

## Appendix 2

In respect of Follow-On Studies:

1. **Background Rights.** This Agreement does not affect the ownership of any Background Rights. The Partners and/or Third Parties conducting together a Follow-On Study shall agree upfront on the access and use rights on their respective Background Rights required for the conduct of such Follow-On Study. All Background Rights shall remain the property of the Party or its Affiliate that provided it to the other Party or the Partners for use in the Follow-On Studies. The Partners and/or Third Parties conducting any Follow-On Study are not granted any license to any Background Rights owned or controlled by Novartis, unless otherwise agreed in writing by Novartis and solely for purposes of the identified Party to conduct the Follow-On Study.

2. **Ownership Rights.** The ownership of any Inventions arising from the performance of any Follow-On Study will be determined in accordance with the US laws of inventorship as amended by any relevant contractual arrangements, including those entered into by the inventor(s). BIG and IJB/BREAST will ensure that the owner of any such Invention, including any Partner, grants the rights to NOVARTIS as indicated in Section 3 below.

3. **Foreground Rights.**

3.1 For all Inventions related to Tykerb®/Tyverb®, including Biomarker Inventions, arising from the performance of any Follow-On Study (“Inventions A”), NOVARTIS is granted a fully-paid, fee-free, royalty-free, exclusive, worldwide license, with the right to sublicense, for any and all purposes, including commercial. Partners are granted a fully paid, non-exclusive, non-sub-licensable license, to use such Inventions A for research and educational purposes only; provided that, neither a pharmaceutical, nor a biotechnology company are supporting such research and the terms of any support do not conflict with those contained herein, without the prior written consent of NOVARTIS.

3.2 For any Inventions related to Tykerb®/Tyverb® in combination with another agent molecule, or drug, including, without limitation, Herceptin® (hereinafter “Research Agent”), arising from the performance of a Follow-On Study (“Inventions B”), NOVARTIS is granted a fully-paid-up, fee-free, royalty-free, co-exclusive worldwide license, with the right to sublicense, for any and all purposes, including commercial and the owner, person or entity having legal rights to the Research Agent are granted an exclusive, non-terminable, ninety (90) day option to a co-exclusive, worldwide license, with the right to sublicense, for any and all purposes, including commercial. In the event the owner, person or entity having legal rights to the Research Agent does not exercise its option within the ninety (90) day period, or fails to reach agreement on the co-exclusive license terms, then the co-exclusive license granted to NOVARTIS hereunder shall revert to a fully-paid-up, fee-free, royalty-free non-exclusive worldwide license, with the right to sublicense, for any and all purposes, including commercial. Partners are granted a fully-paid, non-exclusive, non-sub-licensable license to use such Inventions B for research and educational purposes only; provided that, neither a pharmaceutical, nor a biotechnology company are supporting such research and the terms of

any support do not conflict with those contained herein, without the prior written consent of NOVARTIS.

3.3 For any Inventions not related to Tykerb®/Tyverb® or the combination of Tykerb®/Tyverb® with a Research Agent, arising from the performance of a Follow-On Study (“Inventions C”), NOVARTIS is granted a fully-paid-up, fee-free, royalty-free, non-exclusive worldwide license, with the right to sublicense, for any and all purposes, including commercial. Partners are granted a fully-paid, non-exclusive, sub-licensable license to use such Inventions C for any and all purposes, including commercial. In addition, Partners shall have the right to grant sub-licenses to any Third Party, to use such Inventions C for any and all purposes, including commercial, provided that the terms of such sub-license does not conflict with the terms contained herein.

3.4 In the event that any study or Follow-On Study is conducted outside the Protocol using Data and/or Residual Biological Studies but without either (i) approval by the Steering Committee or (ii) approval by the TRANSALTTO Committee and endorsed by the Steering Committee, any invention arising from such study shall be governed by the provisions of Sections 2, 3.1, 3.2, 3.3, 4 and 5 herein.

#### 4. Publications and Presentations from Follow-On Studies

Prior to submission of a publication or an abstract, including oral presentations, NOVARTIS and the sponsor(s) of the Follow-On Study, shall have the right to review and comment on the content of the material to be published or presented. Novartis shall have the right to have deleted any confidential information provided by Novartis to a Partner pursuant to the Clinical Trial Agreement or any amendment thereto. The time frame to complete the review shall not exceed thirty (30) calendar days. However, during this review period, NOVARTIS may request delay of submission for an additional period up to a maximum of ninety (90) calendar days from the original submission to NOVARTIS. This is for the sole purpose of deciding on patent filing. If such a delay is imposed, NOVARTIS will notify the principal author.

#### 5. Access to Results

To the extent that a Partner has no contractual restrictions from a funding party regarding the disclosure of Results, NOVARTIS shall receive a copy of such Results, within sixty (60) days of completion of the Follow-On Studies. NOVARTIS shall retain the Results in confidence and only use such Results for its and its Affiliates own internal Research and Development purposes only. NOVARTIS shall not otherwise use or disclose the Results until such Results are published or become part of the public domain, whichever occurs first, except for Novartis to comply with global laws and regulations.