**CLINICAL RESEARCH AGREEMENT**

This Agreement, effective as of \_\_\_\_\_\_\_\_\_\_\_\_\_, is made between XOMA CORPORATION, 2910 Seventh Street, Berkeley, California 94710 ("XOMA") and THE UNIVERSITY OF TEXAS \_\_\_\_\_\_\_\_, a component of The University of Texas System ("Institution"), for the purpose of conducting a clinical study as set forth in protocol #              , entitled \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Protocol").

**1.0 The Study**

1.1 The clinical study shall be conducted in accordance with the Protocol. No changes in the Protocol will be made unless agreed upon in advance by XOMA or unless necessary to eliminate apparent immediate hazard to study Subjects.

1.2 "Principal Investigator" is \_\_\_\_\_\_\_\_\_\_\_\_\_ who shall direct the clinical study, in accordance with the Protocol, and the term includes, for the purposes of this Agreement, any other member of the clinical study team.

1.3 Enrollment for the clinical study will begin on or about \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. The clinical study is to be completed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, unless the Parties mutually agree to a different date.

**2.0 Payment and Payment Schedule**

2.1 Payment will be made to The University of Texas \_\_\_\_\_\_\_\_\_\_, Attention: \_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_, Tax I.D. No. \_\_\_\_\_\_\_\_.

2.2 Payments will be determined as follows:

a. XOMA will pay $        per patient who received a complete course of \_\_\_\_\_ (      ) infusions of study drug and is evaluable for efficacy by study day \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

b. XOMA will pay $        per patient if a patient received less than \_\_\_\_\_ (      ) infusions of study drug.

c. XOMA will pay $        per patient if the patient signed an informed consent, had baseline values determined and was enrolled into the study but did not receive study drug.

d. Payments will be made quarterly based upon the number of satisfactorily completed, audited and approved Case Report Form(s) received in the preceding quarter. Payment will be made in two (2) equal portions, the first for the initial study period (through study day \_\_\_\_). The remaining one-half payment will be for the follow-up period (study day \_\_\_\_\_\_\_\_\_\_\_\_ through \_\_\_\_\_\_\_\_\_\_\_\_).

e. XOMA will not make a payment if:

1. the patient signed an informed consent, was enrolled into the study but no baseline values were obtained; or

2. the patient was enrolled in violation of the Protocol inclusion/exclusion entry criteria unless authorized by XOMA prior to entry.

f. The above payments cover all expenses necessary to conduct the study as defined in the Protocol.

g. Case Report Form(s) will be completed in a timely manner and submitted to XOMA within two weeks of completion or withdrawal from the study.

**3.0 Recordkeeping and Access to Records**

3.1 Institution agrees to maintain complete, accurately written records, accounts, notes, reports and data relating to the clinical study to be used to prepare and submit to XOMA patient case reports for each patient as provided in the Protocol ("Case Report(s)").

3.2 Institution agrees to maintain the records for two (2) years following the date a marketing application is approved for the drug for the indication which is being investigated, or until two (2) years after XOMA has provided written notice to the Principal Investigator that the investigation has been discontinued.

3.3 Institution further agrees to permit XOMA access to the records maintained pursuant to paragraph 3.1 upon request at reasonable times.

3.4 XOMA shall not at any time disclose the name of any patient or any information which identifies a patient to a third party unless specifically required to do so by law or the Food and Drug Administration.

**4.0 Confidentiality**

4.1 Institution agrees that all information received from XOMA, including, but not limited to, the Protocol, and all information developed during the clinical study and pursuant to the Protocol, including, but not limited to, the case reports and safety information, is "Confidential Information" which is the sole and exclusive property of XOMA during the period of this Agreement and subsequent thereto. The foregoing obligation shall not limit Institution's right to publish under Article 5 nor any rights it may have under Article 7.

4.2 Institution agrees not to disclose XOMA Confidential Information to any person, except the Principal Investigator, members of the Institutional Review Board or, as required, to the Food and Drug Administration, without the prior written consent of XOMA, and further agrees to take all reasonable precautions to prevent the disclosure of XOMA Confidential Information to a third party.

4.3 The Principal Investigator agrees to use XOMA Confidential Information only in the conduct of the study and evaluation of its results.

4.4 The provisions of this Section 4.0 do not apply to any information which:

a. was known to the Institution or the Principal Investigator prior to receiving that information either directly or indirectly from XOMA;

b. is generally known to the public or which becomes generally known to the public through no act or omission on the part of Institution or the Principal Investigator; or

c. is disclosed to Institution or the Principal Investigator at any time by a third party who had a legal right to disclose it.

**5.0 Publication**

The Institution/Principal Investigator shall submit all intended presentations of the clinical study results, either oral or written, to XOMA thirty (30) days prior to oral presentation or submission of a written publication.

**6.0 Indemnification**

6.1 XOMA agrees to indemnify and hold harmless U.T. System, Institution, their regents, officers, agents and employees, and the Principal Investigator from any and all liability, loss, or damage they may suffer as the result of claims, demands, costs or judgments against them arising out of the administration of the study drug and performance of the Protocol in accordance with the Protocol, except to exclude from this agreement to indemnify any claims, demands, costs or judgments which are, or are alleged to be, arising from:

a. a failure to adhere strictly to the terms of the Protocol;

b. negligence or willful misconduct on the part of Institution or the Principal Investigator; or

c. a breach of any applicable federal, state or local law by Institution or the Principal Investigator.

6.2 XOMA'S agreement to indemnify and hold harmless in paragraph 6.1 is conditioned on the Institution and Principal Investigator:

a. obtaining Institutional Review Board (IRB) review and approval;

b. obtaining informed consent from each of the subjects participating in the study; and

c. providing written notice to XOMA of any claim, demand or action arising out of the activities to be carried out pursuant to the Protocol in such time as not to prejudice materially the rights of XOMA after Institution or the Principal Investigator has knowledge of such claim, demand or action.

6.3 Institution to the extent permitted under the constitution and the laws of the State of Texas agrees to indemnify (but not defend) and hold XOMA harmless from any and all liability, loss, or damage it may suffer as the result of claims, demands, costs or judgments which are, or are alleged to be, arising out of:

a. a negligent failure to adhere strictly to the terms of the protocol;

b. negligence on the part of Institution or the Principal Investigator; or

c. a negligent breach of any applicable federal, state or local law by Institution or the Principal Investigator provided, however, that Institution shall not hold XOMA harmless from claims arising out of the negligence or willful malfeasance of XOMA, its officers, agents, employees or any person not subject to Institution supervision or control.

6.4 Each Party's agreement to indemnify and hold the other harmless is conditioned on the indemnified party: (i) providing written notice to the indemnifying party of any claim, demand or action arising out of the indemnified activities in such time as not to prejudice materially the rights of the indemnifying party after the indemnified party has knowledge of such claim, demand or action; (ii) subject to the statutory duty of the Texas Attorney General permitting the indemnifying party to assume full responsibility to investigate, prepare for and defend against any such claim or demand; (iii) assisting the indemnifying party, at the indemnifying party's reasonable expense, in the investigation of, preparation for and defense of any such claim or demand; and (iv) not compromising or settling such claim or demand without the indemnifying party's written consent.

**7.0 Inventions**

Ideas, know-how, data (including clinical study results), and other intellectual property generated under this clinical study shall be the sole and exclusive property of the employer of the inventing party. Inventorship shall be determined in accordance with U.S. Patent laws.

**8.0 Termination**

8.1 With the exception of Section 6.0, XOMA and the Institution, by mutual agreement, may terminate the study and this Agreement at any time.

8.2 Except for Section 6.0, XOMA has the right to terminate this Agreement at any time for good cause.

8.3 Section 4.0 will remain in full force and effect without regard to whether the Parties have fully performed their obligations under this Agreement and as long as Institution and/or the Principal Investigator are in possession of XOMA'S "Confidential Information."

**9.0 Changes, Governing Law and Notice**

9.1 This Agreement constitutes the entire understanding of XOMA and Institution. No changes, amendments or alterations shall be effective unless in writing and signed by the Parties.

9.2 Any notice required to be given under this Agreement shall be sent to the other Party by certified mail, return receipt requested and shall be deemed given three (3) days after the date of postmark. Notice shall be given to each Party at the address set forth at the beginning of this Agreement and in the case of XOMA shall be addressed to the Vice President, Medical and Regulatory Affairs.

**10. Miscellaneous**

10.1 Neither the Institution nor the Principal Investigator shall be deemed an agent or employee of XOMA, and neither has authority to bind XOMA. As an independent contractor, neither Principal Investigator nor any associated staff performing the clinical study will participate in any XOMA employee benefit plans nor receive any other compensation beyond that stated above.

10.2 Payments for services rendered under this Agreement shall be made in full at the agreed rate without any deductions for taxes of any kind whatsoever, this being in conformity with non-employee status. It is understood that any taxes, if any, that may be due and payable as a result of the payments herein specified by XOMA and reported on Form 1099 shall be entirely the recipient's responsibility. It is understood that, as part of this Agreement, the recipient undertakes to pay all taxes on such payments for which it may be liable when due.

10.3 Upon completion or termination of the study, Principal Investigator and the Institution agree to provide written acknowledgement that all work requested under this Agreement has been completed and all monies due have been received. The Principal Investigator will provide XOMA a final written assessment of the study.

10.4 This Agreement shall not be assignable in whole or in part by Principal Investigator and/or Institution. Principal Investigator and Institution agree that XOMA may assign this Agreement in whole or in part to any corporate affiliate.

IN WITNESS WHEREOF, the parties have executed this Agreement by their respective officers hereunto duly authorized on the day and year hereinafter written.

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| University of Texas \_\_\_\_\_\_\_\_\_\_\_\_  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_                                 Name  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Xoma Corporation  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_                                 Name  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

I have read this Agreement and understand  
my obligations hereunder.

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
                   (Principal Investigator)

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_