information to the extent possible not relating to the Compound or Covered Product;

(2) Checkpoint shall, to the extent transferable, assign and transfer to Licensor all of its and its Affiliates' right, title and interest in and to all Regulatory Approvals and Drug Approval Applications and Regulatory Filings that it solely owns, prepared (whether completed or partially completed), filed and/or granted solely for terminated Compounds and Covered Products in such Terminated Country(ies), and Checkpoint shall promptly file with any applicable Regulatory Authority notice of such transfer and assignment;

(3) Checkpoint shall, to the extent of its Control, transfer to Licensor all relevant records and materials in Checkpoint's possession containing Confidential Information relating solely to the terminated Compounds and Covered Product in such Terminated Country(ies), provided, however, that Checkpoint may keep one copy of such Confidential Information for archival purposes only and such Confidential Information shall be Confidential Information of Licensor;

(4) To the extent Checkpoint solely owns any right, title and interest in any Trademarks, trade names and/or logos under which only the terminated Covered Product has been or is being marketed or sold in the Terminated Country(ies) (excluding for avoidance of doubt the Checkpoint's or its Affiliates corporate Trademarks), or internet domain registrations for any such Trademarks or tradenames (excluding for avoidance of doubt domain name registrations incorporating the Checkpoint's or its Affiliates corporate Trademarks (in whole or in part)), Checkpoint shall assign the same to Licensor;

(iii) At Licensor's request, Checkpoint shall assign to Licensor, any clinical trial agreements (to the extent assignable without the written consent of the other parties to such clinical trial agreements) with respect solely to such terminated Compound and Licensed Product in such Terminated Country(ies), provided that Licensor agrees to assume all liabilities under such clinical trial agreements pursuant to a form of assumption agreement mutually agreed upon by Licensor and Checkpoint.;

(iv) Any transfers under this Section 10.9(a) shall be transferred on an "as-is" basis, and all documents and information transferred to Licensor, to the extent solely related to the terminated Licensed Product or Compound, shall be deemed Licensor's Confidential Information;

(v) Checkpoint's and Licensor's restrictive covenants in Sections 2.5 (except if termination is pursuant to Section 10.8) shall terminate with respect to the terminated Licensed Product in such Terminated Country(ies); and

(vi) If at the time of such termination or thereafter, no license granted by Checkpoint or its Affiliates under the Development Inventions or Development Patents to a Sublicensee under a Sublicense agreement (or options to acquire such a license) is in effect with respect to (A) a Terminated Product, (B) a Terminated Country or (C) a Terminated Product in a Terminated Country, then upon Licensor's written request to Checkpoint, Checkpoint, on behalf of itself and its Affiliates, shall grant, and shall be deemed to have granted without further action required, to Licensor and its Affiliates an exclusive royalty-bearing (as provided in Section 10.9(c), non-transferable (except in connection with an assignment of this Agreement permitted pursuant to Section 12.2), sublicensable, perpetual license or sublicense (with respect to rights licensed by Third Parties to Checkpoint), under all Development Inventions and Development Patents Controlled by Checkpoint, to Develop and Manufacture, in the case of (A) above, the Terminated Product in the Territory, in the case of (B) above the Terminated Product or Licensed Product in the Terminated Countries, and in the case of (C) above, the Terminated Product in the Terminated Countries.

(b) If this Agreement is terminated by Checkpoint under Section 10.2 or if this Agreement is terminated by Licensor under Section 10.2, then in addition to any other remedies available to such Party:

(i) All licenses granted by Checkpoint to Licensor under this Agreement shall terminate; and

(ii) All licenses granted by Licensor to Checkpoint shall terminate.

(c) If this Agreement is terminated by Fortress under Section 10.7, or by Licensor under Sections 10.6 or 10.8, in each case, with respect to a Terminated Product or Terminated Country or in its entirety, then following issuance of a request under Sections 10.9(a)(ii), 10.9 (a)(iii) or 10.9(a)(vi), Licensor shall pay Checkpoint (x) *% of Sublicensing Royalty Revenue (as defined below), but in no event greater than the royalties that would be payable by Licensor pursuant to the royalty rates provided below in this Section 10.9(c) (applying such rates to Net Sales by Existing Sublicensees (as defined below)), and (y) a royalty (the "**Reverse Royalty**") on Net Sales of Licensed Products (expressly excluding Net Sales by Existing Sublicensees) during the Reverse Royalty Term (as defined below) as follows:

(i) if the termination occurs before completion (where "completion" means receipt of a final study report meeting the guidelines of the International Conference on Harmonization) of a Phase III Study for a Licensed Product, then * percent (*%) royalty on Net Sales;

(ii) if the termination occurs after completion (where "completion" means receipt of a final study report meeting the guidelines of the International Conference on Harmonization) of a Phase III Study for a Licensed Product but before approval of an NDA or BLA for such Licensed Product in such country, then a * percent (*%) royalty on Net Sales; or

(iii) if the termination occurs after approval of an NDA or BLA for a Licensed Product, then a* percent (*%) royalty on Net Sales.

* Confidential material redacted and filed separately with the Commission.

"**Reverse Royalty Term**" means, and determined on a Licensed Product-by-Licensed Product and country-by-country basis, the period commencing from the First Commercial Sale of a given Licensed Product in such country and ending on the expiry of the last-to-expire Licensor Patent containing a Valid Claim Covering such Licensed Product in such country

For purposes of this Section 10.9(c), the definition of "Net Sales," and Sections 5.4 through 5.9 shall apply*mutatis mutandis* to the calculation, payment, recording, and auditing of Licensor's obligations to pay Reverse Royalties under this Section 10.9 as they apply to Checkpoint and, solely for such purpose, each reference in each such Section (and any related definitions) to Checkpoint shall be deemed to be a reference to Licensor, and (y) a Sublicensee shall be deemed to be a reference to a licensee or sublicensee of Licensor or any of its Affiliates (and expressly excluding Existing Sublicensees) with respect to the Licensed Product. Notwithstanding the foregoing, no Reverse Royalty shall be due or payable by Licensor relating to Net Sales of Sublicensees under any Sublicense in effect at the date of termination of this Agreement (Sublicensees under such Sublicenses, "**Existing Sublicensees**"). **"Sublicensing Royalty Revenue"** means sales-based royalties, and minimum sales royalties, each as actually received by Jubilant or its Affiliate from an Existing Sublicensee as consideration for the grant of rights to Patent Rights.

In no event shall Licensor transfer (i) its, right, title or interest in Patent Rights Covering a terminated Compound or Licensed Product or (ii) any of the Transferred Assets, unless the assignee assumes Licensor's obligations to pay royalties under this Section 10.9 pursuant to a commercially reasonable assignment and assumption agreement providing that (x) Checkpoint is a third party beneficiary to such agreement for the purpose of enforcing such payment obligations and (y) any further assignment by such assignee is subject to the requirements set forth in this paragraph.

(d) Articles I (Definitions), VI (Patents and Infringement), VII (Confidentiality), IX (Indemnification; Limitation of Liability; Insurance), XI (Dispute Resolution) and XII (Miscellaneous Provisions) and Section 2.5 (but only with respect to Checkpoint in connection with a termination under Section 10.8), Sections 5.1, 5.3(b), 5.5 (Royalty Reports and Records Retention), 5.6 (Audits), 5.8 (Late Payments), 5.9 (Taxes) and 10.9 (Effects of Termination/Expiration) hereof shall survive the expiration or termination of this Agreement for any reason. A termination of any Compound from this Agreement shall also terminate the related Licensed Product and termination of any Licensed Product shall terminate the related Compound

(e) Termination or expiration of this Agreement shall not relieve the Parties of any liability that accrued hereunder before the effective date of such termination or expiration. In addition, termination or expiration of this Agreement shall not preclude either Party from pursuing all rights and remedies it may have hereunder or at Law or in equity with respect to any breach of this Agreement nor prejudice either Party's right to obtain performance of any obligation.

(f) Effect on Sublicenses.

(i) Upon the termination of this Agreement in its entirety, each Sublicense which provides for its survival upon such termination shall survive such termination (but in no event for longer than the period Checkpoint's licenses hereunder would have been in effect had termination not occurred) and remain in full force and effect, with Licensor as the Sublicensee's direct licensor solely with respect to the Licensor Technology ("**Surviving Sublicense**"). Upon Licensor's written request, provided that a Surviving Sublicense does not include licenses to products other than Licensed Products, Checkpoint shall assign a Surviving Sublicense to Licensor. If a Surviving Sublicense includes licenses to products other than Licensed Products, Checkpoint shall require that the terms of such Surviving Sublicense permits the assignment in part to Licensor relating to the Licensor Technology and shall, upon Licensor's written request, assign to Licensor the portion of such Surviving Sublicense pertaining to the Licensor Technology.

(ii) Upon the termination of this Agreement with respect to a Terminated Product in a Terminated Country, each Sublicense that includes such Terminated Product in such Terminated Country which provides for its survival upon such termination shall survive such termination (but in no event for longer than the period Checkpoint's licenses hereunder would have been in effect had termination not occurred) and remain in full force and effect, with (i) Licensor as the Sublicensee's direct licensor solely with respect to the Licensor Technology and the portion of such Sublicense that includes such Terminated Product in such Terminated Country (" **Surviving Partial Sublicenses**") and (ii) Checkpoint continuing as the Sublicensee's direct licensor with respect to all other rights granted under such Sublicense. Upon such termination, Licensor shall be a third party beneficiary of the Surviving Partial Sublicense with respect to the portion thereof pertaining solely to the Terminated Products in the Terminated Countries. Each Sublicense that provides for survival as set forth in this Section shall provide for such third party beneficiary status.

(iii) With respect to each Surviving Sublicense and Surviving Partial Sublicense, in the absence of written notice from Licensor to a Sublicensee under a Surviving Sublicense or Surviving Partial Sublicense provided within forty five (45) days of the termination of this Agreement electing to continue the payment terms under such Sublicense, in which case such Sublicense payment terms shall continue, the Sublicensee's payment obligations with respect to its exercise of its surviving rights to the Licensor Technology (but not with respect to its exercise or enjoyment of any other rights or assets) thereunder shall, in lieu of any payment obligations set forth in the Sublicense, be the corresponding payment obligations set forth in this Agreement, provided that (a) with respect to Milestone Payments under such Sublicense where such Sublicense is for less than the entire Territory and the Milestone Payment is based on cumulative worldwide Net Sales, the portion of such Milestone Payment for which such Sublicensee shall be liable shall be such Milestone Payment multiplied by: (I) cumulative Net Sales in such Sublicensee's territory (and not worldwide Net Sales) divided by (II) cumulative worldwide Net Sales and (b) with respect to royalties payable under such Sublicense, if the royalty set forth in such Sublicense is equal to or greater than five percent (5%) of such Sublicensee's Net Sales, then such amount shall be payable under such Sublicense in accordance with the terms thereof (in lieu of any royalty payments pursuant to the terms of Section 5.3(a)), and if such royalty is less than five percent (5%) of such Sublicensee's Net Sales, then the royalty payable under such Sublicense shall be the amounts set forth in Section 5.3(a) (in lieu of any royalty payments pursuant to the terms of such Sublicense) and the royalty tiers will, for the avoidance of doubt, be achieved based on worldwide Net Sales as calculated in accordance with this Agreement, and Licensor shall notify such Sublicensee within thirty (30) days following it becoming aware of a Net Sales tier higher than the then-current Net Sale tier applying to the calculation of royalties pursuant to Section 5.3(a). Notwithstanding the foregoing, within thirty (30) days after the effective date of termination of this Agreement, Licensor shall have the right to terminate a Sublicense granted to an Affiliate of Checkpoint.

ARTICLE XI
DISPUTE RESOLUTION

11.1 **General.** Licensor and Checkpoint shall endeavor to resolve any claim or controversy arising out of the threatened breach, breach, enforcement, interpretation, termination or validity of this Agreement informally by good faith negotiation between the senior executives, officers or management of Licensor and Checkpoint. Either Party may give the other Party written notice of any claim or controversy not resolved in the normal course of business (the "**Disputing Party Notice**"). Within thirty (30) calendar days after the delivery of the Disputing Party Notice, the receiving Party shall submit to the other Party a written response (the "**Response**"). The Disputing Party Notice and Response shall include a statement of each Party's position and a summary of the arguments supporting that position. Within thirty (30) days after the Disputing Party Notice, such designated senior executives, officers or management of Licensor and Checkpoint shall meet at a mutually acceptable time and place and thereafter as often as they reasonably deem necessary to attempt to resolve the claim or controversy. If such efforts do not result in mutually satisfactory resolution of the dispute, the matter shall be referred to the chief executive officers of Licensor and Checkpoint, or their designees. The chief executive officers, or their designees, as the case may be, shall negotiate in good faith to resolve such dispute in a mutually satisfactory manner for up to thirty additional (30) days, or such longer period of time to which the chief executive officers may agree. All negotiations pursuant to this Article 11 are confidential and without prejudice and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the chief executive officers, or their designees, as the case may be, are unable to determine a resolution in the time frame set forth above, the matter may be resolved through arbitration in accordance with the provisions set forth in Section 11.2, in the event of a Technical Dispute or Section 11.3, in the event of other disputes, as applicable, upon notice by a Party on the other Party specifically requesting such arbitration. This Article 11 shall not prohibit a Party from seeking injunctive relief from a court of competent jurisdiction in the event of a breach or prospective breach of this Agreement by any Party which would cause irreparable harm to the other Party.

11.2 **Technical Disputes.** In the event a dispute over (i) whether a Milestone has been achieved, (ii) whether Checkpoint has used Commercially Reasonable Efforts to Develop the Licensed Product, (iii) whether Licensor has met its obligations under the Work Plan, (iv) the proper allocation of Net Sales to a Licensed Product where the Licensed Product is sold as part of a Combination Product, or (v) the Combination Percentage (each, a "**Technical Dispute**") is not resolved in accordance with the negotiation and mediation dispute resolution processes described in Section 11.1 above, then either Party may submit the matter to expert intervention in accordance with this Section 11.2. Any such intervention may be initiated by a Party by written notice to the other Party specifying the subject of the requested intervention. The Technical Dispute hearings shall be convened in New York, New York and shall be resolved by one expert, to be mutually selected by the Parties; or if the Parties fail to agree on the expert within ten (10) business days following the date of such written notice, then the Parties shall cause their respective nominees to select a third individual within ten (10) business days to serve as the expert (the "**Expert**"). The Expert shall be required to have pharmaceutical industry experience specifically related to conducting formulation development activities and clinical trials, and shall not be any employee, agent or consultant of any Party or an Affiliate of any Party at such time, or otherwise involved (whether by contract or otherwise) in the affairs of any Party at such time. Each Party simultaneously shall submit to the Expert its proposal with respect to its position on the resolution of the Technical Dispute without having seen the other Party's proposal, along with a discussion document explaining the rationale therefor. The Expert shall have the right to meet with the Parties, either alone or together, and shall have the right to request additional information and documents from each Party. The Expert shall select only one of the Parties' proposals based on the Expert's determination of which proposal is more consistent with the Expert's opinion on the resolution of the Technical Dispute (and consistent with the terms of this Agreement), and shall provide a brief written rationale for such selection. The Expert's decision shall be final and shall be binding upon the Parties under this Agreement. The Parties shall submit their documentation to the Expert within fifteen (15) days of selection of the Expert and provide any requested additional information and documents within ten (10) days of such request. The Expert shall make his or her decision within fifteen (15) days of such submission (extended by the Expert in his discretion to provide adequate time to review requested documents but in no event shall the decision be made more than thirty (30) days after submission).

11.3 **Other Disputes.** Where a Party has served a written notice upon the other requesting arbitration of a dispute that is not subject to Section 11.2, any such dispute shall be submitted to final and binding arbitration under the then current commercial arbitration rules of the American Arbitration Association (the "**AAA**") in accordance with this Section 11.3. The place of arbitration of any dispute shall be New York, New York. Such arbitration shall be conducted by one (1) arbitrator mutually agreed by the Parties but if such agreement cannot be reached within ten (10) days of the commencement of the arbitration, then an arbitrator appointed by the AAA. The arbitrator shall be a person with relevant experience in the pharmaceutical industry. The arbitration proceeding shall be held as soon as practicable but in any event within ninety (90) days of appointment of the arbitrator. Any award rendered by the arbitrators shall be final and binding upon the Parties. Judgment upon any award rendered may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be. The arbitrator shall render a formal, binding, non-appealable resolution and award as expeditiously as possible, but not more than thirty (30) days after the hearing. Each Party shall pay its own expenses of arbitration, and the expenses of the arbitrator shall be equally shared between the Parties unless the arbitrators assess as part of their award all or any part of the arbitration expenses of a Party (including reasonable attorneys' fees) against the other Party. A Party may make application to the Arbitrator for the award and recovery of its fees and expenses (including reasonable attorneys' fees).

ARTICLE XII
MISCELLANEOUS PROVISIONS

12.1 **Relationship of the Parties.** Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, joint venture or employer-employee relationship between the Parties. No Party shall have any right or authority to commit or legally bind any other Party in any way whatsoever including, without limitation, the making of any agreement, representation or warranty and each Party agrees to not purport to do so.

12.2 **Assignment.** Neither Party may assign this Agreement, or any of its rights or obligations hereunder without the other Party's prior written consent, provided that each Party will, notwithstanding anything to the contrary, be entitled, without the other Party's prior written consent, to assign or transfer this Agreement: (i) in connection with the transfer or sale of all or substantially all of such Party's assets or business (or that portion thereof related to the subject matter of this Agreement) to a Third Party, (ii) in the event of such Party's merger, consolidation, reorganization, with or into a Third Party, change of control or similar transaction, with a Third Party, or (iii) to an Affiliate of such Party, provided that in the case of an assignment to an Affiliate, the assigning Party shall remain primarily liable for the obligations of such Affiliate except where the non-assigning Party provided its prior written consent to such assignment, such consent to not be unreasonably withheld or delayed (in which case the assigning Party shall not remain primarily liable). Any permitted assignee of either Party will, as a condition to such assignment, assume all obligations of its assignor arising under this Agreement following such assignment. Any purported assignment by a Party of this Agreement, or any of such Party's rights or obligations hereunder, in violation of this Section 12.2 will be void ab initio.

12.3 **Further Actions.** Each Party agrees to execute, acknowledge and deliver such further instruments and to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

12.4 **Force Majeure.** Except for Checkpoint's obligation to pay the agreed amounts to Licensor, no Party shall be liable to any other Party or be deemed to have breached or defaulted under this Agreement for failure or delay in the performance of any of its obligations under this Agreement (other than obligations for the payment of money) for the time and to the extent such failure or delay is caused by or results from acts of God, earthquake, riot, civil commotion, terrorism, war, strikes or other labor disputes, fire, flood, failure or delay of transportation, omissions or delays in acting by a governmental authority, acts of a government or an agency thereof or judicial orders or decrees or restrictions or any other like reason which is beyond the control of the respective Party (a "**Force Majeure Event**"). The Party affected by force majeure shall provide the other Party with full particulars thereof as soon as it becomes aware of the same (including its best estimate of the likely extent and duration of the interference with its activities), and shall use Commercially Reasonable Efforts to overcome the difficulties created thereby and to resume performance of its obligations hereunder as soon as practicable, and the time for performance shall be extended for a number of days equal to the duration of the force majeure. The Party not subject to the Force Majeure Event may terminate this Agreement if such Force Majeure Event exists for 90 days in any 365-day period on ten (10) days' notice to the other Party.

12.5 **Entire Agreement of the Parties; Amendments.** This Agreement and the Schedules hereto constitute and contain the entire understanding and agreement of the Parties respecting the subject matter hereof and cancel and supersede any and all prior or contemporaneous negotiations, correspondence, understandings and agreements between the Parties, whether oral or written, regarding such subject matter (provided, that any and all previous nondisclosure/nonuse obligations are not superseded and remain in full force and effect in addition to the nondisclosure/nonuse provisions hereof and matters disclosed under such Agreements shall also be deemed to have been disclosed hereunder and further provided that the Material Transfer Agreement dated December 28, 2015 between the Parties shall be deemed terminated immediately prior to entering this agreement, except that any provisions intended to survive such agreement shall survive, except that a Parties' rights under this Agreement shall supersede any conflicting provisions of such Material Transfer Agreement. Each Party acknowledges that it has not relied, in deciding whether to enter into this Agreement on this Agreement's expressly stated terms and conditions, on any representations, warranties, agreements, commitments or promises which are not expressly set forth within this Agreement. No modification or amendment of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of each Party.

12.6 **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, excluding application of any conflict of laws principles. With respect to docketing an arbitration award or seeking injunctive relief, each Party (a) irrevocably submits to the exclusive jurisdiction in the United States District Court for the Southern District of New York located in New York, New York and any State courts sitting in New York, New York (collectively, the "Courts"), and (b) agrees not to raise any objection at any time to the laying or maintaining of the venue of any such action, suit or proceeding in any of the Courts, irrevocably waives any claim that such action, suit or other proceeding has been brought in an inconvenient forum and further irrevocably waives the right to object, that such Courts do not have any jurisdiction over such Party. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Agreement.

12.7 **Notices and Deliveries.** All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed given upon receipt if delivered personally or mailed by registered or certified mail (return receipt requested), postage prepaid, or sent by prepaid express courier service, to the Parties at the following addresses (or at such other address for a Party as shall be specified by the notice; provided that notices of a change of address shall be effective only upon receipt thereof):

If to Checkpoint, addressed to:

Checkpoint Therapeutics, Inc.
2 Gansevoort Street, 9th Floor
New York, NY 10014
Attention: President

If to Licensor, addressed to:

Jubilant Biosys Ltd
#96, Industrial Suburb; 2nd Stage
Yeshwanthpur, Bangalore-560022
Karnataka, India
Attention: Dr. Rajiv Tyagi, VP, Business Development

12.8 **Waiver.** No waiver of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of the waiving Party. A waiver by a Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof.

12.9 **Rights and Remedies are Cumulative.** Except to the extent expressly set forth herein, all rights, remedies, undertakings, obligations and agreements contained in or available upon violation of this Agreement shall be cumulative and none of them shall be in limitation of any other remedy or right authorized in law or in equity, or any undertaking, obligation or agreement of the applicable Party.

12.10 **Severability.** This Agreement is severable. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be to any extent prohibited by or invalid under applicable Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement (or of such provision). The Parties shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.

12.11 **Third Party Beneficiaries.** The terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective successors or permitted assigns and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person, including without limitation Sublicensees. If a provision provides a benefit to a Sublicensee or indemnitee, such benefits can only be enforced through a Party or by a separate agreement between such Person and the Party or Parties providing the benefit.

12.12 **Equitable Relief.** Each Party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other Party, that the other Party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a Party's breach or threatened breach of such covenants and agreements may cause the opposed Party irreparable harm and significant injury, the amount of which will be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each Party agrees that an opposed Party shall be entitled to seek specific performance, an order restraining any breach or threatened breach of Article VII or Section 2.5 and all other provisions of this Agreement, and any other equitable relief (including but not limited to temporary, preliminary and/or permanent injunctive relief). This right shall be in addition to and not exclusive of any other remedy available to such other Party at law or in equity.

12.13 **Interpretation.** The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no provision of this Agreement shall be interpreted for or against a Party because that Party or its attorney drafted the provision.

12.14 **Construction.** The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Articles, Sections and Schedules shall be deemed references to Articles and Sections of, and Schedules to, this Agreement unless the context shall otherwise require.

12.15 **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will be deemed to be one and the same instrument. A portable document format (.pdf) copy of this Agreement, including the signature pages, will be deemed an original.

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IN WITNESS WHEREOF, the Parties have caused this License Agreement to be executed and delivered by their respective duly authorized officers as of the day and year first above written.

CHECKPOINT Therapeutics, INC.

By: /s/ James F. Oliviero

Name: James F. Oliviero

Title: President & CEO

JUBILANT BIOSYS LIMITED

By: /s/ Hari S. Bhartia

Name: Hari S. Bhartia

Title:

Schedule 1

Compounds

1. JBET070
2. JBET050

Schedule 2

Licensor Patents

Case No.	Title	Country	Status	Application No.	Filing Date	Publication No.	Publication Date
1	*	*	*	*	*	*	N/A
2	*	*	*	*	*	*	N/A

NOTE: The complete specification and PCT application for* under progress and shall be filed on or before*.

* Confidential material redacted and filed separately with the Commission.

Schedule 3

Materials

Materials related to the Compounds to be provided as per mutual agreement.

Schedule 4

Work Plan

*

* Confidential material redacted and filed separately with the Commission.

Schedule 5

Checkpoint's Exchange Rate Policies

Net Sales and royalties payable shall be expressed in United States Dollars equivalent, calculated using the simple average of the exchange rate published in the Wall Street Journal on the last day of each month of the Reporting Period.

Schedule 6

Joint Press Release

Jubilant Biosys Enters into Exclusive out - Licensing Agreement with Checkpoint Therapeutics for Novel BET Inhibitors

Noida (UP), India, and New York, Day, April XX, 2016

Jubilant Biosys Ltd ("Jubilant Biosys"), a subsidiary of Jubilant Life Sciences Ltd, and Checkpoint Therapeutics, Inc. ("Checkpoint"), a subsidiary of Fortress Biotech, Inc. (NASDAQ: FBIO), today announced the signing of an exclusive, worldwide license agreement under which Jubilant Biosys will out-license to Checkpoint a family of patents covering compounds that inhibit BRD4, a member of the BET (Bromodomain and Extra Terminal) domain for cancer treatment. The deal includes an up-front payment of US$2 million and contingent preclinical, clinical and regulatory payments including commercial milestones totalling up to US$ 180 million. Jubilant Biosys will also receive research funding and royalty payments on successful commercialization of the compounds. Checkpoint will assume all further preclinical, clinical development and commercialization responsibilities.

The field of epigenetics as a treatment for cancer is a rapidly evolving area of focus for the pharmaceutical and biotech industry. Both parties believe that by working together to further develop these compounds, they will better be able to move towards bringing a product to market that will greatly improve the lives of patients.

Mr. Shyam S. Bhartia, Chairman and Mr. Hari S. Bhartia, Co-Chairman and Managing Director, of Jubilant Life Sciences, commented, "The Drug Discovery business vertical under Jubilant Biosys and Jubilant Chemsys has acquired many years of extensive expertise and knowledge working with large pharma and biotech companies. Jubilant had decided to make strategic investments in proprietary drug discovery of small molecules with an intent to out-licence the same for upfront payments and phased milestone payments/royalties. This agreement represents our first out-licensing deal which is a testament to our investment in innovation in the pharmaceutical business."

James F. Oliviero, III, President and CEO of Checkpoint stated, "We are very pleased to be partnering with Jubilant Biosys to license a family of patents covering compounds that inhibit BRD4 for cancer treatment. This agreement enhances our current product portfolio of immuno-oncology and targeted anti-cancer agents. BET inhibitors have generated significant excitement within the oncology community and Jubilant's asset provides us with additional opportunities to explore proprietary combinations and treatment options for patients. We appreciate Jubilant entrusting our organization to continue development of their exciting technology."

About Jubilant Life Sciences Limited

Jubilant Life Sciences Limited is an integrated global Pharmaceutical and Life Sciences Company engaged in manufacture and supply of APIs, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Life Science Ingredients. It also provides services in Contract Manufacturing of Sterile Injectables and Drug Discovery Solutions. The Company's strength lies in its unique offerings of Pharmaceuticals and Life Sciences products and services across the value chain. The company has 12 world-class manufacturing facilities in India, US and Canada and a team of around 6100 multicultural people across the globe with customers spread across over 100 countries. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally. For more info: www.jubl.com

About Jubilant Drug Discovery Solutions

Jubilant Drug Discovery Solutions (JDDS) comprises of Jubilant Biosys, Jubilant Chemsys and Jubilant Innovation and has presence in India in Bangalore and Noida and in Malvern (USA). These subsidiaries of Jubilant Life Sciences Ltd employ over 625 employees and has demonstrated expertise in multiple therapeutic areas of Oncology, Metabolic Disorders, Pain & Inflammation, CNS and others. The business model includes proprietary in-house innovation, strategic investments as well as drug discovery services as the core components which are available for collaborative research, partnership and out-licensing.
For more info: www.jubilantbiosys.com, www.Jchemsys.com

About Checkpoint Therapeutics

Checkpoint Therapeutics, Inc. ("Checkpoint"), a subsidiary of Fortress Biotech Company, is an immuno-oncology biopharmaceutical company focused on the acquisition, development and commercialization of novel, non-chemotherapy, immune-enhanced combination treatments for patients with solid tumor cancers. Checkpoint aims to acquire rights to these technologies by licensing the rights or otherwise acquiring an ownership interest in the technologies, funding their research and development and eventually either out-licensing or bringing the technologies to market. Currently, Checkpoint is developing a portfolio of fully human immuno-oncology targeted antibodies generated in the laboratory of Dr. Wayne Marasco, MD, PhD, a professor in the Department of Cancer Immunology and AIDS at the Dana-Farber Cancer Institute ("Dana-Farber"). The portfolio of antibodies Checkpoint licensed from Dana-Farber includes antibodies targeting programmed death-ligand 1 ("PD-L1"), glucocorticoid-induced TNFR related protein ("GITR") and carbonic anhydrase IX ("CAIX"). Checkpoint plans to develop these novel immuno-oncology and checkpoint inhibitor antibodies on their own and in combination with each other, as published literature suggests that combinations of these targets may work synergistically together. Checkpoint has also licensed and is developing two oral targeted anti-cancer therapies, consisting of a small molecule inhibitor of poly (ADP-ribose) polymerase ("PARP") and a small molecule inhibitor of epidermal growth factor receptor ("EGFR") mutations. Additionally, Checkpoint will seek to add additional immuno-oncology drugs as well as other targeted therapies to create wholly-owned proprietary combinations that leverage the immune system and other complimentary mechanisms. Checkpoint is headquartered in New York City. For more information, visit www.checkpointtx.com.

About Fortress Biotech

Fortress Biotech, Inc. (“Fortress”) is a biopharmaceutical company dedicated to acquiring, developing and commercializing novel pharmaceutical and biotechnology products. Fortress plans to develop and commercialize products both within Fortress and through subsidiary companies, also known as Fortress Companies. In addition to its internal development programs, Fortress will leverage its biopharmaceutical business expertise and drug development capabilities to help the Fortress Companies achieve their goals. Additionally, Fortress will provide funding and management services to each of the Fortress Companies and, from time to time, Fortress and the Fortress Companies will seek licensing, partnerships, joint ventures and/or public and private financings to accelerate and provide additional funding to support their research and development programs. For more information, visit www.fortressbiotech.com.

Checkpoint Therapeutics Forward-Looking Statements

This press release may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements include, but are not limited to, any statements relating to our growth strategy and product development programs and any other statements that are not historical facts. Forward-looking statements are based on management’s current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock price. Factors that could cause actual results to differ materially from those currently anticipated are: the risk that Checkpoint will not be able to advance its research programs; risks related to the timing of starting and completing of clinical trials; risks related to its growth strategy; risks inherent in research and development activities; its ability to obtain, perform under and maintain financing and strategic agreements and relationships; uncertainties relating to preclinical and clinical testing; its dependence on third-party suppliers; its ability to attract, integrate, and retain key personnel; the early stage of products under development; its need for substantial additional funds; government regulation; patent and intellectual property matters; competition; as well as other risks described in Checkpoint’s SEC filings. Checkpoint expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law.

Jubilant Life Sciences Forward-Looking Statements

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. Jubilant Life Sciences may, from time to time, make additional written and oral forward looking statements, including statements contained in the company’s filings with the regulatory bodies and its reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

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Schedule 7

Success Criteria for Toxicology Study

* studies will comprise the following:

Activities	**Success Criteria**
*	*
*	*
*	*
**	*
**	*

**

*

Any dispute as to whether * studies meet the success criteria will be resolved pursuant to Section 11.2.

*

* Confidential material redacted and filed separately with the Commission.

Exhibit 10.19

CONFIDENTIAL TREATMENT REQUESTED. Confidential portions of this document have been redacted and have been separately filed with the Commission.

SUBLICENSE AGREEMENT

THIS SUBLICENSE AGREEMENT (the "**Agreement**") is dated as of May 26, 2016 (the "**Effective Date**") by and between Checkpoint Therapeutics, Inc, a Delaware corporation with its place of business at 2 Gansevoort Street, 9th Floor, New York, New York 10014 ("**Checkpoint**"), and TG Therapeutics, Inc, Inc., a Delaware corporation with its place of business at 2 Gansevoort Street, 9th Floor, New York, New York 10014 ("**TGTX**"). Checkpoint, on the one hand, and TGTX, on the other hand, shall each be referred to herein as a "**Party**" or, collectively, as the "**Parties**."

RECITALS:

WHEREAS, Checkpoint is party to that certain license agreement (the "License Agreement") dated the date hereof with Jubilant Biosys Limited ("Licensor"); and

WHEREAS, Jubilant is the owner of certain rights in Licensor Technology; and

WHEREAS, Jubilant has licensed rights to the Licensor Technology to Checkpoint; and

WHEREAS, Checkpoint is permitted under Section 2.1 of the License Agreement to grant sublicenses of the rights granted to it under the Licensor Technology; and

WHEREAS, TGTX is engaged in the research, development, manufacturing and commercialization of pharmaceutical products, and TGTX is interested in developing and commercializing products containing or comprising the Compounds; and

WHEREAS, TGTX desires to sublicense from Checkpoint, and Checkpoint wishes to sublicense to TGTX, on an exclusive basis, the right to use Licensor Technology to Develop and Commercialize products containing the Compounds in the Territory and for a defined field of use.

NOW, THEREFORE, in consideration of the foregoing and of the various promises and undertakings set forth herein, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 "**Abandoned Patent**" is defined in Section 6.1(b).

1.2 "**Abandoned Terminated Country**" is defined in Section 6.1(b).

1.3 "**Abandonment**" or "**Abandon**" is defined in Section 6.1(b).

1.4 "**Affiliate**" means a Person or entity that controls, is controlled by or is under common control with a Party, but only for so long as such control exists. For the purposes of this Section 1.4, the word "**control**" (including, with correlative meaning, the terms "**controlled by**" or "**under common control with**") means the actual power, either directly or indirectly through one or more intermediaries, to direct the management and policies of such Person or entity, whether by the ownership of at least 50% of the voting stock of such entity, or by contract or otherwise.

1.5 "**BLA**" means a Biologics License Application under the United States' Public Health Services Act and Federal Food, Drug and Cosmetics Act, each as amended, and the regulations promulgated thereunder, or a comparable filing seeking Regulatory Approval in any country.

1.6 "**Business Day**" means any day other than Saturday, Sunday, or a day that is a federal legal holiday in the U.S.

1.7 "**Calendar Quarter**" means each three -month period commencing January 1, April 1, July 1 or October 1, provided however that (a) the first Calendar Quarter of the Term shall extend from the Effective Date to the end of the first full Calendar Quarter thereafter, and (b) the last Calendar Quarter of the Term shall end upon the termination or expiration of this Agreement.

1.8 "**Calendar Year**" means the period beginning on the 1st of January and ending on the 31st of December of the same year, provided however that (a) the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the same calendar year as the Effective Date, and (b) the last Calendar Year of the Term shall commence on January 1 of the Calendar Year in which this Agreement terminates or expires and end on the date of termination or expiration of this Agreement.

1.9 "**cGCP**" means current Good Clinical Practices (a) as promulgated under 21 C.F.R. Parts 11, 50, 54, 56, 312 and 314, as the same may be amended or re-enacted from time to time and (b) required by law in countries other than the United States where clinical studies are conducted.

1.10 "**cGLP**" means current Good Laboratory Practices (a) as promulgated under 21 C.F.R. Part 58, as the same may be amended or re-enacted from time to time and (b) as required by law in countries other than the United States where non-clinical laboratory studies are conducted.

1.11 "**cGMP**" means current Good Manufacturing Practices (a) as promulgated under 21 C.F.R. Parts 210 and 211, as the same may be amended or re-enacted from time to time and (b) as required by law in countries other than the United States where pharmaceutical product Manufacturing is conducted.

1.12 "**Clinical Trial**" means any Phase 1 Trial, Phase 2 Trial, Phase 3 Trial, or Post-Marketing Study, as applicable.

1.13 "**Combination Product**" means (a) a product containing a Licensed Product together with one or more other active ingredients that have independent biologic or chemical activity when present alone that are sold as a single unit, or (b) a Licensed Product together with one or more products, devices, pieces of equipment or components thereof, that are sold as a single package at a single price.

1.14 "**Commercialization**" or "**Commercialize**" means (a) any and all activities undertaken at any time for a particular Licensed Product and that relate to the manufacturing, marketing, promoting, distributing, importing or exporting for sale, offering for sale, and selling of the Licensed Product, (b) seeking Pricing Approvals and Reimbursement Approvals for such Licensed Product, (c) Post-Marketing Studies and (d) interacting with Regulatory Authorities regarding the foregoing (a) through (c).

1.15 "**Commercially Reasonable Efforts**" means the carrying out of obligations or tasks in a manner consistent with the efforts a Party (which in no event shall be less than the level of efforts and resources standard in the pharmaceutical industry for a company similar in size and scope to such Party) consistent with its normal business practices devotes to research, development or marketing of a pharmaceutical product or products of similar market potential, profit potential resulting from its own research efforts or for its own benefit, taking into account technical, regulatory and intellectual property factors, target product profiles, product labeling, past performance, costs, economic return, the regulatory environment and competitive market conditions in the therapeutic or market niche. Sublicensees shall be measured to the standard of Commercially Reasonable Efforts of the Party from whom they directly or indirectly licensed.

1.16 "**Competing Product**" means BRD4 inhibitors.

1.17 "**Compound**" means (i) the compounds set forth on Schedule 1 attached hereto and (ii) any all compounds structurally related to such compounds that are Covered by Licensor Patents set forth in Schedule 2 hereto.

1.18 "**Controlled**" means, with respect to (a) Patent Rights, (b) Know-How or (c) biological, chemical or physical material, that a Party or one of its Affiliates owns or has a license or sublicense to such Patent Rights, Know-How or material (or in the case of material, has the right to physical possession of such material) and has the ability to grant a license or sublicense to, or assign its right, title and interest in and to, such Patent Rights, Know-How or material as provided for in this Agreement without violating the terms of any agreement or other arrangement with any Third Party.

1.19 "**Covered**" means that the use, manufacture, sale, offer for sale, development, commercialization or importation of the subject matter in question by an unlicensed entity would infringe a Valid Claim of a Patent Right; provided that infringement of any Valid Claim of a pending patent application shall be determined as if such Valid Claim were issued or granted.

1.20 "**Development**" or "**Develop**" means, with respect to a Licensed Product, (a) all non-clinical and clinical drug development activities that are undertaken after the Effective Date up to and including the date of obtaining Regulatory Approval of such Licensed Product including (i) the conduct of Clinical Trials, toxicology and pharmacology testing, test method development and stability testing, process development ("Process Development") (including the Manufacture of validation and engineering batches), formulation development, delivery system development, quality assurance and quality control development, analytical method development, human clinical studies and regulatory affairs activities and statistical analysis and report writing; (ii) the preparation of Clinical Trial design and operations; and (iii) preparing and filing Drug Approval Applications, (b) all activities related to the optimization of a commercial-grade Manufacturing process for the Manufacture of Licensed Product including, test method development and stability testing, formulation, validation, productivity, trouble shooting and next generation formulation, process development, Manufacturing scale-up, development-stage Manufacturing, and quality assurance/quality control development and (c) any and all other activities that may be necessary or useful to obtain Regulatory Approval. When used as a verb, "Developing" means to engage in Development and "Developed" has a corresponding meaning.

1.21 "**Development Inventions**" shall mean any inventions, improvements and Know-how (i) developed, generated, discovered, conceived or reduced to practice in whole or part by TGTX or its Affiliates, whether or not patentable, during the performance of the Development, relating to the development, use or manufacture of a (x) Compound or (y) Licensed Product, but only such distinct unit of such Licensed Product that contains no active ingredients other than Compounds, and (ii) solely owned by TGTX or its Affiliates. Development Inventions excludes Research Inventions.

1.22 "**Development Milestones**" means Milestones 1 through 5 in the table listing the Milestones in Section 5.2.

1.23 "**Development Patents**" means all Patent Rights Controlled by TGTX or its Affiliates Covering Development Inventions.

1.24 "**Development Plan**" means, with respect to a Compound and/or any Licensed Product, a high level non-binding written plan for, the Development activities anticipated to be conducted by TGTX or its Affiliates for such Compound and/or Licensed Product, as such written plan may be amended, modified or updated in accordance with Section 3.2. Topics that may be covered in the plan include (a) the Clinical Trials that are expected to be conducted, and the expected timeline for conducting such Clinical Trials; (b) the expected Drug Approval Applications to be required and prepared, and the expected timetable for making such Drug Approval Applications; (c) the proposed timelines for Manufacturing, Manufacturing scale-up, formulation, filling and/or shipping of the Product, and in each case the budgeted funding for such development activities.

1.25 "**Development Program**" means the Development activities to be conducted by TGTX during the Term with respect to the Compounds.

1.26 "**Development Report**" means with respect to a period, a report that summarizes: (a) significant Development activities conducted during such period and results obtained with respect to Compounds and Licensed Products (including the status of and plans for all Clinical Trials), (b) Significant Development Events applicable to the Compounds and/or Licensed Products, (c) a summary of all Development Inventions conceived or reduced to practice by TGTX over such period, and (d) an estimate of the expected timing of any Development Milestones with respect to the Licensed Products.

1.27 "**Drug Approval Application**" means, with respect to a Licensed Product in the Territory, an application for Regulatory Approval for such product in a country in the Territory. For purposes of clarity, Drug Approval Application shall include, without limitation, (a) an NDA or BLA (for U.S.) or MAA (for Europe); (b) a counterpart of an NDA, BLA or MAA in any country or region in the Territory; and (c) all supplements (including supplemental applications such as sNDAs) and amendments to the foregoing.

1.28 "**EMA**" means the European Medicines Agency or any successor agency.

1.29 "**Expert**" is defined in Section 11.2.

1.30 "**European Commission**" means the authority within the European Union that has the legal authority to grant Regulatory Approvals in the European Union based on input received from the EMA or other competent Regulatory Authorities.

1.31 "**EU**" means the member states of the European Union as of the Effective Date, as it is constituted on the Effective Date and as it may be expanded from time to time after the Effective Date.

1.32 "**FDA**" means the United States Food and Drug Administration, or a successor federal agency thereto.

1.33 "**FD&C Act**" means that federal statute entitled the Federal Food, Drug, and Cosmetic Act and enacted in 1938 as Public Law 75-717, as such may have been amended, and which is contained in Title 21 of the C.F.R. Section 301 et seq.

1.34 "**Field**" means all prophylactic, palliative, therapeutic or diangnostic uses in humans or animals for the prevention, diagnosis and treatment of hematological malignancies, including, without limitation, all Leukemia's, Lymphoma's, Multipe Myeloma and Waldenstrom's Macroglobulinemia.

1.35 "**First Commercial Sale**" means, with respect to a Licensed Product in any country, the first commercial sale, transfer or disposition of such Licensed Product in the Field in such country to a Third Party by TGTX, an Affiliate of TGTX and/or a Sublicensee, and shall include and mean to occur where the first commercial sale, transfer or disposition of any Licensed Product in that country takes place after Regulatory Approval therefor has been obtained in such country.

1.36 "**GAAP**" means United States generally accepted accounting principles.

1.37 "**Generic Product**" refers to any pharmaceutical product that is introduced in the applicable country by an entity other than TGTX or its Affiliates or Sublicensees, which contains the same or equivalent (by FDA or other Regulatory Authority standards, on a country-by-country basis) active pharmaceutical ingredient(s) as contained in a Licensed Product sold by TGTX or its Affiliate or Sublicensee in such country, including any such pharmaceutical product that is AB-rated or determined to be bioequivalent to a Licensed Product by the FDA or is otherwise substitutable for a Licensed Product or is similarly rated by other Regulatory Authorities outside the United States, on a country-by-country basis. For the avoidance of doubt, a Generic Product will not necessarily infringe a Licensor Patent.

1.38 "**Governmental Body**" means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal); (d) multi-national or supranational organization or body; or (e) individual, entity or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.39 "**Hatch-Waxman Act**" means the Drug Price Competition and Patent Term Restoration Act of 1984, as amended.

1.40 "**Know-How**" means any scientific or technical information, results and data of any type whatsoever, in any tangible or intangible form whatsoever, that is not in the public domain or otherwise publicly known, including, without limitation, discoveries, inventions, trade secrets, databases, practices, protocols, regulatory filings, methods, processes, techniques, software, works of authorship, plans, concepts, ideas, biological and other materials, reagents, specifications, formulations, formulae, data (including, but not limited to, pharmacological, biological, chemical, toxicological, clinical and analytical information, quality control, trial and stability data), case reports forms, data analyses, reports, studies and procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), summaries and information contained in submissions to and information from ethical committees, the FDA or other Regulatory Authorities, and manufacturing process and development information, results and data, whether or not patentable, all to the extent not claimed or disclosed in a patent or pending patent application. The fact that an item is known to the public shall not be taken to exclude the possibility that a compilation including the item, and/or a development relating to the item, is (and remains) not known to the public. "Know-How" includes any rights including copyright, moral, trade secret, database or design rights protecting such Know-How. "Know-How" excludes Patent Rights.

1.41 "**IND**" shall mean any Investigational New Drug Application (including any amendments thereto) filed with the FDA pursuant to 21 C.F.R. §321 before the commencement of clinical trials of a Licensed Product, or any comparable filings with any Regulatory Authority in any other jurisdiction.

1.42 "**Launch**" means the First Commercial Sale of a Licensed Product by TGTX.

1.43 "**Law**" or "**Laws**" means all applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the binding effect of law of any Governmental Body.

1.44 "**Licensed Product**" means any product, that contains or comprises, in part or in whole, a Compound (alone or with one or more other active ingredients), in any dosage form, formulation, presentation or package configuration.

1.45 "**Licensor Know-How**" means any and all Know-How that (a) is Controlled by Licensor or any of its Affiliates as of the Effective Date or at any time thereafter during the Term and (b) pertains to the Manufacture, use or sale of Licensed Products, including Research Inventions (other than Research Patents).

1.46 "**Licensor Patents**" means all Patent Rights (i) that are Controlled by Licensor or any of its Affiliates as of the effective date of the License Agreement that Cover the Compound or a Licensed Product, or their Manufacture, sale or use, including the patent applications listed on Schedule 2 attached hereto, (ii) consisting of Research Patents, and (iii) any Patent Rights arising from the patents and patent applications described in the foregoing subclauses (i) and (ii).

1.47 "**Licensor Technology**" means the Licensor Patents and the Licensor Know-How.

1.48 "**Major Countries**" means Japan, the United States, England, Germany and France.

1.49 "**Manufacture**" means all activities related to the production, manufacture, processing, filling, finishing, packaging, labeling, shipping and holding of Licensed Product or any intermediate thereof, including process development, process qualification and validation, scale-up, pre-clinical, clinical and commercial manufacture and analytic development, product characterization, stability testing, quality assurance and quality control.

1.50 "**Market**" means to promote, advertise, distribute, market, offer to sell and/or sell for purposes of a commercial sale, and "**Marketing**" and "**Marketed**" have a corresponding meaning.

1.51 "**Marketing Plan**" is defined in Section 3.7.

1.52 "**Milestone**" is defined in Section 5.2.

1.53 "**Milestone Payment**" is defined in Section 5.2.

1.54 "**NDA**" means a New Drug Application filed with the FDA pursuant to 21 C.F.R. §200, as such regulations may be amended from time to time, for approval by such agency for the sale of Licensed Products in the U.S., and all supplements filed pursuant to the requirements of the FDA (including all documents, data and other information concerning a Licensed Product that are necessary for, or included in, FDA approval to market a Licensed Product).

1.55 "**Net Sales**" means the gross amount invoiced or otherwise charged by TGTX, its Affiliates and Sublicensees ("Selling Party") to Third Parties for sales of a Licensed Product, less:

(a) Normal and customary trade, quantity, cash and discounts and credits allowed and taken;

(b) Discounts, refunds, rebates, chargebacks, retroactive price adjustments and any other allowances given and taken which effectively reduce the net selling price, including, without limitation, Medicaid rebates, institutional rebates or volume discounts;

(c) Product returns and allowances granted to such Third Party;

(d) Normal and customary administrative fees paid to group purchasing organizations (e.g., Medicare) and government-mandated rebates;

(e) Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

(f) Any tax, tariff or duties properly imposed on the production, sale, delivery or use of the Licensed Product, including, without limitation, sales, use, excise or value added taxes and customs and duties;

(g) Allowances for reasonable and verifiable distribution expenses; and

(h) Bad debt actually written off during the accounting period, as reported by the Selling Party in accordance with GAAP, applied on a consistent basis.

Licensed Products are considered "sold" when billed out or invoiced or, in the event such Licensed Products are not billed out or invoiced, when the consideration for sale of the Products is received. If a sale, transfer or other disposition with respect to Licensed Products involves consideration other than cash or is not at arm's length, then the Net Sales from such sale, transfer or other disposition shall be calculated from the average selling price for such Licensed Product during the Calendar Quarter in the country where such sale, transfer or disposition took place. Notwithstanding the foregoing, Net Sales shall not include, and shall be deemed zero with respect to: (i) Licensed Products used by TGTX, its Affiliates or Sublicensees for their internal use (without receipt of value in excess of the cost of goods), (ii) the distribution of promotional samples of Licensed Products provided free of charge, (iii) Licensed Products provided free of charge or at a price not to exceed the cost of goods by TGTX for Clinical Trials or research, development or evaluation purposes, or (iv) sales of Licensed Products among TGTX and its Sublicensees and their respective Affiliates for resale (provided such Affiliate or Sublicensee is not the end user).

Net Sales of any Licensed Product that is part of a Combination Product shall be determined on a country-by-country basis as follows: the Net Sales of the Combination Product (prior to application of the following adjustment) shall be multiplied by the fraction A/(A+B), where A is the net selling price in such country of a Licensed Product without the additional active ingredient in the Combination Product, if sold separately for the same dosage as contained in the Combination Product, and B is the net selling price in such country of any other active ingredients in the combination if sold separately for the same dosage (or form) as contained in the Combination Product. All net selling prices of the elements of such Combination Product shall be calculated as the average net selling price of the said elements during the applicable accounting period for which the Net Sales are being calculated. In the event that, in any country, no separate sale of either such above-designated Licensed Product (containing only such Licensed Product and no other active ingredients) or any one or more of the active ingredients included in such Combination Product are made during the accounting period in which the sale was made or if the net selling price for an active ingredient cannot be determined for an accounting period, Net Sales for purposes of determining payments under this Agreement shall be calculated by multiplying the sales price of the Combination Product by a mutually agreed percentage based on the relative contribution of the Licensed Product and the other additional active ingredients.

Notwithstanding anything to the contrary, in the case of discounts on "bundles" of separate products or services which include Licensed Products (such "bundles" including but not limited to (w) situations where the Licensed Product is sold at a discount to induce the sale of other related or unrelated products, (x) contingent arrangements involving drugs that share the same NDC (whether the same or different package sizes), drugs with different NDCs, (y) circumstances in which a discount is conditioned on the achievement of some other performance requirement for the Licensed Product (e.g. achievement of market share or placement on a formulary tier), or (z) otherwise where the resulting price concessions or discounts are greater than those which would have been available had the bundled products been purchased separately or outside the bundled arrangement), TGTX may calculate Net Sales and royalties due hereunder by applying a discount to the price of a Licensed Product equal to the average percentage discount of all products of TGTX, its Affiliate(s), or Sublicensee(s) in a particular "bundle", calculated as follows:

Average percentage

discount on a particular "bundle" = [1 - (X/Y)] x 100

where X equals the total discounted price of a particular "bundle" of products, and Y equals the sum of the undiscounted bona fide list prices of each unit of every product in such "bundle". If a Licensed Product in a "bundle" is not sold separately, and no bona fide list price exists for such Licensed Product, TGTX and Checkpoint shall, for purposes of calculating Net Sales and royalties due hereunder, negotiate in good faith a reasonable imputed list price for such Licensed Product and Net Sales with respect thereto shall be based on such imputed list price..

Undefined terms in the definition of Net Sales shall be construed in accordance with GAAP but only to the extent consistent with the express terms of the definition of Net Sales.

1.56 "**Paragraph IV Certification**" means a certification pursuant to the Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417), as amended, which shall include but not be limited to any such certification pursuant to 21 U.S.C. §355(b)(2)(A)(iv) or 21 U.S.C. §355(j)(2)(A)(vii)(IV), or any reasonably similar or equivalent certification or notice in the United States or any jurisdiction outside the United States, included in (or made with respect to or in connection with) a Regulatory Filing concerning a Licensed Product and challenging the validity, infringement, or enforceability of any Licensor Patent.

1.57 "**Patent Prosecution**" means, with respect to any Patent Right (a) preparing, filing and prosecuting applications (of all types), (b) paying filing, issuance and maintenance fees, (c) managing and conducting any interference, opposition, invalidation, re-issue, reexamination, renovations, nullification, post-grant review, inter partes review, derivation proceeding, cancellation proceeding or other similar administrative proceeding or administrative appeal thereof and (d) subject to Sections 6.3(d) and 6.4(f), settling any interference, opposition, revocation, nullification or cancellation proceeding. A Party responsible for Patent Prosecution shall be responsible for all of its fees and expenses incurred in connection therewith (including, without limitation, attorneys' fees).

1.58 "**Patent Right**" means: (a) an issued or granted patent, including any extension, supplemental protection certificate, registration, confirmation, reissue, reexamination, extension or renewal thereof; (b) a pending patent application, including any continuation, divisional, continuation-in-part, substitute or provisional application thereof; and (c) all counterparts or foreign equivalents of any of the foregoing issued by or filed in any country or other jurisdiction.

1.59 "**Person**" means any natural person, corporation, firm, business trust, joint venture, association, organization, company, partnership or other business entity, or any government or agency or political subdivision thereof.

1.60 "**Phase I Trial**" means a clinical trial of a Licensed Product in human patients conducted primarily for the purpose of determining the safety, tolerability and preliminary activity of the Licensed Product, including, without limitation, for determining the maximum tolerated dose, or optimal dose. For purposes of this Agreement, a Phase I trial shall specifically exclude a study in healthy volunteers.

1.61 "**Phase II Trial**" means a clinical trial of a Licensed Product in human patients commenced after identifying the maximum tolerated dose, or a lower dose if it is determined to be the optimal dose by TGTX, conducted primarily for the purpose of obtaining sufficient information about the Licensed Product's safety and efficacy to permit the design of a Phase III Trial.

1.62 "**Phase III Trial**" means a clinical trial of a Licensed Product in human patients, which trial is designed (a) to establish that the Licensed Product is safe and efficacious for its intended use; (b) to define warnings, precautions and adverse reactions that are associated with the Licensed Product in the dosage range to be prescribed; (c) to be, either by itself or together with one or more other clinical trials having a comparable design and size, the pivotal human clinical trial in support of an application for Regulatory Approval or label expansion of the Licensed Product, and (d) consistent with 21 CFR § 312.21(c) (as hereafter modified or amended), or with respect to a jurisdiction other than the United States, a similar clinical study.

1.63 "**Phase IV Clinical Trial**" or "**Post-Marketing Study**" means a post-marketing human clinical trial for a Licensed Product commenced after receipt of a Regulatory Approval in the country for which such trial is being conducted and that is conducted within the parameters of the Regulatory Approval for the Product. Phase IV Clinical Trials may include, without limitation, epidemiological studies, modeling and pharmacoeconomic studies, investigator-sponsored clinical trials of Product and post-marketing surveillance studies.

1.64 "**Pivotal Clinical Trial**" means (a) a Phase III Trial or, (b) a Phase II Trial to the extent: (i) in the United States, the protocol for that Phase II Trial shall have been reviewed by the FDA under its current Special Protocol Assessment Guidelines (or equivalent guidelines issued in the future), and any comments from the FDA on that protocol are incorporated in the final protocol for that Phase II Trial or are resolved to the FDA's satisfaction as evidenced by further written communications from the FDA; or (ii) a process with a comparable result – acceptance of a Phase II Trial protocol as "potentially pivotal" – has occurred with the EMA or other Regulatory Authorities in the EU; or (iii) based on the results of that Phase II Trial, either the FDA or the EMA has determined that the Phase II Trial can be considered as a pivotal clinical trial for purposes of obtaining Regulatory Approval.

1.65 "**Pricing Approval**" means any approval or authorization of any Governmental Body or Regulatory Authority establishing prices for a Licensed Product in a jurisdiction in the Territory.

1.66 "**Product Trademarks**" means the Trademark(s) to be used in connection with the Commercialization of Licensed Products in the Territory and any registrations thereof or any pending applications relating thereto (excluding, in any event, any trademarks, service marks, names or logos that include any corporate name or logo of the Parties or their Affiliates).

1.67 "**Proprietary Materials**" means any tangible chemical, biological or physical materials that are conceived or reduced to practice by TGTX in the conduct of the Development Program and/or in connection with the Commercialization of Licensed Products.

1.68 "**Regulatory Authority**" means (a) the FDA, (b) the EMA or the European Commission, or (c) any regulatory body with similar regulatory authority over pharmaceutical or biotechnology products in any other jurisdiction anywhere in the world.

1.69 "**Regulatory Approval**" means the license or marketing approval necessary as a prerequisite for Marketing a product in a country in the Territory. For the avoidance of doubt, Regulatory Approval outside of the United States shall include any Pricing Approval or marketing approval needed prior to the sale of a Licensed Product in the Field.

1.70 "**Regulatory Filing**" shall mean any filing or application with any Regulatory Authority, including INDs, NDAs and BLAs and their foreign equivalents with respect to a Licensed Product.

1.71 "**Reimbursement Approval**" means any approval or authorization of any Regulatory Authority or Governmental Body for establishing a health insurance or drug reimbursement scheme for a Licensed Product in a jurisdiction in the Territory.

1.72 "**Research Inventions**" shall mean any inventions, discoveries, improvements, processes, techniques, Know-How, information and data developed, generated, discovered, conceived or reduced to practice during the performance of the Work Plan (as defined in Section 4.1) and relating to the Compounds, whether or not patentable.

1.73 "**Research Patents**" means all Patent Rights Covering Research Inventions.

1.74 "**Response**" shall have the meaning set forth in Section 11.1.

1.75 "**Royalty Term**" means, and determined on a Licensed Product-by-Licensed Product and country-by-country basis, the period commencing from the First Commercial Sale of a given Licensed Product in such country and ending on the expiry of the last-to-expire Licensor Patent containing a Valid Claim Covering such Licensed Product in such country.

1.76 "**Significant Development Event**" means any of the following material Development events, a summary of which shall be included in any Development Report: (a) any material interaction and/or written correspondence between TGTX or its Sublicensees and any Regulatory Authority with respect to a Compound or a Licensed Product; (b) any material event with respect to any Clinical Trial involving the Compound and/or a Licensed Product, including any such event that is ongoing as of the date of the applicable Development Report, or is reasonably expected to occur or be initiated within twelve (12) months of the date of the applicable Development Report; and (c) any material result obtained in the conduct of any Clinical Trial involving a Compound and/or a Licensed Product during the period covered by the Development Report. For purposes of this definition, "material" shall be defined as any event and/or result which have had or may have a significant impact on the activities and timelines defined in the Development Plan of a Licensed Product.

1.77 "**sNDA**" means a supplemental New Drug Application, as defined in the FD&C Act and applicable regulations promulgated thereunder.

1.78 "**Sublicense**" means an agreement under which Licensee grants a sublicense under the license set forth in Section 2.1.

1.79 "**Sublicensee**" means a Third Party or Affiliate to which TGTX has, pursuant to Section 2.2, granted sublicense rights under any of the license rights granted under Section 2.1.

1.80 "**Tax**" or "**Taxes**" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

1.81 "**Technical Dispute**" shall have the meaning set forth in Section 11.2.

1.82 "**Terminated Country(ies)**" is defined in Section 10.9.

1.83 "**Territory**" means worldwide.

1.84 "**Third Party**" means any Person other than Licensor, Checkpoint, TGTX or their Affiliates.

1.85 "**Third Party Action**" means any claim or action made by a Third Party against a Party that claims that a Licensed Product's use, Development, manufacture or sale by TGTX or its Sublicensees infringes such Third Party's intellectual property rights in the Territory.

1.86 "**Trademark**" shall include any word, name, symbol, color, designation or device or any combination thereof that functions as a source identifier, including any trademark, trade dress, service mark, trade name, logo, design mark or domain name, whether or not registered.

1.87 "**United States**" or "**U.S.**" means the United States of America and its territories and possessions.

1.88 "**Valid Claim**" means a claim of any pending Patent Right (including patent applications) or any issued, unexpired United States or granted foreign patent that has not been dedicated to the public, disclaimed, abandoned or held invalid or unenforceable by a court or other body of competent jurisdiction from which no further appeal can be taken, and that has not been explicitly disclaimed, or admitted in writing to be invalid or unenforceable or of a scope not covering a particular product or service through reissue, disclaimer or otherwise, provided that if a particular claim has not issued within eight (8) years of its initial filing, it shall not be considered a Valid Claim for purposes of this Agreement unless and until such claim is included in an issued or granted Patent, notwithstanding the foregoing definition.

ARTICLE II
LICENSES AND OTHER RIGHTS

2.1 **Grant of License to TGTX.** Checkpoint, on behalf of itself and its Affiliates, hereby grants to TGTX and its Affiliates, and TGTX and its Affiliates hereby accept, an exclusive (even as to Checkpoint), royalty-bearing right and license (with the right to grant sublicenses in accordance with the provisions of Section 2.2) under the Licensor Technology to research, Develop, have Developed, Manufacture, have Manufactured, use, import, Commercialize and have Commercialized the Compound and Licensed Products in and for the Field and Territory.

2.2 **Grant of Sublicenses by TGTX.** The rights and licenses granted in Section 2.1 includes the right to grant sublicenses through multiple tiers of Sublicensees directly or through Sublicensees, provided: (i) TGTX shall enter into a Sublicense with each of its Sublicensees that contains terms and conditions that are consistent in all material respects with the terms and conditions of this Agreement and that provide that upon termination of this Agreement with respect to a country covered by such Sublicense, Checkpoint and Licnesor are third party beneficiaries of such Sublicense; (ii) each Sublicensee agrees in writing with TGTX to maintain accurate and complete books and records and permit Checkpoint and Licensor to review such books and records (including through the audit provisions of this Agreement); and (iii) such Sublicense agreement permits TGTX or a Sublicensee to assign to Checkpoint (or Licensor, as required) such Sublicense agreement. Notwithstanding the foregoing sentence, it is not required that a Sublicense include provisions for the Sublicensee to pay Royalties or make milestone payments directly to Checkpoint or to provide royalty reports directly to Checkpoint. TGTX shall be and remain fully responsible for the compliance by Sublicensees with the terms and conditions of this Agreement applicable to such Sublicensees. TGTX shall not be relieved of its obligations pursuant to this Agreement as a result of such Sublicense, except to the extent such obligations are satisfactorily performed by any such sublicensee. With respect to each Sublicense (and any amendments thereto), TGTX shall forward to Checkpoint (x) a copy of any Sublicense and any amendments thereto, and (y) a certificate in writing that the Sublicense (and any amendments thereto) are in compliance with the terms of this Agreement and the License Agreement, within twenty (20) days following the full execution thereof, provided that TGTX shall have the right to remove from such copy any confidential information therein.

2.3 **Bankruptcy Code.** All rights and licenses granted under or pursuant to this Agreement by Checkpoint to TGTX are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code. The Parties agree that TGTX, as a sublicensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code.

2.4 **Technology Transfer.** As soon as reasonably practicable after the Effective Date, but in no event later than thirty (30) days following the Effective Date, Checkpoint will provide to TGTX a copy of all Licensor Know-How (including but not limited to any preclinical data, clinical data, assays and associated materials, protocols, and procedures pertaining to Licensor's Development of the Licensed Products as of the Effective Date). All such transfers will be done in a reasonably secure manner using either encrypted media or encrypted transfer technology, or, if paper utilizing secure courier or tracked delivery processes. If, during the term of this Agreement Checkpoint possesses Licensor Know-How not previously provided to TGTX, it shall, within thirty (30) days after it comes into possession of such Licensor Know-How, provide copies of such Know-How to TGTX.

2.5 **Non-Compete.** On a country-by-country basis during the Royalty Term for each country (and with respect to an Abandoned Terminated Country, the Royalty Term for the United States), TGTX, its Affiliates and its Sublicensees shall not directly or indirectly engage in the research, development, Manufacture or commercialization of a Competing Product in such country. On a country-by-country basis during the Royalty Term for each country, Checkpoint, its Affiliates shall not directly or indirectly engage in the research, development, Manufacture or commercialization of a Competing Product in such country. This Section 2.5 shall not apply to Competing Products or prospective Competing Products acquired after the Effective Date by either Party or its Affiliates through acquisition of or merger with a Third Party or by purchase of substantially all of the assets of a Third Party.

ARTICLE III
DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION

3.1 **Objective of Development Program and Diligence by Checkpoint.**

(a) Pursuant to the Development Program, TGTX, itself or through or with its Affiliates or Sublicensees, shall use Commercially Reasonable Efforts to Develop and to Commercialize at least one Licensed Product in and for the Field in each of the Major Countries and use Commercially Reasonable Efforts to Develop and to Commercialize at least one Licensed Product in and for the Field in at least one country that is not a Major Country. In addition, TGTX shall use Commercially Reasonable Efforts to Develop and to Commercialize the Licensed Products in and for the Field in the rest of the Territory; provided, however, for the sake of clarity, TGTX will not be in breach or violation of its requirement to use such Commercially Reasonable Efforts in a country (other than such Major Countries and such other one country that is not a Major Country), if the Development and/or Commercialization in such country is not economically prudent or feasible as reasonably determined by TGTX in its sole discretion.

(b) TGTX and/or its Affiliates and Sublicensees shall perform Development of the Licensed Product in good scientific manner and in compliance in all material respects with all applicable Laws and with cGLPs, cGMPs and cGCPs (or, if and as appropriate under the circumstances, International Conference on Harmonization ("**ICH**") guidance (or other comparable regulation and guidance of any Regulatory Authority in the Territory).

3.2 **Development Plan and Report.** Within ninety (90) days of the Effective Date, TGTX shall provide Checkpoint a Development Plan. Within twenty (20) days of the end of each Calendar Year, TGTX shall prepare and provide to Checkpoint an updated Development Plan detailing any amendments, modifications and/or updates to any existing Development Plan along with a Development Report. For the avoidance of doubt, Development Plans are nonbinding and TGTX shall not be in breach of this Agreement if it does not Develop the Compound or Licensed Products in accordance with any Development Plan. Upon Regulatory Approval of a Licensed Product for a particular Major Country, TGTX's obligations under this Section 3.2 shall terminate for that country.

3.3 **Authority.** As between TGTX and Checkpoint, TGTX shall have the exclusive right, and sole decision-making authority, to Develop, manufacture and Commercialize any Licensed Products in and for the Field (either itself or through its Affiliates, agents, subcontractors and/or Sublicensees).

3.4 **Costs and Expenses.** As between Checkpoint and TGTX, (a) TGTX shall be solely responsible for all costs and expenses related to clinical Development, Manufacture and Commercialization of the Licensed Products, including without limitation costs and expenses associated with all clinical trials, drug supply and regulatory filings and proceedings relating to Licensed Products in the Field, (b) the costs of all IND enabling work, including without limitation, all pre-clinical toxicology, pharmacology, CMC, and other work required for the filing of an IND shall be Shared Development Expenses; however, Shared Development Expenses shall include only external costs incurred and each Party shall be responsible for its own internal costs (personnel, overhead, etc.) incurred in connection with an IND filing, (c) each Party shall pay the costs of filing their own IND, and (d) all CMC and formulation development costs shall be Shared Development Expenses. Shared Development Expenses shall be borne 50% by Checkpoint and 50% by TGTX.

3 . 5 **Regulatory.** TGTX and Sublicensees shall be responsible for, and shall control all filings and interactions with Regulatory Authorities with respect to the Licensed Products in and for the Field, and TGTX and its Sublicensees shall control and coordinate all clinical and regulatory strategy for the Licensed Products in and for the Field.

3 . 6 **Manufacturing.** During the Term, TGTX and its Sublicensees shall have the sole obligation and responsibility, and at their sole cost and expense, for all aspects of Manufacturing, including without limitation, testing packaging and labeling the Licensed Products in and for the Field, and any costs associated with storage, release and Third Party logistics. TGTX and Sublicensees may engage contract Manufacturers to Manufacture (including labeling, packaging and testing) the Product. As a part of such responsibilities, TGTX covenants and agrees to use Commercially Reasonable Efforts to obtain the right under any agreement with a Third Party providing for the Manufacture or distribution of the Product to assign such agreement to Checkpoint, or at Checkpoint's election, to Licensor or any Affiliate of Licensor, upon termination of this Agreement in the circumstance where the provisions of Section 10.7 are applicable. TGTX shall or shall cause all Manufacturing to be done in accordance with cGMP and applicable Law.

3.7 **Marketing.** Following receipt of Marketing Approval for a Licensed Product in a jurisdiction in the Territory in and for the Field and during the remainder of the Term:

(a) TGTX shall be solely responsible to Market the Licensed Product in and for the Field in the Territory using Commercially Reasonable Efforts. As used in this Section, "TGTX" includes its Affiliates and Sublicensees.

(b) At least once per calendar year following the first Regulatory Approval of a Licensed Product in a jurisdiction, TGTX shall provide to licensor a high level written status report summarizing the material Marketing activities conducted by TGTX and its Affiliates (but not its Sublicensees) pertaining to the Licensed Product in and for the Field.

ARTICLE IV
LICENSOR RESEARCH

4 . 1 **Overview.** As part of the License Agreement, Licensor and Checkpoint entered into a research project (the "**Research Project**") described in Schedule 4 hereto (the "**Work Plan**"), whereby the Licensor agreed to use Commercially Reasonable Efforts to conduct and complete the Research Project in accordance with the timeline set forth in the Work Plan. Upon completion of all of the tasks set forth in the Work Plan, Licensor shall deliver to Checkpoint, and Checkpoint shall deliver to TGTX, the deliverables set forth in the Work Plan. All Licensor Know-How generated in connection with such Research Project shall be delivered to TGTX within thirty (30) days following its receipt from the Licensor and shall deemed Licensor Know-How sublicensed to TGTX hereunder.

4.2 **Payment.** Fees and expenses incurred by Checkpoint for Licensor's performance of the Research Project, which are outlined in the Work Plan, shall be Shared Development Expenses and borne *% by Checkpoint and *% by TGTX.

4.3 **Status.** Checkpoint shall promptly provide to TGTX all Licensor written reports received by Checkpoint regarding the deliverables provided in the Work Plan and use reasonable efforts to keep TGTX updated on the status of the work and deliverables.

4.4 **Research Inventions.** Notwithstanding anything to the contrary contained in the Work Plan, Licensor shall own all right, title and interest in and to the Research Inventions, including, without limitation, all Research Patents and all other intellectual property rights appurtenant to the Research Inventions. Research Patents shall be Licensor Patents and come within the ambit of the license of Section 4.1.

ARTICLE V
Financial Provisions

5.1 **License Fee.** TGTX shall pay to Checkpoint a non-refundable, non-creditable license fee of one million U.S. dollars ($1,000,000) within thirty (30) days of the Effective Date. As of the Effective Date, there are no pending performance obligations on Checkpoint to receive the license fee.

5.2 **Milestone Payments.** TGTX shall, with respect to the first Licensed Product to achieve a milestone event below (a "**Milestone**"), pay to Checkpoint the respective non-refundable and non-creditable milestone payment ("**Milestone Payment**") under the column "First Achievement Milestone Payment" within twenty (20) days following TGTX's receipt of actual knowledge of such achievement. In the event a Milestone (other than the first Milestone listed below) is achieved by a Second Licensed Product (as defined below), TGTX shall pay to Checkpoint the respective milestone payment under the column "Second Product Milestone Payment" within twenty (20) days following TGTX's receipt of actual knowledge of such achievement. For avoidance of doubt, each Milestone Payment in the table below shall only be paid once under this Agreement, regardless of the number of times such Milestone may be achieved. "**Second Licensed Product**" means, with respect to a Milestone, a Licensed Product containing a Compound that was not contained in the Licensed Product that first achieved such Milestone. For clarity, with respect to each Milestone, a Second Product Milestone cannot be triggered by a Licensed Product containing the same Compound that achieved the respective First Achievement Milestone, even if for a different indication. By way of further clarification, with respect to a Licensed Product contained in a Combination Product, the Net Sales that trigger the Milestone Payment will be that portion of Net Sales attributable to the Licensed Product as provided in the definition of "Net Sales". Notwithstanding the table below, upon achievement of a Development Milestone, payments for such Development milestone and all prior Development Milestones shall be due and payable to the extent not already paid.

* Confidential material redacted and filed separately with the Commission.

Milestone Event	First Achievement Milestone Payment	Second Product Milestone Payment
1. *.	$ *	N/A
2. *.	$ *	$ *
3. *	$ * (subject to the below)	$ *
4. *	$ *	$ *
5.	$ *	$ *
6. *	$ *	$ *
7. *	$ *	$ *
8. *	$ *	$ *
9. *	$ *	$ *
10. *.	$ *	$ *
11. *.	$ *	$ *
12. *.	$ *	$ *

Within twenty (20) days of achieving a Milestone, TGTX shall provide written notice to Checkpoint of such achievement. If at any time Checkpoint disputes whether a Development Milestone has been achieved, the matter shall be referred for resolution in accordance with Section 11.2 as a Technical Dispute.

In the event that TGTX achieves Milestone 3 set forth above, and Checkpoint, in its discretion, determines that, as a result, it can proceed immediately to* with respect to Checkpoint's Development outside of the Field, or if both parties co-sponsor * meeting Milestone 3 set foth above, then TGTX's First Achievement Milestone Payment in Milestone 3 shall be reduced in half to $*.

5.3 **Royalty Payments for Licensed Product**.

(a) In addition to those payments due to Checkpoint under 5.1 and 5.2 above, TGTX shall pay to Checkpoint a royalty at a rate of* percent (*%) on the Calendar Year, worldwide aggregate Net Sales of all Licensed Products during the Licensed Product-by-Licensed Product and country-by-country Royalty Terms by TGTX and its Affiliates and Sublicensees (but excluding Net Sales of a given Licensed Product in a given country after its applicable Royalty Term).

(b) On a Licensed Product-by-Licensed Product and country-by-country basis upon expiration of the Royalty Term, for a Licensed Product in a country, the rights, licenses and sublicenses granted to TGTX hereunder with respect to such Licensed Product in such country shall continue in effect but become exclusive fully paid-up, royalty-free, transferable (to the extent not transferable previously), perpetual and irrevocable, provided that TGTX shall remain liable for any unpaid Milestone Payments and any royalty payments previously owed or accrued. For the avoidance of doubt, in a country where no Licensor Patent containing a Valid Claim covering a Licensed Product has ever existed nor ever exists, no royalties shall be due.

* Confidential material redacted and filed separately with the Commission.

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5.4 **Timing of Payment.** Payments in the nature of royalties payable under Section 5.3(a) shall be payable on actual Net Sales and shall accrue at the time provided therefor by GAAP. Payments in the nature of royalty obligations that have accrued during a particular Calendar Quarter shall be paid, on a Calendar Quarter basis, within 45 days after the end of each Calendar Quarter commencing with the Calendar Quarter in which the First Commercial Sale occurred.

5.5 **Royalty Reports and Records Retention.** Within forty-five (45) days after the end of each Calendar Quarter during which Licensed Products have been sold, TGTX shall deliver to Checkpoint, together with the applicable royalty/payment in the nature of royalties payment due, a written report, on a Licensed Product-by-Licensed Product and country-by-country basis, of Net Sales for such Calendar Quarter. Such report shall (i) total Net Sales for each Licensed Product and Combination Product (including an itemization of the deductions applied to such gross sales to derive such Net Sales and if a Licensed Product is part of a Combination Product the percentage of the Combination Product's Net Sales attributed to the Licensed Product) during the relevant Calendar Quarter, in each case on a dosage-by-dosage, country-by-country basis, including a summary of currency exchange rates used in the calculations, and (ii) the calculation of royalties due on the foregoing. In addition for any Sublicense, the report shall provide the information in clauses (i) through (ii) above. Such report shall be deemed "Confidential Information" of TGTX subject to the obligations of Article VII of this Agreement. For three years after each sale of a Licensed Product, TGTX shall keep (and shall cause its Affiliates and Sublicensees to keep) complete and accurate records of such sale in sufficient detail to confirm the accuracy of the royalty or royalty/payment in the nature of royalties calculations hereunder.

5.6 **Audits**.

(a) Upon the written request of Checkpoint, and not more than once in each Calendar Year, TGTX shall permit an independent certified public accounting firm ("**Auditors**") of nationally recognized standing selected by Checkpoint and reasonably acceptable to TGTX, at Checkpoint's expense, to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of TGTX and its Affiliates or Sublicensees to verify the accuracy of the royalty reports and the Milestone Payments for Milestones which are not Development Milestones. Such review may cover: (i) the records for sales made in any Calendar Year ending not more than three years before the date of such request, and (ii) only those periods that have not been subject to a prior audit. The accounting firm shall disclose to Checkpoint only whether the royalty reports and Milestone Payments are correct or incorrect and the specific details concerning any discrepancies. No other information shall be provided to Checkpoint by the Auditors. This right to audit shall remain in effect during the Term of this Agreement and for a period of two (2) years after the termination of this Agreement.

(b) If such accounting firm concludes that additional royalties or Milestone Payments were owed during such period, TGTX shall pay the additional royalties and Milestone Payments within 20 days after the date such public accounting firm delivers to TGTX such accounting firm's written report. If such accounting firm concludes that an overpayment was made, such overpayment shall be fully creditable against amounts payable in subsequent payment periods or at TGTX's request, shall be reimbursed to TGTX within 30 days after the date such public accounting firm delivers such report to TGTX. Checkpoint shall pay for the cost of any audit by Checkpoint, unless TGTX has underpaid Checkpoint by $50,000 or more for a specific royalty period, in which case TGTX shall pay for the reasonable costs of audit.

(c) Each Party shall treat all information that it receives under this Section 5.6 in accordance with the confidentiality provisions of Article VII of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with the audited Party obligating such firm to retain all such financial information in confidence pursuant to such confidentiality agreement, except to the extent necessary for a Party to enforce its rights under the Agreement.

5 . 7 **Mode of Payment and Currency.** All payments to Checkpoint under this Agreement, whether or not in respect of Net Sales or milestone events, shall be made by deposit of U.S. Dollars in the requisite amount to such bank account as Checkpoint may from time to time designate by advance written notice to TGTX. Conversion of sales or expenses recorded in local currencies to Dollars will be performed in a manner consistent with TGTX's normal practices used to prepare its audited financial statements for external reporting purposes, provided that such practices use a widely accepted source of published exchange rates. These practices are set forth on Schedule 5 attached hereto. Based on the resulting Net Sales in U.S. Dollars, the then applicable royalties/payment in the nature of royalties shall be calculated.

5.8 **Late Payments.** If a Party does not receive payment of any sum due to it on or before the due date therefor, simple interest shall thereafter accrue on the sum due to such Party from the due date until the date of payment at a rate equal to the lesser of (a) U.S. Dollar one-month LIBOR as of the date such payment was due (taken from a widely accepted source of published interest rates), plus three (3) percentage points, or (b) the maximum rate permissible under applicable Law. Accrual and payment of interest shall not be deemed to excuse or cure breaches of contract arising from late payment or nonpayment.

5 . 9 **Taxes.** All amounts due hereunder exclude all applicable sales, use, and other taxes and duties, and TGTX shall be responsible for payment of all such taxes (other than based on Checkpoint's income) and duties and any related penalties and interest, arising from the payment of amounts due under this Agreement. The Parties agree to cooperate with one another and use Commercially Reasonable Efforts to avoid or reduce tax withholding or similar obligations in respect of payments in the nature of royalties, Milestone Payments, and other payments made by TGTX to Checkpoint under this Agreement. To the extent TGTX is required to withhold taxes on any payment to Checkpoint, TGTX shall pay the amounts of such taxes to the proper governmental authority in a timely manner and promptly transmit to Checkpoint official receipts issued by the appropriate taxing authority and/or an official tax certificate, or such other evidence as Checkpoint may reasonably request, to establish that such taxes have been paid. Checkpoint shall provide TGTX any tax forms that may be reasonably necessary in order for TGTX to not withhold tax or to withhold tax at a reduced rate under an applicable bilateral income tax treaty. Checkpoint shall use Commercially Reasonable Efforts to provide any such tax forms to TGTX at least 45 days before the due date for any payment for which Checkpoint desires that TGTX apply a reduced withholding rate. Each Party shall provide the others with reasonable assistance to enable the recovery, as permitted by applicable law, of withholding taxes, value added taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the Party bearing such withholding tax or value added tax. Notwithstanding the foregoing, if TGTX transfers or sublicenses any rights under this Agreement, Drug Approval Applications or Regulatory Approvals, Development Inventions or relocates or assigns this Agreement and as a result TGTX or its assignee is required to withhold or deduct any taxes by any government outside the United States, any subdivision thereof, or any other governmental unit within the territory of such government (such taxes collectively referred to as "**Charges**"), in excess of Charges that Checkpoint would otherwise be required to pay had such transfer, relocation, or assignment not been made, or Checkpoint is required to pay any Charge imposed by any government outside the United States in excess of Charges that Checkpoint would otherwise be required to pay had such transfer or assignment not been made, TGTX shall pay such additional amounts so that payments received by Checkpoint net of all Charges, shall equal the amount to which Checkpoint would have been entitled had there been no such Charges, provided, however that TGTX shall have no obligation to pay any additional amount to the extent that the Charges are imposed by reason of Checkpoint failing to provide a form or similar other evidence reasonably requested by TGTX that would allow for a reduction or exemption of such Charges that Checkpoint is legally able to provide (including, for the avoidance of doubt, Checkpoint's qualification for the benefit of an applicable income tax convention).

ARTICLE VI
Inventions and Patents

6.1 **Patent Prosecution and Maintenance.**

(a) **Patents.** TGTX shall reimburse Checkpoint up to $25,000 in expenses (including attorney's fees) paid by Checkpoint to Licensor for filing of patent applications (national, international or PCT) included in the Licensor Patents and filed prior to the Effective Date within thirty (30) days of receipt of Checkpoint's invoice for such expenses. As between TGTX and Checkpoint, Checkpoint shall be solely responsible for Patent Prosecution of the Licensor Patents in the Territory. Checkpoint shall keep TGTX informed of material actions with respect to the filing and prosecution of Licensor Patents or related proceedings (e.g. interferences, oppositions, reexaminations, reissues, revocations or nullifications) in a timely manner, and shall reasonably consider the advice of TGTX and its patent counsel, and Checkpoint will authorize its patent counsel to speak directly with TGTX and its counsel. Checkpoint shall not abandon prosecution or maintenance of any Licensor Patent in the Territory without first notifying TGTX in a reasonably timely manner of Checkpoint's intention and reason therefor, and providing TGTX with reasonable opportunity to consider to assume, with no obligation to do so, responsibility for prosecution and maintenance of such Licensor Patent in the Territory as set forth in Section 6.1(b). TGTX shall reimburse Checkpoint for 50% of the reasonable out-of-pocket expenses incurred by Checkpoint in filing, prosecuting and maintaining the Licensor Patents in the Territory. Payments are due within thirty (30) days of receipt of Checkpoint's invoice for such expenses.

(b) **Abandonment.** If Checkpoint provides TGTX with written notification that it will no longer support or pursue the filing, prosecution, or maintenance ("**Abandonment**" and when uses as a verb "**Abandon**") of a specified Licensor Patent in a particular country (an "**Abandoned Patent**") in the Territory, then (a) Checkpoint's responsibility for such filing, prosecution, or maintenance of the Abandoned Patent in such country, and the fees and costs related thereto, will terminate on the earlier of (x) the date forty-five (45) Calendar Days after TGTX's receipt of such written notice from Checkpoint or (y) TGTX's assumption of the filing, prosecution and maintenance of such Abandoned Patent in such country at TGTX's sole expense. If TGTX does not assume the filing, prosecution and maintenance of such Abandoned Patent in such country within forty-five (45) Calendar days after TGTX's receipt of such written notice from Checkpoint, the specified Abandoned Patent shall no longer be deemed a Licensor Patent hereunder. If Checkpoint Abandons all Licensor Patents in a country in the Territory, without the assumption by TGTX of the filing, prosecution and maintenance of any such Licensor Patent in such country, Licensor by notice to Checkpoint may terminate such country from the License Agreement and such country will become an "**Abandoned Terminated Country**" under this Agreement. Following Licensor's notice to Checkpoint, which shall be promptly sent to TGTX, TGTX's (and its Sublicensees') rights to any Licensor Patents in such country shall terminate. If TGTX assumes an Abandoned Patent, thereafter TGTX shall be solely responsible for Patent Prosecution of the Abandoned Patent in the Territory. Except as provided below, TGTX shall assume and have sole responsibility for Patent Prosecution for the Abandoned Patent in the Territory. TGTX will, to the extent reasonably practicable, provide Licensor a reasonable opportunity to review and comment on any material patent filings or correspondence with patent authorities pertaining to the Abandoned Patents, provided that all decisions with respect to Patent Prosecution of the Abandoned Patents shall be made by TGTX in its sole reasonable discretion. TGTX shall not abandon prosecution or maintenance of any Abandoned Patent without first notifying Licensor in a reasonably timely manner of TGTX's intention and reason therefor, and providing Licensor with reasonable opportunity to consider to assume, with no obligation to do so, responsibility for prosecution and maintenance of such Abandoned Patent.

6 . 2 **Certification under Drug Price Competition and Patent Restoration Act.** Each of Checkpoint and TGTX shall immediately give written notice to the other of any Paragraph IV Certification.

6.3 **Enforcement of Patents**.

(a) **Notice.** If either Party becomes aware of (i) any actual, potential, or alleged infringement of any of the rights to Licensor Patents under this Agreement with respect to Licensed Products in the Field, (ii) misappropriation of any Licensor Know-How that materially adversely affects exploitation of Licensed Products in the Field, or (iii) a Paragraph IV Certification (each of subclauses (i), (ii) and (iii), an "**Infringement**") and, such Party shall give to the other Party prompt and reasonably detailed written notice of such actual, potential, or alleged Infringement. Notwithstanding the foregoing, each Party shall notify the other Party within two (2) Business Days of its receipt of, or receipt of notice of, any Paragraph IV Certification. This Section 6.3 sets forth the rights of the Parties to commence and prosecute an action relating to such Third Party Infringement (an "**Offensive Enforcement Action**").

(b) **Right to Bring an Action for Licensor's Patents.** Checkpoint and Licensor shall have (i) the right, but not the obligation to undertake control of, and manage and prosecute, compromise or settle, including selection of counsel (collectively, "**Prosecute**"), any Offensive Enforcement Action relating to a Paragraph IV Certification and (ii) the right but not the obligation to Prosecute any other Offensive Infringement Action. If Checkpoint has not exercised their first right to Prosecute a non Paragraph IV Offensive Infringement Action within one hundred twenty (120) days of receipt of notice of the same, or a Paragraph IV Offensive Infringement Action within ten (10) days of receipt of notice of same, Checkpoint shall within five (5) days notify TGTX in writing and TGTX may, by written notice to Checkpoint no later than five (5) days following TGTX's receipt of notice from Checkpoint, Prosecute such action (either such Party who Prosecutes such action, the "**Prosecuting Party**"). The non-Prosecuting Party may, in its sole discretion and at its expense, join in any Offensive Infringement Action and in such case shall reasonably cooperate with the Prosecuting Party. At the Prosecuting Party's request the non-Prosecuting Party shall provide the Prosecuting Party with all relevant documentation (as may be requested by the Prosecuting Party) evidencing that the Prosecuting Party is validly empowered by the non-Prosecuting Party to initiate an Offensive Infringement Action. The non-Prosecuting Party shall be under the obligation to join the Prosecuting Party in its Offensive Infringement Action if the Prosecuting Party determines that this is necessary to demonstrate "standing to sue", provided that the Prosecuting Party shall pay the fees (including attorneys' fees) if the non-Prosecuting Party retains its own counsel. The Prosecuting Party shall have the sole and exclusive right to select counsel for any suit initiated by it pursuant to this Section 6.3 (but not the non-Prosecuting Party's counsel). Checkpoint's or TGTX's rights under this Section may be exercised by their respective Affiliates or in TGTX's case, Sublicensees.

(c) **Costs and expenses of an Action.** Subject to Section 6.3(b) and (f), each Party involved in an Action under Section 6.3(b) shall pay its own costs and expenses incurred in connection with such Action.

(d) **Settlement.** No Party shall settle or otherwise compromise (or resolve by consent to the entry of judgment upon) any Offensive Infringement Action or Patent Prosecution by admitting that any Licensor Patent is to any extent invalid or unenforceable or any settlement (or consent to the entry of a judgment) that entails any payment by the other Party, any license, covenant not to sue relating to, dedication to the public of, abandonment of, any Licensor Technology or would otherwise grant any rights to Manufacture, use, sell or otherwise commercialize a Competing Product, or materially adversely affect the rights of the other Party, without the other Party's prior written consent.

(e) **Reasonable Assistance.** Each Party (if it is not the Party Prosecuting or defending Licensor's Patent Rights) shall provide reasonable assistance to the other Party, including providing access to relevant documents and other evidence and making its employees and consultants available, subject to the other Party's reimbursement of any reasonable out-of-pocket expenses incurred on an on-going basis by the non-enforcing or non-defending Party in providing such assistance.

(f) **Distribution of Amounts Recovered.** Any amounts recovered by the Party initiating an Offensive Infringement Action pursuant to this Section 6.3, whether by settlement or judgment, shall be allocated in the following order: (i) to reimburse the Prosecuting Party for any costs incurred; (ii) to reimburse the non-Prosecuting Party and Licensor for its costs incurred in such Offensive Infringement Action, if it joins (as opposed to taking over) such Offensive Infringement Action; and (iii) the remaining amount of such recovery shall (A) if TGTX (or a Sublicensee) is the Prosecuting Party in the Offensive Infringement Action, the remainder shall be allocated to TGTX and the portion thereof attributable to "lost sales" shall be deemed to be Net Sales for the Calendar Quarter in which the amount is actually received by TGTX and TGTX shall pay to Checkpoint a royalty on such portion based on the royalty rates set forth in Section 5.3(a), and the portion thereof not attributable to "lost sales" shall be allocated to TGTX, (B) if Checkpoint is the Prosecuting Party then the remaining amount of the recovery shall be retained by Checkpoint. and (C) if Licensor is the Prosecuting Party then the remaining amount of the recovery shall be retained by the Licensor.

(g) Irrespective of whether Checkpoint, TGTX or the Licensor decide to take any action under Section 6.3(b), the payment obligations under Section 5 shall remain unaffected.

6.4 **Third Party Actions Claiming Infringement**.

(a) **Notice.** If either Checkpoint or TGTX becomes aware of any Third Party Action, such Party shall promptly notify the other of all details regarding such claim or action that is reasonably available to such Party.

(b) **Duty to Defend.** Subject to the respective indemnity obligations of the Parties set forth in Article IX, TGTX shall have the obligation, at its sole cost and expense, to defend a Third Party Action described in Section 6.4(a) and (subject to Section 6.4(f)) to compromise or settle such Third Party Action. TGTX shall have the sole and exclusive right to select counsel for such Third Party Action.

(c) **Consultation.** The Party defending a Third Party Action shall be the "**Controlling Party**". The Controlling Party shall consult with the non-Controlling Party, pursuant to an appropriate joint defense or common interest agreement, on all material aspects of the defense. The non-Controlling Party shall have a reasonable opportunity for meaningful participation in decision-making and formulation of defense strategy. The Parties shall reasonably cooperate with each other in all such actions or proceedings. The non-Controlling Party will be entitled to join the Third Party Action and be represented by independent counsel of its own choice at its own expense.

(d) **Appeal.** Subject to the respective indemnity obligations of the Parties set forth in Article IX, in the event that a judgment in a Third Party Action is entered against Licensor or Checkpoint, and an appeal is available, the Controlling Party shall, in the absence of the non-Controlling Party's written consent to the contrary, have the obligation to file such appeal. If applicable Law requires the non-Controlling Party's involvement in an appeal, the non-Controlling Party shall be a nominal party in the appeal and shall provide reasonable cooperation to such Party at such Party's expense.

(e) **Costs and expenses of an Action.** Subject to the respective indemnity obligations of the Parties set forth in Article IX, the Controlling Party shall pay all costs and expenses associated with such Third Party Action other than the expenses of the other Party if the other Party elects to join such Third Party Action, (as provided in the last sentence of Section 6.4(c)). For the avoidance of doubt, all damage and liability awards and settlement payments shall be paid by the Controlling Party subject to the respective indemnity obligations of the Parties set forth in Article IX.

(f) **No Settlement without Consent.** Neither Checkpoint or TGTX shall settle or otherwise compromise (or resolve by consent to the entry of judgment upon) any Third Party Action or Patent Prosecution by admitting that any Licensor Patent is to any extent invalid or unenforceable or that any Licensed Product, or its use, Development, importation, manufacture or sale infringes such Third Party's intellectual property rights, or entering into a settlement providing for a license, covenant not to sue relating to, dedication to the public of, abandonment of, any Licensor Technology or would otherwise grant any rights to Manufacture, use, sell or otherwise commercialize a Competing Product or materially adversely affects the rights of the other Party, in each case without the other Party's prior written consent.

(g) The payment obligations under Section 5 shall remain unaffected during or following any Third Party Action.

6.5 **Trademark Infringement**.

(a) With respect to any and all claims instituted by Third Parties against Licensor, Checkpoint or TGTX or any of their respective Affiliates or Sublicensees for Trademark infringement involving the Marketing of the Licensed Products, TGTX, its Sublicensees and Affiliates shall be solely responsible for, and indemnify Licensor and Checkpoint against, any and all Losses arising out of or resulting from the use of any Trademarks.

(b) In the event that a Party becomes aware of actual or threatened infringement of a Trademark used by TGTX, its Sublicensees or Affiliates in connection with a Licensed Product in the Field, that Party shall promptly notify the other Party in writing. TGTX, its Sublicensees and its Affiliates shall have the right but not the obligation to bring an action with respect to such infringement against any Third Party for infringement of a Trademark used in connection with a Licensed Product in the Field. TGTX shall bear all out-of-pocket costs and expenses of the action (including court costs, reasonable fees of attorneys, accountants and other experts and other expenses of litigation or proceedings) and shall be entitled to any recovery in such infringement action.

ARTICLE VII
CONFIDENTIALITY

7.1 **Confidentiality Obligations.** The Parties agree that, for the Term and for five (5) years thereafter, each Party will keep completely confidential and will not disclose, and will not use for any purpose except for the purposes contemplated by this Agreement, any Confidential Information of the other Party. "**Confidential Information**" means all information and know-how and any tangible embodiments thereof provided by or on behalf of one Party to the other Party either in connection with the discussions and negotiations pertaining to this Agreement or in the course of performing under this Agreement, which may include data, knowledge, practices, processes, ideas, research plans, formulation or manufacturing processes and techniques, scientific, manufacturing, marketing and business plans, and financial and personnel matters relating to the disclosing Party or to its present or future products, sales, suppliers, customers, employees, investors or business; provided that, information or know-how of a Party will not be deemed Confidential Information of such Party for purposes of this Agreement if such information or know-how: (a) was already known to the receiving Party, other than under an obligation of confidentiality or non-use, at the time of disclosure to such receiving Party, as can be shown by written records; (b) was generally available or known to parties reasonably skilled in the field to which such information or know-how pertains, or was otherwise part of the public domain, at the time of its disclosure to such receiving Party; (c) became generally available or known to parties reasonably skilled in the field to which such information or know-how pertains, or otherwise became part of the public domain, after its disclosure to such receiving Party through no fault of the receiving Party; (d) was disclosed to such receiving Party, other than under an obligation of confidentiality or non-use, by a Third Party who had no obligation to the disclosing Party not to disclose such information or know-how to others, as can be shown by written records; or (e) was independently discovered or developed by such receiving Party, as can be shown by its written records, without the use or benefit of, or reliance on, Confidential Information belonging to the disclosing Party.

7.2 **Authorized Disclosure.** Each Party may disclose Confidential Information of the other Party to the extent that such disclosure is:

(a) made in response to a valid order of a court of competent jurisdiction; provided, however, that in each case such disclosing Party will, to the extent reasonably practicable, (i) first have given written notice to the other Party and given such other Party a reasonable opportunity to take appropriate action and (ii) cooperate with such other Party as necessary to obtain an appropriate protective order or other protective remedy or treatment; provided, further, that in each case, the Confidential Information disclosed in response to such court or governmental order will be limited to that information which is legally required to be disclosed in response to such court or governmental order, as determined in good faith by counsel to the Party that is obligated to disclose Confidential Information pursuant to such order;

(b) otherwise required to be disclosed by any applicable law, rule, or regulation (including, without limitation, the U.S. and foreign securities laws and the rules and regulations promulgated thereunder) or the requirements of any stock exchange to which a Party is subject; provided, however, that the Party that is so required will provide such other Party with written notice of such disclosure reasonably in advance thereof to the extent reasonably practicable and reasonable measures will be taken to assure confidential treatment of such information, including such measures as may be reasonably requested by the disclosing Party with respect to such Confidential Information;

(c) is in such Party's or its Affiliates' financial statements or the notes thereto and is required under the applicable accounting standard or under regulation;

(d) made by such Party, in connection with the performance of this Agreement, to such Party's Affiliates, licensees or sublicensees, directors, officers, employees, consultants, representatives or agents, or to other Third Parties, in each case on a need to know basis and solely to use such information for business purposes relevant to and permitted by this Agreement, and provided that (i) each individual and entity to whom such Confidential Information is disclosed is bound in writing to non-use and non-disclosure obligations no less than substantially as restrictive as those set forth in this Agreement and (ii) the Party making such disclosure shall be liable for such Third Parties' compliance with such obligations; or

(e) made by such Party to existing or potential acquirers, existing or potential collaborators, licensees, licensors, sublicensees, investment bankers, accountants, attorneys, existing or potential investors, merger candidates, partners, venture capital firms or other financial institutions or investors for use of such information for business purposes relevant to this Agreement or for due diligence in connection with the financing, licensing or acquisition of such Party (or such Party's acquisition of, or merger with, a Third Party), and provided that (i) each individual and entity to whom such Confidential Information is disclosed is bound in writing to non-use and non-disclosure obligations (or in the case of attorneys or accountants, an equivalent professional duty of confidentiality) at least as restrictive as those set forth in this Agreement and (ii) the Party making such disclosure shall be liable for such Third Parties' compliance with such obligations.

7.3 **Publicity**.

(a) The Parties recognize that each Party may from time to time desire to issue press releases and make public statements or disclosures regarding the subject matter of this Agreement. In such event, the Party desiring to issue an additional press release or make a public statement or disclosure shall provide the other Party with a copy of the proposed press release, statement or disclosure for review and approval in advance, provided, however, that if in the reasonable opinion of a Party's legal counsel a press release or disclosure in respect of this Agreement is required to satisfy applicable Law or applicable stock exchange rule or regulation, such Party shall submit the proposed press release or disclosure in writing to the other Party as far in advance as reasonably practicable (and in no event less than two (2) Business Days prior to the anticipated date of disclosure if reasonably practicable,) so as to provide a reasonable opportunity to comment thereon (and such comments shall be considered in good faith). Once any public statement or disclosure has been made in accordance with Section 7.3(b) or this Section 7.3(a), then either Party may appropriately communicate information contained in such permitted statement or disclosure.

(b) Notwithstanding the provisions of Section 7.3(a):

(i) To the extent a Party determines in good faith that it is required by applicable Laws or the rules or regulations of a stock exchange on which the securities of the disclosing Party are listed to publicly file, or otherwise disclose, this Agreement or any of its terms to or with a Regulatory Authority or Governmental Body, such disclosing Party shall provide a proposed redacted form of this Agreement to the other Party within a reasonable amount of time prior to filing or disclosure (and in any event at least five (5) Business Days before filing or disclosure) for the other Party to review and comment upon such redacted form. The Party making such filing, registration, notification or disclosure shall consider in good faith the reviewing Party's reasonable comments regarding such redacted form and shall use commercially reasonable efforts to seek confidential treatment for the redacted terms, to the extent such confidential treatment is applicable and reasonably available consistent with applicable Laws or the rules or regulations of the applicable stock exchange. Each Party shall be responsible for its own legal and other external costs in connection with any such filing, registration or notification.

(ii) Each Party may disclose to any actual or potential or actual investor, lender, investment bank or other bank, acquirer, acquisition or merger target, licensee, licensor, or other strategic partner to the extent necessary or useful in connection with the evaluation or negotiation of a potential transaction or contractual relationship, or performance of obligations or enforcement of rights under such a transaction or relationship, in each case pursuant to a written obligation of confidentiality and non-use substantially as stringent as those set forth in this Article VII, a complete copy of this Agreement or any of the terms thereof.

ARTICLE VIII
REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 **Representations and Warranties of Checkpoint.** Checkpoint represents and warrants to TGTX as of the Effective Date that:

(a) Checkpoint is a corporation, duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with full corporate power and authority to operate its properties and to carry on its business as presently conducted.

(b) Checkpoint has full power and authority to execute, deliver and perform this Agreement. There are no liens or other encumbrances on the Licensor Technology or any part thereof which would interfere with the rights granted, or assignment of assets, to TGTX hereunder. This Agreement constitutes the legally binding and valid obligation of Checkpoint, enforceable in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, moratorium and other laws affecting creditors' rights generally.

(c) The execution, delivery and performance by Checkpoint of this Agreement and the consummation of the transactions contemplated hereby will not result in any violation of, conflict with, result in a breach of or constitute a default under any contract or agreement to which Checkpoint or any Affiliate thereof is a party.

(d) There is no action, suit, proceeding or investigation pending or, to Checkpoint's and its Affiliates' knowledge, currently threatened in writing against or affecting Checkpoint or any Affiliate thereof that questions the validity of this Agreement or the right of Checkpoint to enter into this Agreement or consummate the transactions contemplated hereby and, to Checkpoint's and its Affiliates' knowledge, there is no basis for the foregoing.

(e) No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority, or any Third Party, on the part of Checkpoint or any Affiliate thereof is required in connection with the execution, delivery and performance of this Agreement.

(f) Checkpoint has disclosed in writing to TGTX all Patent Rights owned or Controlled by Licensor or its Affiliates as of the Effective Date that Cover any Licensed Products incorporating Compound thereof in the Field, or which relate to Developing, manufacturing or Commercializing Licensed Products, and all such Patent Rights are set forth on Schedule 2 attached hereto.

8.2 **Representations and Warranties of TGTX.** TGTX represents and warrants to Checkpoint as of the Effective Date and also covenants with respect to Section 8.2(d) or 8.2(g), that:

(a) TGTX is a corporation, duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with full corporate power and authority to operate its properties and to carry on its business as presently conducted.

(b) TGTX has full power and authority to execute, deliver and perform this Agreement. This Agreement constitutes the legally binding and valid obligations of TGTX, enforceable in accordance with their terms, except as such enforcement may be limited by applicable bankruptcy, moratorium and other laws affecting creditors' rights generally.

(c) The execution, delivery and performance by TGTX of this Agreement and the consummation of the transactions contemplated thereby will not result in any violation of, conflict with, result in a breach of or constitute a default under any contract or agreement material to TGTX, its business or its assets.

(d) Without limiting any other term or provision of this Agreement, TGTX shall comply with all applicable Laws in performing this Agreement, including all laws and regulations concerning corrupt practices or which in any manner prohibit the giving of any financial or other advantage including all Marketing activities conducted by it or its Affiliates, including, without limitation, the Federal Health Care Programs Anti-Kickback Law, Title 42 of the U.S. Code Section 1420a-7(b)(b), and any comparable or similar state anti-kickback laws or regulations, and all federal, state and foreign health care fraud and abuse statute and regulations, except where the failure to so comply would not reasonably be expected to have a material adverse effect on the Licensed Patents or Net Sales.

(e) No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority on the part of TGTX is required in connection with the execution, delivery and performance of this Agreement.

(f) There is no action, suit, proceeding or investigation pending or, to TGTX's knowledge, currently threatened against or affecting TGTX or that questions the validity of this Agreement, or the right of TGTX to enter into this Agreement or consummate the transactions contemplated hereby and, to TGTX's knowledge, there is no reasonable basis for the foregoing.

(g) TGTX will notify Checkpoint in writing if it determines that it will or does (i) permanently cease all Development, Manufacture and Commercialization of Licensed Products in the Field or (ii) suspend all Development, Manufacture and Commercialization of Licensed Products in the Field for more than nine (9) months ("**Notice of Termination or Suspension**").

8 . 3 **Disclaimer.** EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, INCLUDING SECTIONS 8.1 AND 8.2, AS APPLICABLE, THE PARTIES MAKE NO REPRESENTATIONS AND GRANT NO WARRANTIES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE, AND THE PARTIES EACH SPECIFICALLY DISCLAIM ANY OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, OR EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, OR AS TO THE SUCCESS OR LIKELIHOOD OF SUCCESS OF THE RESEARCH, DEVELOPMENT OR COMMERCIALIZATION OF LICENSED PRODUCT UNDER THIS AGREEMENT.

ARTICLE IX
INDEMNIFICATION; LIMITATION OF LIABILITY; INSURANCE

9.1 **Indemnification by TGTX.** TGTX shall indemnify, defend and hold harmless (i) Licensor and its Affiliates, and each of their respective employees, officers, directors and agents (the "**Licensor Indemnitees**") and (ii) Checkpoint and its Affiliates and each of their respective employees, officers, directors and agents (the "**Checkpoint Indemnitees**") against any and all liabilities, damages, penalties, fines, losses, costs and expenses (including reasonable attorneys' fees and expenses) (individually and collectively, "**Losses**") to the extent arising out of any and all Third Party claims, demands, actions or other proceedings (each, a "**Claim**") arising out of (a) the testing, use, Development or Commercialization of a Compound or any Licensed Product by or on behalf of TGTX, any of the TGTX Indemnitees or any Sublicensee, (b) TGTX's, its Affiliates' or its Sublicensees' material breach of this Agreement, (c) misappropriation or infringement of, or the use of, any Product Trademarks, (d) TGTX's or its Affiliates' breach or noncompliance with the terms of any Sublicense arising prior to or as a result of the termination of this Agreement, or (e) TGTX's, its Affiliates' or its Sublicensees' gross negligence or willful misconduct, excluding, in the case of each of (a)-(d) above, any Claim or Loss with respect to which Checkpoint has an obligation to indemnify TGTX Indemnitees pursuant to Section 9.2.

9 . 2 **Indemnification by Checkpoint.** Checkpoint shall indemnify, defend and hold TGTX and its Affiliates and each of their respective agents, employees, officers and directors (the "**TGTX Indemnitees**") harmless from and against any and Losses to the extent arising out of any and all Claims arising out of (a) Checkpoint's material breach of this Agreement, (b) the use, Development or Commercialization of a Compound or any Licensed Product by or on behalf of Checkpoint or any of the Checkpoint Indemnitees or any licensee thereof (specifically excluding product liability claims arising out of Licensed Product sold or distributed by TGTX, its Affiliates or Sublicensee), or (c) Checkpoint's gross negligence, willful misconduct, excluding, in the case of each of (a)-(c) above, any Claim or Loss with respect to which TGTX has an obligation to indemnify Checkpoint Indemnitees pursuant to Section 9.1.

9.3 **Procedure**.

(a) The Party or other Person intending to claim indemnification under this Article IX (an "Indemnified Party") shall promptly notify the opposed Party (the "Indemnifying Party") of any Claim in respect of which the Indemnified Party intends to claim such indemnification (provided, that no delay or deficiency on the part of the Indemnified Party in so notifying the Indemnifying Party will relieve the Indemnifying Party of any liability or obligation under this Agreement except to the extent the Indemnifying Party has suffered actual prejudice directly caused by the delay or other deficiency), and the Indemnifying Party shall assume the defense thereof (with counsel selected by the Indemnifying Party and reasonably satisfactory to the Indemnified Party) whether or not such Claim is rightfully brought; provided, however, that an Indemnified Party shall have the right to retain its own counsel and to participate in the defense thereof, with the fees and expenses to be paid by the Indemnified Party unless the Indemnifying Party does not assume the defense or unless a representation of both the Indemnified Party and the Indemnifying Party by the same counsel would be inappropriate due to the actual or potential differing interests between them, in which case the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Indemnifying Party. (Provided, that in no event shall the Indemnifying Party be required to pay for more than one separate counsel no matter the number or circumstances of all Indemnified Parties.)

(b) If the Indemnifying Party shall fail to timely assume the defense of and reasonably defend such Claim, the Indemnified Party shall have the right to retain or assume control of such defense and the Indemnifying Party shall pay (as incurred and on demand) the fees and expenses of counsel retained by the Indemnified Party.

(c) The Indemnifying Party shall not be liable for the indemnification of any Claim settled (or resolved by consent to the entry of judgment) without the written consent of the Indemnifying Party. Also, if the Indemnifying Party shall control the defense of any such Claim, the Indemnifying Party shall have the right to settle such Claim; provided, that the Indemnifying Party shall obtain the prior written consent (which shall not be unreasonably withheld or delayed) of the Indemnified Party before entering into any settlement of (or resolving by consent to the entry of judgment upon) such Claim unless (i) there is no finding or admission of any violation of law or any violation of the rights of any person by an Indemnified Party, no requirement that the Indemnified Party admit negligence, fault or culpability, and no adverse effect on any other claims that may be made by or against the Indemnified Party and (ii) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party and such settlement does not require the Indemnified Party to take (or refrain from taking) any action.

(d) The Indemnified Party, and its employees and agents, shall cooperate fully with the Indemnifying Party and its legal representatives in the investigations of any Claim.

(e) Regardless of who controls the defense, each Party hereto shall reasonably cooperate in the defense as may be requested.

9.4 **Expenses.** As the Parties intend complete indemnification, all costs and expenses of enforcing any provision of this Article IX shall also be reimbursed by the Indemnifying Party.

9.5 **Limitation of Liability.** IN NO EVENT SHALL EITHER PARTY OR ITS AFFILIATES BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF A BREACH OF THIS AGREEMENT, PROVIDED THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE FOREGOING SHALL NOT BE CONSTRUED TO LIMIT THE INDEMNITY OBLIGATIONS SET FORTH IN SECTIONS 9.1 AND 9.2, OR EITHER PARTY'S LIABILITY FOR A BREACH OF ARTICLE VII.

9.6 **Insurance.** During the term of this Agreement and for a period of five (5) years after its expiration or earlier termination (measured by termination or expiration of the last Licensed Product for a country whose Royalty Term is in effect), TGTX shall obtain insurance as follows. The insurance shall insure TGTX against all liability related to its activities relating to the Development, Manufacture or sale of Licensed Products subject to this Agreement, subject to the limits set forth above. The insurance above, shall be in amounts that are reasonable and customary in the pharmaceutical industry for the Territory, but in no event shall any TGTX's liability insurance relating to commercial Manufacture, sale or distribution of a Licensed Product provide coverage less than two million U.S. dollars (U.S. $2,000,000) per occurrence (or claim) and an annual aggregate of two million U.S. dollars (U.S. $2,000,000). Policies for the Development, commercial Manufacture, sale or distribution of a Licensed Product shall include a contractual endorsement naming Checkpoint and Licensor as an additional insured in relation to liabilities arising from its obligations under the terms of this Agreement and require the insurance carriers to provide Checkpoint with no less than thirty (30) days' written notice of any change in the terms or coverage of the policies or their cancellation.

ARTICLE X
TERM AND TERMINATION

10.1 **Term and Expiration.** The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in this Article X, shall continue in full force and effect, on a country-by-country and Licensed Product-by-Licensed Product basis until the Royalty Term in such country with respect to such Licensed Product expires, at which time this Agreement shall expire in its entirety with respect to such Licensed Product in such country (the "**Term**").

10.2 **Termination upon Material Breach.** If a Party breaches any of its material obligations under this Agreement (a "**Material Breach**"), the other Party may give to the breaching Party a written notice specifying the nature of the Material Breach, requiring it to cure such Material Breach, and, if desired, stating its intention to terminate this Agreement if such Material Breach is not cured. If such Material Breach is not capable of being cured, or is capable of being cured but nonetheless has not within 60 days after the receipt of such notice been cured, then the non-breaching Party (in addition to and not in lieu of all other available rights and remedies) be entitled to at its option either (a) terminate this Agreement immediately by written notice to the other Party, or (b) continue this Agreement in full force and effect and seek any legal or equitable remedies that the non-breaching Party may have.

10.3 **Termination for Insolvency.** Either Party (i.e., the non-insolvent Party) may terminate this Agreement, if, at any time, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of the Party or of substantially all of its assets, or if the other Party proposes a written agreement of composition or extension of substantially all of its debts, or if the other Party shall be served with an involuntary petition against it, filed in any insolvency proceeding, and such petition shall not be dismissed within sixty (60) days after the filing thereof, or if the other Party shall propose or be a party to any dissolution or liquidation, or if the other Party shall make an assignment of substantially all of its assets for the benefit of creditors.

10.4 **Termination for Patent Challenge.** Checkpoint will be permitted to terminate this Agreement by written notice effective upon receipt if TGTX or its Affiliates or its Sublicensees, directly or indirectly through assistance granted to a Third Party, commence any interference or opposition proceeding, challenge in a legal or administrative proceeding the validity or enforceability of, or oppose in a legal or administrative proceeding any extension of or the grant of a supplementary protection certificate with respect to, any Licensor Patents (a "Patent Challenge"). TGTX will include provisions in all agreements granting Sublicenses of TGTX's rights hereunder (other than agreements with manufacturers, services providers, distributors and other agents) providing that if the Sublicensee or its Affiliates undertake a Patent Challenge with respect to any Licensor Patents under which the Sublicensee is Sublicensed, TGTX will be permitted to terminate such Sublicense agreement. If a Sublicensee of TGTX (or an Affiliate of such Sublicensee) undertakes a Patent Challenge of any such Licensor Patent Rights under which such Sublicensee is sublicensed, then TGTX upon receipt of notice from Checkpoint of such Patent Challenge will terminate the applicable Sublicense agreement. If TGTX fails to so terminate such Sublicense agreement, Checkpoint may terminate TGTX's right to Sublicense in the country(ies) covered by such Sublicense agreement and any Sublicenses previously granted in such country(ies) shall automatically terminate. In connection with such Sublicense termination, TGTX shall cooperate with Checkpoint's reasonable requests to cause such a terminated Sublicensee to discontinue activities with respect to the Licensed Product in such country(ies).

10.5 **Termination for Convenience**. This Agreement may be terminated by TGTX at any time for its convenience upon sixty (60) days prior written notice to Checkpoint.

10.6 **Termination for Suspension of Development**. If prior to Regulatory Approval of a Licensed Product, TGTX or its Affiliates provides Notice of Termination or Suspension, then Checkpoint may terminate this Agreement on thirty (30) days' notice to TGTX.

10.7 **Termination for Good Scientific Reason.** TGTX may terminate this Agreement with respect to any specific Compound and the related Licensed Product upon sixty (60) days' prior written notice to Checkpoint if (i) such Compound or Licensed Product has an adverse safety profile or causes serious adverse reactions; or (ii) TGTX reasonably determines that such Licensed Product will not qualify for Regulatory Approval in the United States.

10.8 **Termination for Abandonment.** If Checkpoint Abandons all Licensor Patents in a country, and TGTX does not assume the filing, prosecution and maintenance of such Abandoned Patent in such country, then Checkpoint may terminate the Agreement with respect to such country on thirty (30) days' written notice to TGTX.

10.9 **Effects of Termination/Expiration**.

(a) If this Agreement is terminated by TGTX under Sections 10.3, 10.5 or 10.7, or by Checkpoint under Sections 10.3, 10.4, 10.6 or 10.8, with respect to one or more Licensed Products ("Terminated Products"), in all or any countries of the Territory (the "**Terminated Country(ies)**"):

(i) Any and all licenses granted by Checkpoint to TGTX under this Agreement with respect to the Terminated Products shall terminate in their entirety or with respect to the Terminated Country(ies), as the case may be, on the effective date of such termination;

(ii) Upon Checkpoint's written request, TGTX shall transfer the following assets (collectively, the "**Transferred Product Assets**") to Checkpoint without charge (except as provided in Section 10.9(c), below), provided that Checkpoint shall be responsible for all of costs and expenses incurred by TGTX in connection with such transfer:

(1) TGTX shall promptly transfer to Checkpoint, at Checkpoint's expense, copies of all data, reports, records and documentation and materials that both (i) it Controls and (ii) relate solely to the unit of the Terminated Product that contains no active ingredients other than Compounds ("Covered Product") (e.g. a tablet that contains other active ingredients would not be a distinct unit but if the Terminated Products consisted of two tablets one could be a distinct unit), in such Terminated Country(ies), provided that TGTX shall redact information to the extent possible not relating to the Compound or Covered Product;

(2) TGTX shall, to the extent transferable, assign and transfer to Checkpoint all of its and its Affiliates' right, title and interest in and to all Regulatory Approvals and Drug Approval Applications and Regulatory Filings that it solely owns, prepared (whether completed or partially completed), filed and/or granted solely for terminated Compounds and Covered Products in such Terminated Country(ies), and TGTX shall promptly file with any applicable Regulatory Authority notice of such transfer and assignment;

(3) TGTX shall, to the extent of its Control, transfer to Checkpoint all relevant records and materials in TGTX's possession containing Confidential Information relating solely to the terminated Compounds and Covered Product in such Terminated Country(ies), provided, however, that TGTX may keep one copy of such Confidential Information for archival purposes only and such Confidential Information shall be Confidential Information of Checkpoint;

(4) To the extent TGTX solely owns any right, title and interest in any Trademarks, trade names and/or logos under which only the terminated Covered Product has been or is being marketed or sold in the Terminated Country(ies) (excluding for avoidance of doubt the TGTX's or its Affiliates corporate Trademarks), or internet domain registrations for any such Trademarks or tradenames (excluding for avoidance of doubt domain name registrations incorporating the TGTX's or its Affiliates corporate Trademarks (in whole or in part)), TGTX shall assign the same to Checkpoint;

(iii) At Checkpoint's request, TGTX shall assign to Checkpoint, any clinical trial agreements (to the extent assignable without the written consent of the other parties to such clinical trial agreements) with respect solely to such terminated Compound and Licensed Product in such Terminated Country(ies), provided that Checkpoint agrees to assume all liabilities under such clinical trial agreements pursuant to a form of assumption agreement mutually agreed upon by Checkpoint and TGTX.;

(iv) Any transfers under this Section 10.9(a) shall be transferred on an "as-is" basis, and all documents and information transferred to Checkpoint, to the extent solely related to the terminated Licensed Product or Compound, shall be deemed Checkpoint's Confidential Information;

(v) Checkpoint's and TGTX's restrictive covenants in Sections 2.5 (except if termination is pursuant to Section 10.8) shall terminate with respect to the terminated Licensed Product in such Terminated Country(ies); and

(vi) If at the time of such termination or thereafter, no license granted by TGTX or its Affiliates under the Development Inventions or Development Patents to a Sublicensee under a Sublicense agreement (or options to acquire such a license) is in effect with respect to (A) a Terminated Product, (B) a Terminated Country or (C) a Terminated Product in a Terminated Country, then upon Checkpoint's written request to TGTX, TGTX, on behalf of itself and its Affiliates, shall grant, and shall be deemed to have granted without further action required, to Checkpoint and its Affiliates, or upon Checkpoint's election, to Licensor or an Affiliate of Licensor, an exclusive royalty-bearing (as provided in Section 10.9(c), non-transferable (except in connection with an assignment of this Agreement permitted pursuant to Section 12.2), sublicensable, perpetual license or sublicense (with respect to rights licensed by Third Parties to TGTX), under all Development Inventions and Development Patents Controlled by TGTX, to Develop and Manufacture, in the case of (A) above, the Terminated Product in the Territory, in the case of (B) above the Terminated Product or Licensed Product in the Terminated Countries, and in the case of (C) above, the Terminated Product in the Terminated Countries.

(b) If this Agreement is terminated by TGTX under Section 10.2 or if this Agreement is terminated by Checkpoint under Section 10.2, then in addition to any other remedies available to such Party:

(i) All licenses granted by TGTX to Checkpoint under this Agreement shall terminate; and

(ii) All licenses granted by Checkpoint to TGTX shall terminate.

(c) If this Agreement is terminated by TGTX under Section 10.7, or by Checkpoint under Sections 10.6 or 10.8, in each case, with respect to a Terminated Product or Terminated Country or in its entirety, then following issuance of a request under Sections 10.9(a)(ii), 10.9 (a)(iii) or 10.9(a)(vi), Checkpoint shall pay TGTX (x) *% of Sublicensing Royalty Revenue (as defined below), but in no event greater than the royalties that would be payable by Checkpoint pursuant to the royalty rates provided below in this Section 10.9(c) (applying such rates to Net Sales by Existing Sublicensees (as defined below)), and (y) a royalty (the "**Reverse Royalty**") on Net Sales of Licensed Products (expressly excluding Net Sales by Existing Sublicensees) during the Reverse Royalty Term (as defined below) as follows:

(i) if the termination occurs before completion (where "completion" means receipt of a final study report meeting the guidelines of the International Conference on Harmonization) of a Phase III Study for a Licensed Product, then * percent (*%) royalty on Net Sales;

(ii) if the termination occurs after completion (where "completion" means receipt of a final study report meeting the guidelines of the International Conference on Harmonization) of a Phase III Study for a Licensed Product but before approval of an NDA or BLA for such Licensed Product in such country, then a * percent (*%) royalty on Net Sales; or

(iii) if the termination occurs after approval of an NDA or BLA for a Licensed Product, then a* percent (*%) royalty on Net Sales.

"**Reverse Royalty Term**" means, and determined on a Licensed Product-by-Licensed Product and country-by-country basis, the period commencing from the First Commercial Sale of a given Licensed Product in such country and ending on the expiry of the last-to-expire Licensor Patent containing a Valid Claim Covering such Licensed Product in such country

For purposes of this Section 10.9(c), the definition of "Net Sales," and Sections 5.4 through 5.9 shall apply*mutatis mutandis* to the calculation, payment, recording, and auditing of Checkpoint's obligations to pay Reverse Royalties under this Section 10.9 as they apply to TGTX and, solely for such purpose, each reference in each such Section (and any related definitions) to TGTX shall be deemed to be a reference to Checkpoint, and (y) a Sublicensee shall be deemed to be a reference to a licensee or sublicensee of Checkpoint or any of its Affiliates (and expressly excluding Existing Sublicensees) with respect to the Licensed Product. Notwithstanding the foregoing, no Reverse Royalty shall be due or payable by Checkpoint relating to Net Sales of Sublicensees under any Sublicense in effect at the date of termination of this Agreement (Sublicensees under such Sublicenses, "**Existing Sublicensees**"). **"Sublicensing Royalty Revenue"** means sales-based royalties, and minimum sales royalties, each as actually received by Checkpoint or its Affiliate from an Existing Sublicensee as consideration for the grant of rights to Patent Rights.

* Confidential material redacted and filed separately with the Commission.

In no event shall Checkpoint transfer (i) its, right, title or interest in Patent Rights Covering a terminated Compound or Licensed Product or (ii) any of the Transferred Assets, unless the assignee assumes Checkpoint's obligations to pay royalties under this Section 10.9 pursuant to a commercially reasonable assignment and assumption agreement providing that (x) TGTX is a third party beneficiary to such agreement for the purpose of enforcing such payment obligations and (y) any further assignment by such assignee is subject to the requirements set forth in this paragraph.

(d) Articles I (Definitions), VI (Patents and Infringement), VII (Confidentiality), IX (Indemnification; Limitation of Liability; Insurance), XI (Dispute Resolution) and XII (Miscellaneous Provisions) and Section 2.5 (but only with respect to TGTX in connection with a termination under Section 10.8), Sections 5.1, 5.3(b), 5.5 (Royalty Reports and Records Retention), 5.6 (Audits), 5.8 (Late Payments), 5.9 (Taxes) and 10.9 (Effects of Termination/Expiration) hereof shall survive the expiration or termination of this Agreement for any reason. A termination of any Compound from this Agreement shall also terminate the related Licensed Product and termination of any Licensed Product shall terminate the related Compound

(e) Termination or expiration of this Agreement shall not relieve the Parties of any liability that accrued hereunder before the effective date of such termination or expiration. In addition, termination or expiration of this Agreement shall not preclude either Party from pursuing all rights and remedies it may have hereunder or at Law or in equity with respect to any breach of this Agreement nor prejudice either Party's right to obtain performance of any obligation.

(f) Effect on Sublicenses.

(i) Upon the termination of this Agreement in its entirety, each Sublicense which provides for its survival upon such termination shall survive such termination (but in no event for longer than the period TGTX's licenses hereunder would have been in effect had termination not occurred) and remain in full force and effect, with Checkpoint or upon Checkpoint's election, to Licensor or an Affiliate of Licensor, as the Sublicensee's direct licensor solely with respect to the Licensor Technology ("**Surviving Sublicense**"). Upon Checkpoint's written request, provided that a Surviving Sublicense does not include licenses to products other than Licensed Products, TGTX shall assign a Surviving Sublicense to Checkpoint or upon Checkpoint's election, to Licensor or an Affiliate of Licensor. If a Surviving Sublicense includes licenses to products other than Licensed Products, TGTX shall require that the terms of such Surviving Sublicense permits the assignment in part to Checkpoint or upon Checkpoint's election, to Licensor or an Affiliate of Licensor, relating to the Licensor Technology and shall, upon Checkpoint's written request, assign to Checkpoint or upon Checkpoint's election, to Licensor or an Affiliate of Licensor, the portion of such Surviving Sublicense pertaining to the Licensor Technology.

(ii) Upon the termination of this Agreement with respect to a Terminated Product in a Terminated Country, each Sublicense that includes such Terminated Product in such Terminated Country which provides for its survival upon such termination shall survive such termination (but in no event for longer than the period TGTX's licenses hereunder would have been in effect had termination not occurred) and remain in full force and effect, with (i) Checkpoint or upon Checkpoint's election, Licensor or an Affiliate of Licensor, as the Sublicensee's direct licensor solely with respect to the Licensor Technology and the portion of such Sublicense that includes such Terminated Product in such Terminated Country ("**Surviving Partial Sublicenses**") and (ii) TGTX continuing as the Sublicensee's direct licensor with respect to all other rights granted under such Sublicense. Upon such termination, Checkpoint and Licensor shall be third party beneficiaries of the Surviving Partial Sublicense with respect to the portion thereof pertaining solely to the Terminated Products in the Terminated Countries. Each Sublicense that provides for survival as set forth in this Section shall provide for such third party beneficiary status.

(iii) With respect to each Surviving Sublicense and Surviving Partial Sublicense, in the absence of written notice from Checkpoint to a Sublicensee under a Surviving Sublicense or Surviving Partial Sublicense provided within forty five (45) days of the termination of this Agreement electing to continue the payment terms under such Sublicense, in which case such Sublicense payment terms shall continue, the Sublicensee's payment obligations with respect to its exercise of its surviving rights to the Licensor Technology (but not with respect to its exercise or enjoyment of any other rights or assets) thereunder shall, in lieu of any payment obligations set forth in the Sublicense, be the corresponding payment obligations set forth in this Agreement, provided that (a) with respect to Milestone Payments under such Sublicense where such Sublicense is for less than the entire Territory and the Milestone Payment is based on cumulative worldwide Net Sales, the portion of such Milestone Payment for which such Sublicensee shall be liable shall be such Milestone Payment multiplied by: (I) cumulative Net Sales in such Sublicensee's territory (and not worldwide Net Sales) divided by (II) cumulative worldwide Net Sales and (b) with respect to royalties payable under such Sublicense, if the royalty set forth in such Sublicense is equal to or greater than five percent (5%) of such Sublicensee's Net Sales, then such amount shall be payable under such Sublicense in accordance with the terms thereof (in lieu of any royalty payments pursuant to the terms of Section 5.3(a)), and if such royalty is less than five percent (5%) of such Sublicensee's Net Sales, then the royalty payable under such Sublicense shall be the amounts set forth in Section 5.3(a) (in lieu of any royalty payments pursuant to the terms of such Sublicense) and the royalty tiers will, for the avoidance of doubt, be achieved based on worldwide Net Sales as calculated in accordance with this Agreement, and Checkpoint shall notify such Sublicensee within thirty (30) days following it becoming aware of a Net Sales tier higher than the then-current Net Sale tier applying to the calculation of royalties pursuant to Section 5.3(a). Notwithstanding the foregoing, within thirty (30) days after the effective date of termination of this Agreement, Checkpoint shall have the right to terminate a Sublicense granted to an Affiliate of TGTX.

(g) Termination of the License Agreement.

(i) Upon the termination of the License Agreement in its entirety, this Agreement will remain in full force and effect, with Licensor as TGTX's direct licensor solely with respect to the Licensor Technology ("**Surviving Agreement**"), and in the event of such a termination of the License Agreement, Checkpoint has the right to assign, in whole or in part, the Surviving Agreement to Licensor.

(ii) Upon the termination of the License Agreement with respect to a Terminated Product in a Terminated Country, this Agreement will remain in full force and effect, with (i) Licensor as TGTX's direct licensor solely with respect to the Licensor Technology and the portion of this Agreement that includes such Terminated Product in such Terminated Country ("**Surviving Partial Agreement**") and (ii) Checkpoint continuing as TGTX's direct licensor with respect to all other rights granted under such Surviving Partial Agreement. Upon such termination, Licensor shall be a third party beneficiary of the Surviving Partial Agreement with respect to the portion thereof pertaining solely to the Terminated Products in the Terminated Countries.

(iii) With respect to the Surviving Agreement and Surviving Partial Agreement, the payment terms under this Agreement will continue, except that payment with respect to the Licensed Products will be made directly to Licensor and not Checkpoint.

ARTICLE XI
DISPUTE RESOLUTION

11.1 **General.** Checkpoint and TGTX shall endeavor to resolve any claim or controversy arising out of the threatened breach, breach, enforcement, interpretation, termination or validity of this Agreement informally by good faith negotiation between the senior executives, officers or management of Checkpoint and TGTX. Either Party may give the other Party written notice of any claim or controversy not resolved in the normal course of business (the "**Disputing Party Notice**"). Within thirty (30) calendar days after the delivery of the Disputing Party Notice, the receiving Party shall submit to the other Party a written response (the "**Response**"). The Disputing Party Notice and Response shall include a statement of each Party's position and a summary of the arguments supporting that position. Within thirty (30) days after the Disputing Party Notice, such designated senior executives, officers or management of Checkpoint and TGTX shall meet at a mutually acceptable time and place and thereafter as often as they reasonably deem necessary to attempt to resolve the claim or controversy. If such efforts do not result in mutually satisfactory resolution of the dispute, the matter shall be referred to the chief executive officers of Checkpoint and TGTX, or their designees. The chief executive officers, or their designees, as the case may be, shall negotiate in good faith to resolve such dispute in a mutually satisfactory manner for up to thirty additional (30) days, or such longer period of time to which the chief executive officers may agree. All negotiations pursuant to this Article 11 are confidential and without prejudice and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the chief executive officers, or their designees, as the case may be, are unable to determine a resolution in the time frame set forth above, the matter may be resolved through arbitration in accordance with the provisions set forth in Section 11.2, in the event of a Technical Dispute or Section 11.3, in the event of other disputes, as applicable, upon notice by a Party on the other Party specifically requesting such arbitration. This Article 11 shall not prohibit a Party from seeking injunctive relief from a court of competent jurisdiction in the event of a breach or prospective breach of this Agreement by any Party which would cause irreparable harm to the other Party.

11.2 **Technical Disputes.** In the event a dispute over (i) whether a Milestone has been achieved, (ii) whether TGTX has used Commercially Reasonable Efforts to Develop the Licensed Product, (iii) the proper allocation of Net Sales to a Licensed Product where the Licensed Product is sold as part of a Combination Product, or (iv) the Combination Percentage (each, a "**Technical Dispute**") is not resolved in accordance with the negotiation and mediation dispute resolution processes described in Section 11.1 above, then either Party may submit the matter to expert intervention in accordance with this Section 11.2. Any such intervention may be initiated by a Party by written notice to the other Party specifying the subject of the requested intervention. The Technical Dispute hearings shall be convened in New York, New York and shall be resolved by one expert, to be mutually selected by the Parties; or if the Parties fail to agree on the expert within ten (10) business days following the date of such written notice, then the Parties shall cause their respective nominees to select a third individual within ten (10) business days to serve as the expert (the "**Expert**"). The Expert shall be required to have pharmaceutical industry experience specifically related to conducting formulation development activities and clinical trials, and shall not be any employee, agent or consultant of any Party or an Affiliate of any Party at such time, or otherwise involved (whether by contract or otherwise) in the affairs of any Party at such time. Each Party simultaneously shall submit to the Expert its proposal with respect to its position on the resolution of the Technical Dispute without having seen the other Party's proposal, along with a discussion document explaining the rationale therefor. The Expert shall have the right to meet with the Parties, either alone or together, and shall have the right to request additional information and documents from each Party. The Expert shall select only one of the Parties' proposals based on the Expert's determination of which proposal is more consistent with the Expert's opinion on the resolution of the Technical Dispute (and consistent with the terms of this Agreement), and shall provide a brief written rationale for such selection. The Expert's decision shall be final and shall be binding upon the Parties under this Agreement. The Parties shall submit their documentation to the Expert within fifteen (15) days of selection of the Expert and provide any requested additional information and documents within ten (10) days of such request. The Expert shall make his or her decision within fifteen (15) days of such submission (extended by the Expert in his discretion to provide adequate time to review requested documents but in no event shall the decision be made more than thirty (30) days after submission).

11.3 **Other Disputes.** Where a Party has served a written notice upon the other requesting arbitration of a dispute that is not subject to Section 11.2, any such dispute shall be submitted to final and binding arbitration under the then current commercial arbitration rules of the American Arbitration Association (the "**AAA**") in accordance with this Section 11.3. The place of arbitration of any dispute shall be New York, New York. Such arbitration shall be conducted by one (1) arbitrator mutually agreed by the Parties but if such agreement cannot be reached within ten (10) days of the commencement of the arbitration, then an arbitrator appointed by the AAA. The arbitrator shall be a person with relevant experience in the pharmaceutical industry. The arbitration proceeding shall be held as soon as practicable but in any event within ninety (90) days of appointment of the arbitrator. Any award rendered by the arbitrators shall be final and binding upon the Parties. Judgment upon any award rendered may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be. The arbitrator shall render a formal, binding, non-appealable resolution and award as expeditiously as possible, but not more than thirty (30) days after the hearing. Each Party shall pay its own expenses of arbitration, and the expenses of the arbitrator shall be equally shared between the Parties unless the arbitrators assess as part of their award all or any part of the arbitration expenses of a Party (including reasonable attorneys' fees) against the other Party. A Party may make application to the Arbitrator for the award and recovery of its fees and expenses (including reasonable attorneys' fees).

ARTICLE XII
MISCELLANEOUS PROVISIONS

12.1 **Relationship of the Parties.** Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, joint venture or employer-employee relationship between the Parties. No Party shall have any right or authority to commit or legally bind any other Party in any way whatsoever including, without limitation, the making of any agreement, representation or warranty and each Party agrees to not purport to do so.

12.2 **Assignment.** Neither Party may assign this Agreement, or any of its rights or obligations hereunder without the other Party's prior written consent, provided that each Party will, notwithstanding anything to the contrary, be entitled, without the other Party's prior written consent, to assign or transfer this Agreement: (i) in connection with the transfer or sale of all or substantially all of such Party's assets or business (or that portion thereof related to the subject matter of this Agreement) to a Third Party, (ii) in the event of such Party's merger, consolidation, reorganization, with or into a Third Party, change of control or similar transaction, with a Third Party, or (iii) to an Affiliate of such Party, provided that in the case of an assignment to an Affiliate, the assigning Party shall remain primarily liable for the obligations of such Affiliate except where the non-assigning Party provided its prior written consent to such assignment, such consent to not be unreasonably withheld or delayed (in which case the assigning Party shall not remain primarily liable). Any permitted assignee of either Party will, as a condition to such assignment, assume all obligations of its assignor arising under this Agreement following such assignment. Any purported assignment by a Party of this Agreement, or any of such Party's rights or obligations hereunder, in violation of this Section 12.2 will be void ab initio.

12.3 **Further Actions.** Each Party agrees to execute, acknowledge and deliver such further instruments and to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

12.4 **Force Majeure.** Except for TGTX's obligation to pay the agreed amounts to Checkpoint, no Party shall be liable to any other Party or be deemed to have breached or defaulted under this Agreement for failure or delay in the performance of any of its obligations under this Agreement (other than obligations for the payment of money) for the time and to the extent such failure or delay is caused by or results from acts of God, earthquake, riot, civil commotion, terrorism, war, strikes or other labor disputes, fire, flood, failure or delay of transportation, omissions or delays in acting by a governmental authority, acts of a government or an agency thereof or judicial orders or decrees or restrictions or any other like reason which is beyond the control of the respective Party (a "**Force Majeure Event**"). The Party affected by force majeure shall provide the other Party with full particulars thereof as soon as it becomes aware of the same (including its best estimate of the likely extent and duration of the interference with its activities), and shall use Commercially Reasonable Efforts to overcome the difficulties created thereby and to resume performance of its obligations hereunder as soon as practicable, and the time for performance shall be extended for a number of days equal to the duration of the force majeure. The Party not subject to the Force Majeure Event may terminate this Agreement if such Force Majeure Event exists for 90 days in any 365-day period on ten (10) days' notice to the other Party.

12.5 **Entire Agreement of the Parties; Amendments.** This Agreement and the Schedules hereto constitute and contain the entire understanding and agreement of the Parties respecting the subject matter hereof and cancel and supersede any and all prior or contemporaneous negotiations, correspondence, understandings and agreements between the Parties, whether oral or written, regarding such subject matter (provided, that any and all previous nondisclosure/nonuse obligations are not superseded and remain in full force and effect in addition to the nondisclosure/nonuse provisions hereof). Each Party acknowledges that it has not relied, in deciding whether to enter into this Agreement on this Agreement's expressly stated terms and conditions, on any representations, warranties, agreements, commitments or promises which are not expressly set forth within this Agreement. No modification or amendment of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of each Party.

12.6 **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, excluding application of any conflict of laws principles. With respect to docketing an arbitration award or seeking injunctive relief, each Party (a) irrevocably submits to the exclusive jurisdiction in the United States District Court for the Southern District of New York located in New York, New York and any State courts sitting in New York, New York (collectively, the "Courts"), and (b) agrees not to raise any objection at any time to the laying or maintaining of the venue of any such action, suit or proceeding in any of the Courts, irrevocably waives any claim that such action, suit or other proceeding has been brought in an inconvenient forum and further irrevocably waives the right to object, that such Courts do not have any jurisdiction over such Party. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Agreement.

12.7 **Notices and Deliveries.** All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed given upon receipt if delivered personally or mailed by registered or certified mail (return receipt requested), postage prepaid, or sent by prepaid express courier service, to the Parties at the following addresses (or at such other address for a Party as shall be specified by the notice; provided that notices of a change of address shall be effective only upon receipt thereof):

If to Checkpoint, addressed to:

Checkpoint Therapeutics, Inc.
2 Gansevoort Street, 9th Floor
New York, NY 10014
Attention: President

If to TGTX, addressed to:

TG Therapeutics, Inc
2 Gansevoort Street, 9th Floor
New York, NY 10014
Attention: President

12.8 **Waiver.** No waiver of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of the waiving Party. A waiver by a Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof.

12.9 **Rights and Remedies are Cumulative.** Except to the extent expressly set forth herein, all rights, remedies, undertakings, obligations and agreements contained in or available upon violation of this Agreement shall be cumulative and none of them shall be in limitation of any other remedy or right authorized in law or in equity, or any undertaking, obligation or agreement of the applicable Party.

12.10 **Severability.** This Agreement is severable. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be to any extent prohibited by or invalid under applicable Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement (or of such provision). The Parties shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.

12.11 **Third Party Beneficiaries.** The terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective successors or permitted assigns and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person, including without limitation Sublicensees. If a provision provides a benefit to a Sublicensee or indemnitee, such benefits can only be enforced through a Party or by a separate agreement between such Person and the Party or Parties providing the benefit.

12.12 **Equitable Relief.** Each Party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other Party, that the other Party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a Party's breach or threatened breach of such covenants and agreements may cause the opposed Party irreparable harm and significant injury, the amount of which will be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each Party agrees that an opposed Party shall be entitled to seek specific performance, an order restraining any breach or threatened breach of Article VII or Section 2.5 and all other provisions of this Agreement, and any other equitable relief (including but not limited to temporary, preliminary and/or permanent injunctive relief). This right shall be in addition to and not exclusive of any other remedy available to such other Party at law or in equity.

12.13 **Interpretation.** The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no provision of this Agreement shall be interpreted for or against a Party because that Party or its attorney drafted the provision.

12.14 **Construction.** The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Articles, Sections and Schedules shall be deemed references to Articles and Sections of, and Schedules to, this Agreement unless the context shall otherwise require.

12.15 **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will be deemed to be one and the same instrument. A portable document format (.pdf) copy of this Agreement, including the signature pages, will be deemed an original.

[the remainder of this page has been left blank intentionally]

IN WITNESS WHEREOF, the Parties have caused this Sublicense Agreement to be executed and delivered by their respective duly authorized officers as of the day and year first above written.

Checkpoint Therapeutics, Inc.

By: /s/ James F. Oliviero

Name: James F. Oliviero

Title: President & CEO

TG Therapeutics, Inc.

By: /s/ Michael S. Weiss

Name: Michael S. Weiss

Title: Chief Executive Officer

Schedule 1

Compounds

1. JBET070
2. JBET050

Schedule 2

Licensor Patents

Case No.	Title	Country	Status	Application No.	Filing Date	Publication No.	Publication Date
1	*	*	*	*	*	*	N/A
2	*	*	*	*	*	*	N/A

NOTE: The complete specification and PCT application for * under progress and shall be filed on or before *.

* Confidential material redacted and filed separately with the Commission.

Schedule 3

[Reserved]

Schedule 4

Work Plan

*

* Confidential material redacted and filed separately with the Commission.

Schedule 5

TGTX's Exchange Rate Policies

Net Sales and royalties payable shall be expressed in United States Dollars equivalent, calculated using the simple average of the exchange rate published in the Wall Street Journal on the last day of each month of the Reporting Period.

Schedule 6

[Reserved]

Schedule 7

Success Criteria for Toxicology Study

* studies will comprise the following:

Activities	**Success Criteria**
*	*
*	*
*	*
**	*
**	*

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*.

Any dispute as to whether * studies meet the success criteria will be resolved pursuant to Section 11.2.

*

* Confidential material redacted and filed separately with the Commission.