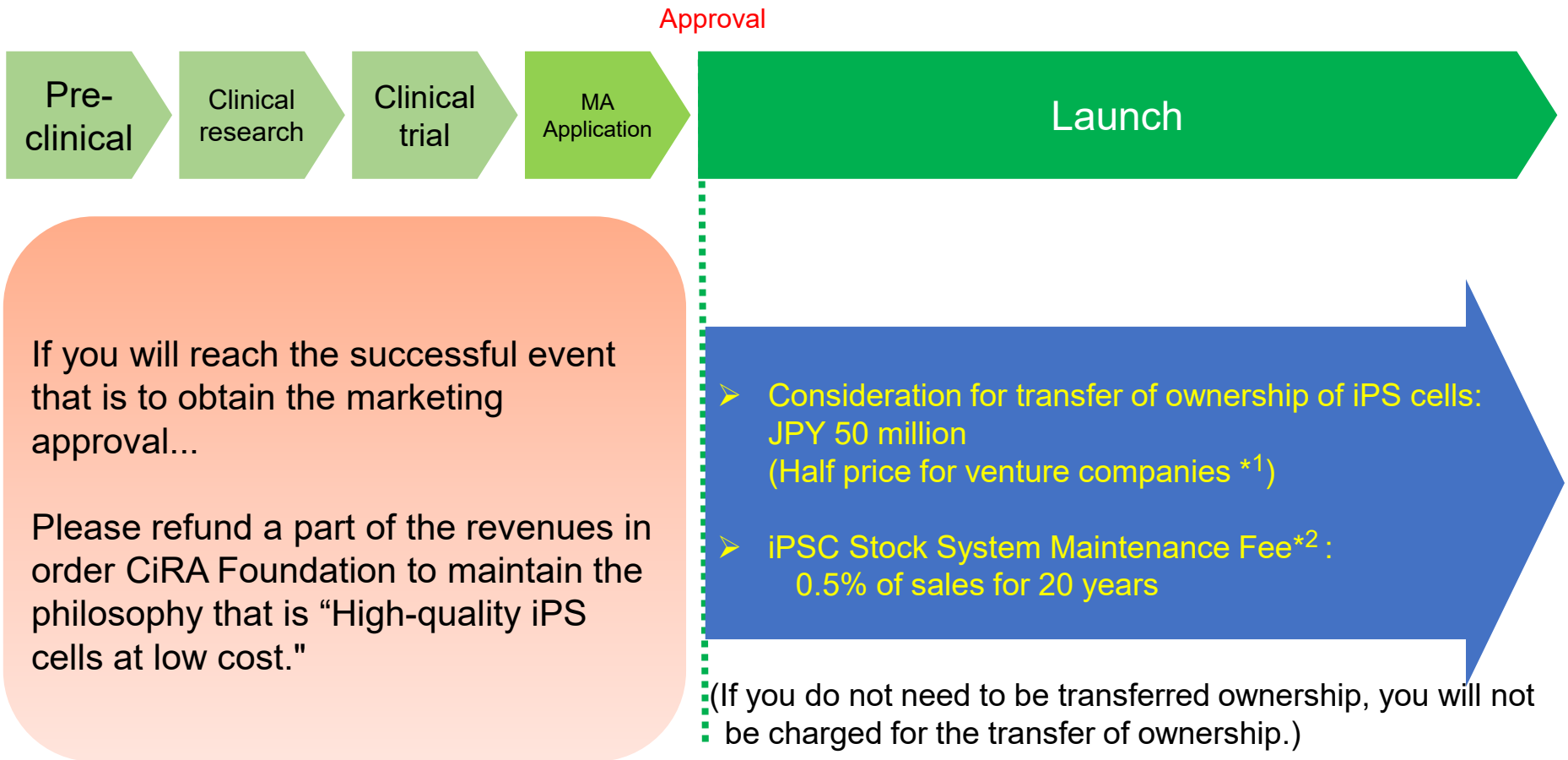


To companies developing products using iPS cell stock



*1) Venture companies: Companies with less than 100 employees

*2) iPSC Stock System Maintenance Fee: Cost to maintain information necessary for companies to handle regenerative medicine products, including information provided by CiRA Foundation relevant to iPS cell stock, various data related to manufacturing and evaluation, storage of the original iPS cell stock.

For iPS cell ownership transfer consideration and iPSC Stock System Maintenance Fee

● For management unit

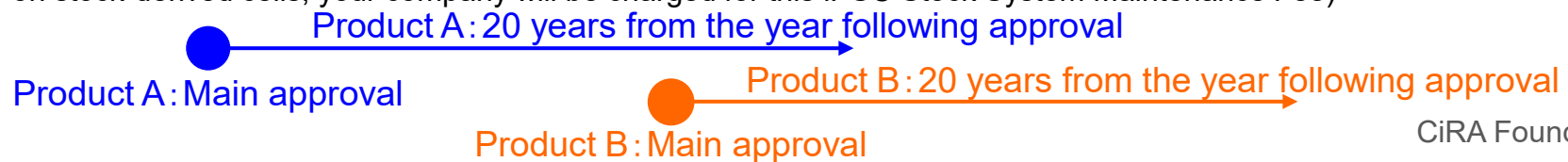
- ✓ The management unit is **the product name (brand name)** in principle. (The same product name is grouped even in different countries)
- ✓ Manufacturing and marketing approval (hereinafter, “approval”) means main approval. (Not subject to conditional approval)

● For ownership transfer consideration

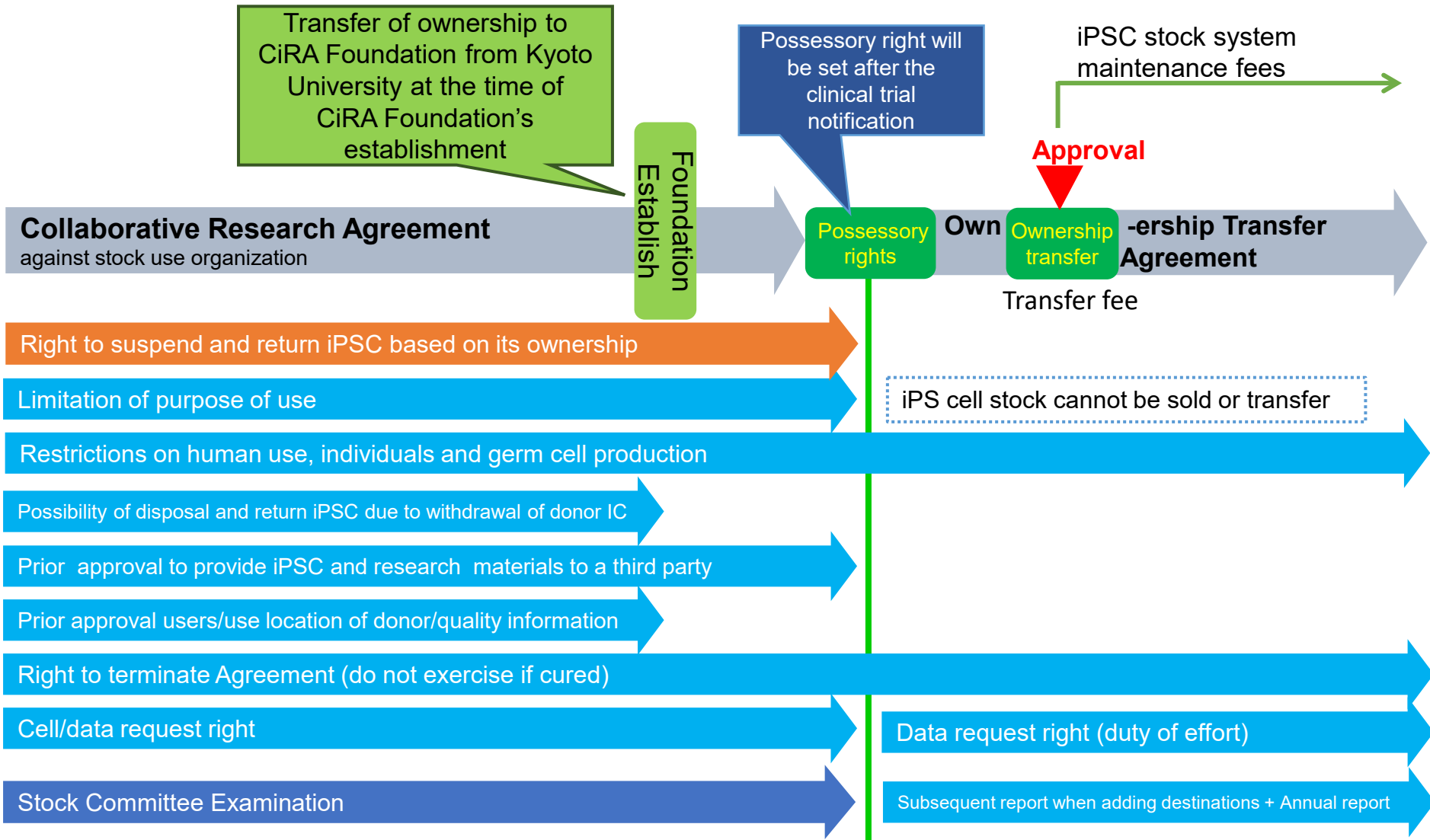
- ✓ Ownership is transferred on a management unit basis.
- ✓ After executing Ownership Transfer Agreement, the possessory right (real right) will be set at the time of notification of the clinical trial, and the ownership will be transferred at the time of approval of manufacturing and marketing.
- ✓ Payment of consideration is not required when setting the possessory right, and **JPY 50M** is required when transferring the ownership. (Half price for venture. One-time payment through Japan, US and Europe)
- ✓ Early transfer of ownership is possible if prepayment is conducted before the predetermined timing of for the consideration payment (the time of manufacturing and marketing approval).
- ✓ Even if the products come from the same stock, JPY 50M shall be paid for each approval as far as the product is different product management unit. However, the maximum is 3 products management units, and in principle we will not receive the consideration for 4th product or later.
(Even if approval is obtained for cells not derived from stock cells, if your company use the data of clinical trials performed on stock-derived cells, your company will be charged for this ownership transfer consideration)

● For iPSC Stock System Maintenance Fee

- ✓ **0.5% of worldwide sales for 20 years** from the year following approval.
- ✓ Even if the products come from the same stock, the starting point of 20 years will occur for each approval of the product as a management unit. However, the maximum is 3 products, and in principle we will not receive the 4th product or later.
(Even if approval is obtained for cells not derived from stock cells, if your company use the data of clinical trials performed on stock-derived cells, your company will be charged for this iPSC Stock System Maintenance Fee)



Rights and obligations associated with transfer of ownership



*This content just shows schematic image, and the details may change in the future.