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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 21, 2023

LADRX CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**000-15327**	**58-1642740**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

11726 San Vicente Boulevard, Suite 650
Los Angeles, California 90049
(Address of principal executive offices) (Zip Code)

(310) 826-5648
Registrant's telephone number, including area code

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share Series B Junior Participating Preferred Stock Purchase Rights	**LADX**	**OTC Markets**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry Into a Material Definitive Agreement.

The information required by this Item 1.01 is set forth in Item 2.01, below, and is incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

Royalty Purchase Agreement

On June 21, 2023, LadRx Corporation, a Delaware corporation (the "***Company***"), entered into (i) a Royalty Purchase Agreement (the "***Royalty Agreement***") with XOMA (US) LLC ("***XOMA***"), for the sale, transfer, assignment and conveyance of the Company's right, title and interest in and to certain royalty payments and milestone payments with respect to aldoxorubicin, and (ii) an Assignment and Assumption Agreement (the "***Assignment Agreement***") with XOMA for the sale, transfer, assignment and conveyance of the Company's right, title and interest in the Asset Purchase Agreement (the "***Asset Purchase Agreement***") between the Company and Orphazyme ApS ("***Orphazyme***"), dated as of May 13, 2011, and assigned to Zevra Denmark A/S ("***Zevra***"), effective as of June 1, 2022, which includes certain royalty and milestone payments with respect to arimoclomol. The combined aggregate purchase price paid to the Company for the sale, transfer, assignment and conveyance of the Company's right, title and interest in and to aldoxorubicin and arimoclomol was $5 million, less certain transaction fees and expenses.

As previously reported, on July 27, 2017, the Company entered into an exclusive worldwide license agreement (as amended, the "***License Agreement***") with ImmunityBio, Inc. (formerly known as NantCell, Inc.) ("***ImmunityBio***"), pursuant to which the Company granted to ImmunityBio the exclusive rights to develop, manufacture and commercialize aldoxorubicin in all indications. Pursuant to the License Agreement, the Company was also entitled to receive certain royalty payments for net sales for soft tissue sarcomas and for other indications.

Pursuant to the Royalty Agreement, the Company agreed to sell, transfer, assign and convey to XOMA , among other payments, all royalty payments and regulatory and commercial milestone payments payable to the Company pursuant to the License Agreement. The Royalty Agreement also provides for the sharing of certain rights with XOMA to bring any action, demand, proceeding or claim as related to receiving such payments.

Pursuant to the Royalty Agreement, the Company is entitled to receive a one-time payment of $4 million upon the U.S. Food and Drug Administration's (the "***FDA***") approval of aldoxorubicin.

The Royalty Agreement also contains representations and warranties, other covenants, indemnification obligations, and other provisions customary for transactions of this nature.

The foregoing description of the Royalty Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Royalty Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.1 and incorporated herein by reference.

Assignment and Assumption Agreement

On June 21, 2023, the Company entered into the Assignment Agreement with XOMA, pursuant to which, among others, the Company agreed to sell, transfer and assign to XOMA the Company's right, title and interest in the arimoclomol pursuant to the Asset Purchase Agreement (as defined below), including the right to receive certain milestone, royalty and other payments from Zevra.

As previously reported, on May 13, 2011, the Company sold the rights to arimoclomol to Orphazyme pursuant to an asset purchase agreement, in exchange for a one-time, upfront payment and the right to receive up to $120 million in milestone payments upon the achievement of certain pre-specified regulatory and business milestones, as well as royalty payments based on a specified percentage of any net sales of products derived from arimoclomol. Effective as of June 1, 2022, Orphazyme assigned its rights and obligations under the Asset Purchase Agreement to Zevra.

Pursuant to the Assignment Agreement, the Company is entitled to receive (i) a one-time payment of $1 million upon acceptance of a re-submission of a New Drug Application to the FDA for arimoclomol, and (ii) a one-time payment of $1 million upon the first invoiced sale in certain territories of a pharmaceutical product derived from arimoclomol as an active pharmaceutical ingredient, subject to the receipt of the applicable regulatory approval required to sell such a product in such countries.

The Assignment Agreement also contains representations and warranties, other covenants, indemnification obligations, and other provisions customary for transactions of this nature.

The foregoing description of the Assignment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Assignment Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.2 and incorporated herein by reference.

Item 8.01 Other Events.

On June 22, 2023, the Company issued a press release announcing its entry into the Royalty Agreement and the Assignment Agreement. A copy of such press release is attached to this Current Report on Form 8-K as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are filed herewith:

Exhibit No.	Description
10.1*	Royalty Purchase Agreement, dated June 21, 2023, by and between LadRx Corporation and XOMA (US) LLC
10.2*	Assignment and Assumption Agreement, dated June 21, 2023, by and between LadRx Corporation and XOMA (US) LLC
99.1	Press Release, dated June 22, 2023
104	Cover Page Interactive Data File (formatted as Inline XBRL)

*Certain of the schedules (and similar attachments) to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5) of Regulation S-K under the Securities Act because they do not contain information material to an investment or voting decision and that information is not otherwise disclosed in the Exhibit or the disclosure document. The registrant hereby agrees to furnish a copy of all omitted schedules (or similar attachments) to the SEC upon its request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LADRX CORPORATION

Date: June 23, 2023

/s/ John Y. Caloz

John Y. Caloz
Chief Financial Officer

Exhibit 10.1

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED (INDICATED BY: [***]) FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE OF INFORMATION THAT THE REGISTRANT CUSTOMARILY AND ACTUALLY TREATS AS PRIVATE OR CONFIDENTIAL.

Royalty Purchase Agreement

By and Between

LadRx Corporation

and

XOMA (US) LLC

Dated as of June 21, 2023

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ROYALTY PURCHASE AGREEMENT

This ROYALTY PURCHASE AGREEMENT, dated as of June 21, 2023 (this "Agreement"), is made and entered into by and between LadRx Corporation (formerly known as CytRx Corporation), a Delaware corporation (the "Seller"), on the one hand, and XOMA (US) LLC, a Delaware limited liability company (the "Buyer"), on the other hand.

W I T N E S S E T H:

WHEREAS, pursuant to the License Agreement, the Seller granted to Licensee an exclusive license with respect to the Licensed IP to (among other activities) sell the Licensed Product in the Territory, and Licensee, in partial consideration thereof, agreed to pay the Royalty and other payments to the Seller; and

WHEREAS, the Buyer desires to purchase the Purchased Assets from the Seller, and the Seller desires to sell the Purchased Assets to the Buyer.

NOW THEREFORE, in consideration of the representations, warranties, covenants and agreements set forth herein and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Seller and the Buyer hereby agree as follows:

ARTICLE 1

DEFINED TERMS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" shall have the meaning ascribed thereto in Section 1 of the License Agreement.

"Agreement" is defined in the preamble.

"Aldoxorubicin" means the pharmaceutical product known as aldoxorubicin with the chemical structure set forth on Schedule 1.1.

"Applicable Patents" is defined in Section 6.13(c).

"Assignment Agreement" means that certain assignment and assumption agreement, dated and effective as of the date hereof, by and between the Seller and the Buyer.

"Bankruptcy Laws" means, collectively, bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other similar laws affecting the enforcement of creditors' rights generally.

"Bill of Sale" is defined in Section 3.3.

"Business Day" means any day other than (i) a Saturday or Sunday or (ii) a day on which banking institutions located in New York, USA are permitted or required by applicable law or regulation to remain closed.

"Buyer" is defined in the preamble.

"Buyer Fundamental Representations" means the representations and warranties contained in Section 5.1 (Existence; Good Standing), Section 5.2 (Authorization), Section 5.3 (Enforceability), Section 5.4 (No Conflicts), and Section 5.8 (Brokers' Fees).

"Buyer Incumbency Certificate" is defined in Section 3.2(b).

"Buyer Indemnified Parties" is defined in Section 8.1(a).

"Buyer Transaction Expenses" is defined in Section 10.2.

"Closing" is defined in Section 3.1.

"Closing Date" means the date on which the Closing occurs.

"Confidential Information" is defined in Section 7.1.

"Data Room" is defined in Section 3.10.

"Disclosing Party" is defined in Section 7.1.

"Disclosure Schedule" means the Disclosure Schedule, dated as of the date hereof, delivered to the Buyer by the Seller concurrently with the execution of this Agreement.

"Excluded Liabilities and Obligations" is defined in Section 2.3.

"FDA" means the U.S. Food and Drug Administration, or a successor federal agency thereto in the United States.

"FDA Approval" means payment by Licensee of the milestone payment designated as "First FDA approval of Licensed Product" as set forth in Section 3(a)(i) of the License Agreement.

"Governmental Entity" means any: (i) nation, principality, republic, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (ii) federal, state, local, municipal, foreign or other government; (iii) 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 other entity and any court, arbitrator or other tribunal); (iv) multi-national organization or body; or (v) individual, body or other entity exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

"Indemnified Party" is defined in Section 8.2.

"Indemnifying Party" is defined in Section 8.2.

"Judgment" means any judgment, order, writ, injunction, citation, award or decree of any nature issued by a competent Governmental Entity.

"Knowledge of the Seller" means the actual knowledge of the Knowledge Parties.

"Knowledge Parties" means [***].

"KTB" means KTB Tumorforschungs GmbH (Tumor Biology Center), a privately-held corporation, and any successor thereof, as permitted pursuant to the terms of the KTB Agreement.

"KTB Agreement" shall have the meaning ascribed thereto in Section 1 of the License Agreement.

"KTB Patent Rights" shall have the meaning ascribed to the term Licensed Patent Rights in Section 1.7 of the KTB Agreement.

"License Agreement" means that certain Exclusive License Agreement, dated and effective as of July 27, 2017, as modified by that certain Reimbursement Agreement dated and effective as of October 3, 2017, and that certain Addendum to License Agreement, dated and effective as of September 27, 2018, by and between the Seller and Licensee.

"Licensed Know How" shall have the meaning ascribed thereto in Section 1 of the License Agreement.

"Licensed IP" means, collectively, the Licensed Patents and the Licensed Know How.

"Licensed Patents" shall have the meaning ascribed thereto in Section 1 of the License Agreement.

"Licensed Product" shall have the meaning ascribed thereto in Section 1 of the License Agreement.

"Licensee" means ImmunityBio, Inc. (formerly known as NantCell, Inc.) and any successor thereof, as permitted pursuant to the terms of this Agreement and the License Agreement.

"Licensee Consent" is defined in Section 3.5.

"Licensee Instruction Letter" is defined in Section 3.4.

"Lien" means any mortgage, lien, pledge, charge, adverse claim, security interest, encumbrance or restriction of any kind, including any restriction on use, transfer or exercise of any other attribute of ownership of any kind.

"Loss" means any and all Judgments, damages, losses, claims, costs, liabilities and expenses, including reasonable fees and out-of-pocket expenses of counsel.

"Material Adverse Effect" shall mean (i) a material adverse effect on: (a) the legality, validity or enforceability of any provision of this Agreement, (b) the ability of the Seller to perform any of its obligations hereunder, (c) the rights or remedies of the Buyer hereunder, (d) the rights of the Seller under the License Agreement, or (e) the validity or enforceability of any of the Licensed Patents; or [***].

"Milestone Payments" means (i) 100% of the regulatory milestones payable to the Seller under Section 3(a) of the License Agreement and (ii) 100% of the commercial milestones payable to Seller under Section 3(b) of the License Agreement.

"Net Sales" shall have the meaning ascribed thereto in Section 1 of the License Agreement.

"Opinions" is defined in Section 3.6.

"Patent Rights" shall have the meaning ascribed to the term Patents in Section 1 of the License Agreement.

"Permitted Liens" means any (i) mechanic's, materialmen's, and similar liens for amounts not yet due and payable, (ii) statutory liens for taxes not yet due and payable or for taxes that the taxpayer is contesting in good faith by contemporaneous proceedings and (iii) other liens and encumbrances not incurred in connection with the borrowing of money that do not, in the aggregate, materially and adversely affect the use or value of the affected assets provided that, in each case, such liens are automatically released upon the sale or other transfer of the affected assets (it being understood that any obligations secured by such "Permitted Liens" shall remain the obligations of the Seller).

"Permitted Reduction" means a Royalty Reduction pursuant to Section 4(b) of the License Agreement (as limited by Section 4(c) of the License Agreement), excluding any such Royalty Reduction that is attributable to Seller Withholding Taxes.

"Person" means any corporation, limited or general partnership, limited liability company, joint venture, trust, unincorporated association, Governmental Entity, authority, bureau or agency, any other entity or body, or an individual.

"Power of Attorney" is defined in Section 3.9.

"Prime Rate" means the prime rate published by the Wall Street Journal, from time to time, as the prime rate.

"Proceeds" means any amounts actually recovered by the Seller as a result of any settlement or resolution of any actions, suits, proceedings, claims or disputes related to the License Agreement related to or involving the Purchased Assets.

"Purchase Price" means the aggregate purchase price of $5,000,000, to be allocated between this Agreement and the Assignment Agreement as set forth in Section 2.1 (b).

"Purchased Assets" means collectively, (i) the Purchased Receivables and (ii) the Shared Rights.

"Purchased Receivables" means (i) all Royalty payments and Milestone Payments; (ii) all payments or amounts payable to the Seller under the License Agreement in lieu of such payments of the foregoing clause (i); (iii) any damages, settlements or other monetary awards recovered by Seller or any payments or amounts payable to the Seller, in each case, under Section 5(g) of the License Agreement; (iv) any payments or amounts payable to the Seller under Section 4(h) of the License Agreement; (v) any interest payments to the Seller under Section 4(e) of the License Agreement assessed on any payments described in the foregoing clauses (i), (ii), (iii) and (iv); (vi) any payments or amounts payable to the Seller under Section 9(b) of the License Agreement to the extent such payments relate to any payments described in the foregoing clauses (i), (ii), (iii), (iv), and (v); and (vii) and Proceeds payable to the Buyer in accordance with this Agreement.

"Receivables" means 100% of all payments due to the Seller under the License Agreement.

"Receiving Party" is defined in Section 7.1.

"Representative" means, with respect to any Person, (i) any direct or indirect stockholder, member or partner of such Person and (ii) any manager, director, officer, employee, agent, advisor or other representative (including attorneys, accountants, consultants, bankers, financial advisors and actual and potential lenders and investors) of such Person.

"Royalty" means all payments payable to Seller under Section 4(a) of the License Agreement with respect to Net Sales of a Licensed Product, subject to Sections 4(b) and 4(c) of the License Agreement.

"Royalty Reduction" is defined in Section 4.9(l).

"Royalty Reports" means the quarterly reports deliverable by Licensee pursuant to Section 4(e) of the License Agreement setting forth Net Sales of the Licensed Products in the Territory on a country-by-country basis.

"Seller" is defined in the preamble.

"Seller Closing Certificate" is defined in Section 3.2(a).

"Seller Fundamental Representations" means the representations and warranties contained in Section 4.1 (Existence; Good Standing), Section 4.2 (Authorization), Section 4.3 (Enforceability), Section 4.4 (No Conflicts), Section 4.9 (License Agreement), Section 4.10 (Title to Purchased Assets), Section 4.11 (Intellectual Property), Section 4.12 (UCC Representations and Warranties), and Section 4.13. (Brokers' Fees).

"Seller Indemnified Parties" is defined in Section 8.1(b).

"Seller Withholding Taxes" means any deduction of any withholding taxes, value-added taxes or other taxes, levies or charges pursuant to the License Agreement as a result of any action by the Seller after the Closing Date, such as an assignment or re-domiciliation by the Seller, or any failure on the part of the Seller to comply with applicable law (such withholding tax, "Seller Withholding Taxes").

"Shared Rights" means, collectively, solely to the extent that the Purchased Receivables are actually due and payable, the rights of the Seller under the License Agreement to bring any action, demand, proceeding or claim, whether in law or in equity, to enforce any rights to receive the Purchased Receivables.

"Territory" shall have the meaning ascribed thereto in Section 1 of the License Agreement and for purposes of this Agreement and the License Agreement shall include all countries of the world.

"UCC" means Article 9 of the New York Uniform Commercial Code, as in effect from time to time.

"Valid Claim" shall have the meaning ascribed thereto in Section 1.20 of the KTB Agreement.

"Zevra Agreement" shall have the meaning ascribed thereto in the Recitals of the Assignment Agreement.

Section 1.2 Certain Interpretations. Except where expressly stated otherwise in this Agreement, the following rules of interpretation apply to this Agreement:

(a) "either" and "or" are not exclusive and "include," "includes" and "including" are not limiting and shall be deemed to be followed by the words "without limitation;"

(b) "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if;"

(c) "hereof," "hereto," "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) references to a Person are also to its permitted successors and assigns;

(e) definitions are applicable to the singular as well as the plural forms of such terms;

(f) unless otherwise indicated, references to an "Article", "Section" or "Exhibit" refer to an Article or Section of, or an Exhibit to, this Agreement, and references to a specific "Section of the Disclosure Schedule" refers to the corresponding part of the Disclosure Schedule;

(g) references to "$" or otherwise to dollar amounts refer to the lawful currency of the United States; and

(h) references to a law include any amendment or modification to such law and any rules and regulations issued thereunder, whether such amendment or modification is made, or issuance of such rules and regulations occurs, before or after the date of this Agreement.

Section 1.3 Headings. The table of contents and the descriptive headings of the several Articles and Sections of this Agreement and the Exhibits and Schedules are for convenience only, do not constitute a part of this Agreement and shall not control or affect, in any way, the meaning or interpretation of this Agreement.

ARTICLE 2
PURCHASE, SALE AND ASSIGNMENT OF THE PURCHASED ASSETS

Section 2.1 Closing; Purchase Price.

(a) Purchase Price. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Seller shall sell, transfer, assign and convey to the Buyer, and the Buyer shall purchase, acquire and accept from the Seller all of the Seller's right, title and interest in and to the Purchased Assets, free and clear of all Liens, and rights in and to the Shared Rights, free and clear of any and all Liens, other than the Seller's retention of its rights, title and interest in and to the Shared Rights. The aggregate purchase price to be paid to the Seller for the sale, transfer, assignment and conveyance of the Seller's right, title and interest in and to (i) the Purchased Assets pursuant to this Agreement and (ii) the Zevra Agreement pursuant to the Assignment Agreement, in each case to the Buyer is the Purchase Price, which, for the avoidance of doubt, shall not exceed $5,000,000. At the Closing, the Buyer shall, by wire transfer of immediately available funds, pay to the Seller cash in an amount equal to the Purchase Price to one or more accounts specified by the Seller on Exhibit A.

(b) Allocation of Purchase Price. Following the Closing, the parties hereto shall use reasonable efforts to allocate the Purchase Price, as mutually agreed, between this Agreement and the Assignment Agreement within sixty (60) days of the Closing Date.

Section 2.2 Post-Closing Payments. Following the Closing and the Buyer's receipt of written confirmation from the Seller of FDA Approval, the Buyer shall make a one-time payment to the Seller of $4,000,000 by wire transfer of immediately available funds as directed by the Seller thirty (30) days after the Buyer's receipt of an invoice; provided, however, that the Buyer shall have the right, but not the obligation, to deduct from such payment, in whole or in part, amounts owed by the Seller or claimed in good faith to be owed by the Seller to any Buyer Indemnified Party whereby Buyer simultaneous with the deduction also shall submit a notice of claim as set forth in Section 8.2 if such notice of claim has not previously been submitted; [***]. The Seller hereby agrees and acknowledges that: (i) such payment is a contingent payment obligation of Buyer and there can be no assurance regarding the occurrence of the and (ii) the Buyer shall have no obligation or liability with respect to such payment unless and until the FDA Approval has occurred.

Section 2.3 No Assumed Obligations, Etc. Notwithstanding any provision in this Agreement to the contrary, the Buyer is purchasing, acquiring and accepting only the Purchased Assets, and the Buyer is not assuming any liability or obligation of the Seller or any of the Seller's Affiliates of any kind, character or description whatsoever, whether direct or indirect, known or unknown, absolute or contingent, mature or unmatured, whether currently existing or hereinafter arising, including the following (collectively, the "Excluded Liabilities and Obligations"):

(a) any liability or obligation of the Seller or any of the Seller's Affiliates under the License Agreement;

(b) any liability arising from or related to any noncompliance with any law applicable to the Seller; and

(c) any liability or obligation of the Seller or any of the Seller's Affiliates, under the KTB Agreement.

All Excluded Liabilities and Obligations shall be retained by and remain liabilities and obligations of the Seller or the Seller's Affiliates, as the case may be. Except as specifically set forth herein in respect of the Purchased Assets purchased, acquired and accepted hereunder, the Buyer does not, by such purchase, acquisition and acceptance, acquire any other contract rights of the Seller under the License Agreement or any other assets of the Seller.

Section 2.4 True Sale. It is the intention of the parties hereto that the sale, transfer, assignment and conveyance contemplated by this Agreement constitute a sale of the Purchased Assets from the Seller to the Buyer and not a financing transaction, borrowing or loan. Accordingly, the Seller shall treat the sale, transfer, assignment and conveyance of the Purchased Assets as a sale of an "account" or a "payment intangible" (as appropriate) in accordance with the UCC, and the Seller hereby authorizes the Buyer to file financing statements (and continuation statements with respect to such financing statements when applicable) naming the Seller as the seller and/or debtor and the Buyer as the buyer and/or secured party in respect of the Purchased Assets. Not in derogation of the foregoing statement of the intent of the parties hereto in this regard, and for the purposes of providing additional assurance to the Buyer in the event that, despite the intent of the parties hereto, the sale, transfer, assignment and conveyance contemplated hereby is hereafter held not to be a sale, the Seller does hereby grant to the Buyer, as security for the obligations of the Seller hereunder, a first priority security interest in and to all right, title and interest of the Seller, in, to and under the Purchased Assets and any "proceeds" (as such term is defined in the UCC) thereof, and the Seller does hereby authorize the Buyer, from and after the Closing, to file such financing statements (and continuation statements with respect to such financing statements when applicable) as are necessary to perfect such security interest.

Section 2.5 Withholding Taxes. Notwithstanding anything herein to the contrary, the Buyer and any of its Affiliates shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement such amounts as are required to be deducted and withheld with respect to the making of such payment under the U.S. Internal Revenue Code of 1986, as amended, or otherwise under applicable law. To the extent that amounts are so deducted and withheld, such amounts shall be (i) remitted by the deducting or withholding person to the applicable taxing authority to the extent required by applicable law, and (ii) treated for all purposes of this Agreement as having been paid to such Person in respect of which such deduction and withholding was made.

ARTICLE 3

CLOSING

Section 3.1 Closings; Payment of Purchase Price.

(a) Closing. The purchase and sale of the Purchased Assets shall take place on the date hereof or at such other place, time and date as the parties hereto may mutually agree (the "Closing"). At the Closing, the Buyer shall deliver (or cause to be delivered) payment of the Purchase Price less the Buyer Transaction Expenses to the Seller by wire transfer of immediately available funds to one or more accounts specified by the Seller on Exhibit A.

Section 3.2 Closing Certificates.

(a) Seller's Closing Certificate. At the Closing, the Seller shall deliver to the Buyer a certificate of the Secretary of the Seller, dated as of the Closing Date, certifying (i) as to the incumbency of the officer of the Seller executing this Agreement, and (ii) as to the attached copies of Seller's certificate of incorporation, bylaws and resolutions adopted by the Seller's board of directors authorizing the execution and delivery by the Seller of this Agreement and the consummation by the Seller of the transactions contemplated hereby (the "Seller Closing Certificate").

(b) Buyer's Incumbency Certificate. At the Closing, the Buyer shall deliver to the Seller a certificate of an authorized person of the Buyer certifying as to the incumbency of the officers executing this Agreement on behalf of Buyer (the "Buyer Incumbency Certificate").

Section 3.3 Bill of Sale. At the Closing, upon confirmation of the receipt of the Purchase Price, the Seller shall deliver to the Buyer a duly executed bill of sale evidencing the sale, transfer, assignment and conveyance of the Purchased Assets, substantially in the form attached hereto as Exhibit B (the "Bill of Sale").

Section 3.4 Licensee Instruction. At the Closing, the Seller shall deliver to the Buyer an instruction letter, in substantially the form attached hereto as Exhibit C (the "Licensee Instruction Letter"), duly executed by the Seller, instructing Licensee to pay the Purchased Receivables to the account specified by Buyer, which shall be delivered to the Licensee following the Closing.

Section 3.5 Licensee Consent. At the Closing, the Seller shall deliver to the Buyer a consent letter, in substantially the form attached hereto as Exhibit D (the "Licensee Consent"), duly executed by the Seller and Licensee to be acknowledged by the Buyer, pursuant to which Licensee (i) consents to the sale of the Purchased Receivables pursuant to this Agreement, (ii) consents to the assignment of rights in and to the Shared Rights pursuant to this Agreement, and (iii) agrees to pay the Purchased Receivables directly to the account specified by Buyer in accordance with the Licensee Instruction Letter to be delivered to Licensee at the Closing.

Section 3.6 Legal Opinions. At the Closing, Haynes and Boone LLP, as counsel to the Seller, and Richards, Layton & Finger, P.A., as Delaware counsel to the Seller, shall deliver to the Buyer duly executed legal opinions in the form previously agreed by the parties hereto, including an opinion by Richards, Layton& Finger, P.A. that the authorization by the stockholders of the Seller of the transactions contemplated hereby is not required under Section 271 of the Delaware General Corporation Law (the "Opinions").

Section 3.7 Form W-9 from the Seller. At the Closing, the Seller shall deliver to the Buyer a valid, properly executed IRS Form W-9 certifying that the Seller is exempt from U.S. federal withholding tax and "backup" withholding tax.

Section 3.8 Form W-9 from the Buyer. At the Closing, the Buyer shall deliver to the Seller a valid, properly executed IRS Form W-9 certifying that the Buyer is exempt from U.S. federal withholding tax with respect to any and all payments of in respect of the Purchased Receivables.

Section 3.9 Power of Attorney. At the Closing, the Seller shall deliver to the Buyer a duly executed power of attorney (the "Power of Attorney"), substantially in the form attached hereto as Exhibit F.

Section 3.10 Data Room. At the Closing, the Seller shall deliver to the Buyer an electronic copy of all of the information and documents posted to the virtual data room established by the Seller as of the date hereof and made available to the Buyer (the "Data Room") for archival purposes only.

Section 3.11 Expenses. Subject to Section 10.2, at the Closing, the Seller shall deliver payment of the Buyer Transaction Expenses to the Buyer by wire transfer of immediately available funds to one or more accounts specified by the Buyer, unless the Buyer deducts the Buyer Transaction Expenses from the Purchase Price.

ARTICLE 4

SELLER'S REPRESENTATIONS AND WARRANTIES

The Seller represents and warrants to the Buyer that as of the date hereof:

Section 4.1 Existence; Good Standing. The Seller is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware. The Seller is duly licensed or qualified to do business and is in corporate good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing has not and would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

Section 4.2 Authorization. The Seller has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary corporate action on the part of the Seller.

Section 4.3 Enforceability. The Agreement has been duly executed and delivered and constitutes a valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, securities, insolvency, or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies, or indemnification or by other equitable principles of general application.

Section 4.4 No Conflicts. The execution, delivery and performance by the Seller of this Agreement and the consummation of the transactions contemplated hereby do not and shall not (i) contravene or conflict with the organizational documents of the Seller, (ii) contravene or conflict with or constitute a material default under any law or Judgment binding upon or applicable to the Seller, (iii) contravene or conflict with or constitute a default under the License Agreement or (iv) contravene or conflict with or constitute a material default under any other material contract or material agreement binding upon or applicable to the Seller.

Section 4.5 Consents. Except for the Licensee Consent or filings required by the federal securities laws or stock exchange rules, no consent, approval, license, order, authorization, registration, declaration or filing with or of any Governmental Entity or other Person is required to be done or obtained by the Seller in connection with (i) the execution and delivery by the Seller of this Agreement, (ii) the performance by the Seller of its obligations under this Agreement or (iii) the consummation by the Seller of any of the transactions contemplated by this Agreement.

Section 4.6 No Litigation. There is no action, suit, investigation or proceeding pending before any Governmental Entity or, to the Knowledge of the Seller, threatened to which the Seller is a party that, individually or in the aggregate would, if determined adversely, reasonably be expected to have a Material Adverse Effect.

Section 4.7 Compliance with Laws. The Seller is not in violation of, and to the Knowledge of the Seller, the Seller is not under investigation with respect to nor has the Seller been threatened to be charged with or given notice of any violation of, any law or Judgment applicable to the Seller, which violation would reasonably be expected to have a Material Adverse Effect.

Section 4.8 No Undisclosed Events or Circumstances. Except as set forth on Section 4.8 of the Disclosure Schedule, and except for the transactions contemplated hereby, no event or circumstance has occurred or exists with respect to the Seller, its Affiliates, or their respective businesses, properties, operations or financial condition, which, under applicable law, rule or regulation, requires public disclosure or announcement by the Seller but which has not been so publicly announced or disclosed and which, individually or in the aggregate, would constitute a Material Adverse Effect. There is no action, suit, claim, investigation or proceeding pending or, to the Knowledge of the Seller, threatened against the Seller or any of its Affiliate which questions the validity of this Agreement or the transactions contemplated hereby or any action taken or to be taken pursuant hereto. There is no action, suit, claim, investigation or proceeding pending or, to the Knowledge of the Seller, threatened, against or involving the Seller or any of its Affiliates, or any of their respective properties or assets that would be reasonably be expected to result in a Material Adverse Effect.

Section 4.9 License Agreement. Attached hereto as Exhibits E-1 and E-2 are true, correct and complete copies of the License Agreement and the KTB Agreement, including any amendments, modifications or side letters relating to the License Agreement and the KTB Agreement. The Seller has delivered to the Buyer true, correct and complete copies of all formal written notices provided to the Seller pursuant to Section 10(m) of the License Agreement.

(a) No Other Agreements. The License Agreement is the only agreement, instrument, arrangement, waiver or understanding between the Seller (or any predecessor or Affiliate thereof), on the one hand, and Licensee (or any predecessor or Affiliate thereof), on the other hand, relating to the subject matter thereof, and there are no other agreements, instruments, arrangements, waivers or understandings between the Seller (or any predecessor or any Affiliate thereof), on the one hand, and Licensee (or any predecessor or Affiliate thereof), on the other hand, that relate to the License Agreement, the Licensed IP, the Licensed Products (including the development or commercialization thereof), or the Purchased Assets. The Seller has not proposed or received any proposal, to amend or waive any provision of the License Agreement in any manner that would result in a breach of this Agreement or otherwise reasonably be expected (with or without the giving of notice or the passage of time, or both) to have a Material Adverse Effect.

(b) Licenses/Sublicenses. To the Knowledge of the Seller, there are no licenses or sublicenses entered into by Licensee or any other Person (or any predecessor or Affiliate thereof) in respect of Licensee's rights and obligations under the License Agreement (including any Licensed IP). The Seller has not received any request for consent from Licensee pursuant to Section 2(b) of the License Agreement.

(c) Validity and Enforceability of License Agreement. (i) The License Agreement is legal, valid, binding, enforceable, and in full force and effect and will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of the transactions contemplated by this Agreement; (ii) the Seller is not, and to the Knowledge of the Seller, Licensee is not, in breach thereof or default under the License Agreement, and to the Knowledge of the Seller, no event has occurred that with notice or lapse of time would constitute a breach thereof or default thereunder, or permit termination, modification, or acceleration, under the License Agreement; and (iii) no party to the License Agreement has repudiated any provision of the License Agreement and the Seller has not received any notice in connection with the License Agreement challenging the validity, enforceability or interpretation of any provision of such agreement, including the obligation to pay any portion of the Purchased Receivables without set-off of any kind.

(d) Licensed Product. Aldoxorubicin is a Licensed Product. Licensee and its Affiliates are required to pay royalties under Section 4(a) of the License Agreement on all Net Sales by or on behalf of them and any of their (sub)licensees of any Licensed Products in the Territory on a country-by-country basis. The Seller has the right to receive the Royalty, subject to Section 4(a) of the License Agreement, on Net Sales of the Licensed Products in the Territory for so long as Licensee, one of its Affiliates or any of its or their (sub)licensees is selling the Licensed Products.

(e) No Liens or Assignments by the Seller. The Seller has not, except for Permitted Liens and as contemplated hereby, conveyed, assigned or in any other way transferred or granted any liens upon or security interests with respect to all or any portion of its right, title and interest in and to the Purchased Assets, the Licensed IP or the License Agreement.

(f) No Waivers or Releases. The Seller has not granted any material waiver under the License Agreement and has not released Licensee, in whole or in part, from any of its material obligations under the License Agreement.

(g) No Termination. The Seller has not (i) given Licensee any notice of termination of the License Agreement (whether in whole or in part) or any notice expressing any intention to terminate the License Agreement or (ii) received any notice of termination of the License Agreement (whether in whole or in part) or any notice expressing any intention to terminate either the License Agreement. To the Knowledge of the Seller, no event has occurred that would give rise to the expiration or termination of the License Agreement.

(h) No Breaches or Defaults. There is and has been no material breach or default under any provision of the License Agreement either by the Seller (or any predecessor thereof) or, to the Knowledge of the Seller, by Licensee (or any predecessor thereof), and there is no event that upon notice or the passage of time, or both, would reasonably be expected to give rise to any breach or default either by the Seller or, to the Knowledge of the Seller, by Licensee.

(i) Payments Made. The Seller has received from Licensee the full amount of the payments due and payable under the License Agreement.

(j) No Assignments by Licensee. The Seller has not consented to any assignment or other transfer by Licensee or any of its predecessors of any of their rights or obligations under the License Agreement, and, to the Knowledge of the Seller, Licensee has not assigned or otherwise transferred or granted any liens upon or security interest with respect to any of its rights or obligations under the License Agreement to any Person.

(k) No Indemnification Claims. The Seller has not notified Licensee or any other Person of any claims for indemnification under the License Agreement nor has the Seller received any claims for indemnification under the License Agreement, whether pursuant to Section 9 thereof or otherwise.

(l) No Royalty Reductions. To the Knowledge of the Seller, the amount of the Royalty due and payable under Section 4(a) of the License Agreement is not, as of the date hereof, subject to any claim against the Seller pursuant to any right of set-off, counterclaim, credit, reduction or deduction by contract or otherwise (including, for the avoidance of doubt, any deduction of any withholding taxes, value-added taxes or other taxes, levies or charges) (each, a "Royalty Reduction"), including any Permitted Reduction. To the Knowledge of the Seller, no event or condition exists (except for the existence of Section 4(b) in the License Agreement) that, upon notice or passage of time or both, would reasonably be expected to permit Licensee to claim, or have the right to claim, a Royalty Reduction.

(m) No Notice of Infringement. The Seller has not received any written notice from, or given any written notice to, Licensee pursuant to Section 5(d) of the License Agreement or otherwise.

(n) Audits. The Seller has not initiated, pursuant to Section 4(h) of the License Agreement or otherwise, any inspection or audit of books of accounts or other records pertaining to Net Sales, the calculation of royalties or other amounts payable to the Seller under the License Agreement.

(o) In-License. There are no KTB Patent Rights for which a Valid Claim remains in effect that are licensed to the Seller under the KTB Agreement. All KTB Patent Rights licensed to the Seller under the KTB Agreement are not in full force and effect and have lapsed, expired, or otherwise terminated. The KTB Agreement has expired pursuant to Section 10.1 thereof.

Section 4.10 Title to Purchased Assets. The Seller has good and marketable title to the Purchased Assets free and clear of all Liens (other than Permitted Liens). Upon payment of the Purchase Price by the Buyer, the Buyer will acquire, subject to the terms and conditions set forth in this Agreement and the License Agreement, good and marketable title to the Purchased Assets, free and clear of all Liens (other than Liens created by the Buyer).

Section 4.11 Intellectual Property.

(a) Section 4.11(a) of the Disclosure Schedule lists all the Licensed Patents. Except for as set forth on Section 4.11(a)(2) of the Disclosure Schedule, the Seller is the sole owner of, and has the sole interest in, all of the Licensed Patents. Section 4.11(a) of the Disclosure Schedule specifies as to each of the Licensed Patents, as applicable, the jurisdictions by or in which each such patent has issued as a patent or such patent application has been filed, including the respective patent numbers and application numbers and issue and filing dates.

(b) Except as set forth in Section 4.11(b) of the Disclosure Schedule, there are no pending or, to the Knowledge of the Seller, threatened litigations, interferences, reexamination, oppositions or like procedures involving any Licensed Patents.

(c) Except for as set forth on Section 4.11(c) of the Disclosure Schedule, all of the issued Licensed Patents are in full force and effect and have not lapsed, expired or otherwise terminated, and, to the Knowledge of the Seller, are valid and enforceable. The Seller has not received any written notice relating to the lapse, expiration or other termination of any of the Licensed Patents (excluding, with respect to patent applications during the period when such patent applications were pending, all office actions from the U.S. Patent & Trademark Office and any equivalent patent office in any other jurisdiction involving such Licensed Patents during routine patent prosecution), or any written legal opinion that alleges that any of the issued Licensed Patents is invalid or unenforceable.

(d) To the Knowledge of the Seller, there is no Person who is or claims to be an inventor under any of the Licensed Patents who is not a named inventor thereof.

(e) The Seller has not, and, to the Knowledge of the Seller, Licensee has not, received any written notice of any claim by any Person challenging the inventorship or ownership of, the rights of the Seller or Licensee, as applicable, in and to, or the patentability, validity or enforceability of, any Licensed Patent (excluding, with respect to patent applications during the period when such patent applications were pending, all office actions from the U.S. Patent& Trademark Office and any equivalent patent office in any other jurisdiction involving such Licensed Patents during routine patent prosecution), or asserting that the development, manufacture, importation, sale, offer for sale or use of any Licensed Product infringes any patent or other intellectual property rights of such Person.

(f) To the Knowledge of the Seller, the discovery and development of the Licensed Products did not and does not infringe, misappropriate or otherwise violate any patent rights or other intellectual property rights owned by any third party. Neither the Seller nor, to the Knowledge of the Seller, Licensee, has, except pursuant to the KTB Agreement (subject to Section 4.9(o)), in-licensed any patents or other intellectual property rights covering the manufacture, use, sale, offer for sale or import of the Licensed Products.

(g) To the Knowledge of the Seller, the manufacture, use, marketing, sale, offer for sale, importation or distribution of the Licensed Products has not and will not, infringe, misappropriate or otherwise violate any patent rights or other intellectual property rights owned by any other Person.

(h) To the Knowledge of the Seller, no third party has infringed, misappropriated or otherwise violated, or is infringing, misappropriating or otherwise violating, any of the Licensed Patents or any other patent right claiming the composition of matter of, or the method of making or using, any Licensed Product.

(i) Except as set forth on Section 4.11(i) of the Disclosure Schedule, all required maintenance fees, annuities and like payments with respect to the Licensed Patents for which the Seller controls the prosecution and maintenance in accordance with Section 5(c) of the License Agreement, and to the Knowledge of the Seller, with respect to all other Licensed Patents, have been paid timely.

Section 4.12 UCC Representation and Warranties. The Seller's exact legal name is, and as of September 26, 2022 has been, "LadRx Corporation". From November 13, 2007 to September 26, 2022, the Seller's exact legal name was "CytRx Corporation." CytRx Corporation was originally incorporated under the name SynthRx, Inc. on February 28, 1985. The Seller is, and for the prior ten years has been, incorporated in Delaware.

Section 4.13 Brokers' Fees. Except for Roth Capital Partners, LLC, there is no investment banker, broker, finder, financial advisor or other intermediary who has been retained by or is authorized to act on behalf of the Seller who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

Section 4.14 No Implied Representations and Warranties. BUYER EXPRESSLY ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN Article 4, THE SELLER MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, AT LAW OR IN EQUITY IN RESPECT OF THE LICENSE AGREEMENT, ANY LICENSED PATENTS, THE PURCHASED ASSETS OR THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY SUCH OTHER REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED. BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR FRAUD, WILLFUL MISCONDUCT, INTENTIONAL MISREPRESENTATION, INTENTIONAL BREACH, AND AS EXPRESSLY SET FORTH IN ANY REPRESENTATION OR WARRANTY IN ARTICLE 4, BUYER SHALL HAVE NO CLAIM OR RIGHT REGARDING TO LOSSES OR DAMAGES PURSUANT TO SECTION 8.1(a)[***].

ARTICLE 5

BUYER'S REPRESENTATIONS AND WARRANTIES

The Buyer represents and warrants to the Seller that as of the date hereof:

Section 5.1 Existence; Good Standing. The Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has all powers and authority, and all licenses, permits, franchises, authorization, consents and approvals of all Governmental Entities, required to own its property and conduct its business as now conducted.

Section 5.2 Authorization. The Buyer has all company power and authority to execute, deliver and perform its obligations under this Agreement. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary action on the part of the Buyer.

Section 5.3 Enforceability. This Agreement has been duly executed and delivered by an authorized person of the Buyer and constitutes the valid and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms, except as may be limited by applicable Bankruptcy Laws or by general principles of equity (whether considered in a proceeding in equity or at law).

Section 5.4 No Conflicts. The execution, delivery and performance by the Buyer of this Agreement do not and shall not (i) contravene or conflict with the organizational documents of the Buyer, (ii) contravene or conflict with or constitute a default under any material provision of any law binding upon or applicable to the Buyer or (iii) contravene or conflict with or constitute a default under any material contract or other material agreement or Judgment binding upon or applicable to the Buyer.

Section 5.5 Consents. No consent, approval, license, order, authorization, registration, declaration or filing with or of any Governmental Entity or other Person is required to be done or obtained by the Buyer in connection with (i) the execution and delivery by the Buyer of this Agreement, (ii) the performance by the Buyer of its obligations under this Agreement, other than the filing of financing statement(s) in accordance with Section 2.4, or (iii) the consummation by the Buyer of any of the transactions contemplated by this Agreement.

Section 5.6 No Litigation. There is no action, suit, investigation or proceeding pending before any Governmental Entity or, to the knowledge of the Buyer, threatened to which the Buyer is a party that, individually or in the aggregate would, if determined adversely, reasonably be expected to prevent or materially and adversely affect the ability of the Buyer to perform its obligations under this Agreement.

Section 5.7 Financing. The Buyer has sufficient cash on hand to pay the entire Purchase Price. The Buyer acknowledges that its obligations under this Agreement are not contingent on obtaining financing.

Section 5.8 Brokers' Fees. There is no investment banker, broker, finder, financial advisor or other intermediary who has been retained by or is authorized to act on behalf of the Buyer who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

ARTICLE 6

COVENANTS

Section 6.1 Disclosures. Except for a press release previously approved in form and substance by the Seller and the Buyer or any other public announcement using substantially the same text as such press release, neither the Buyer nor the Seller shall, and each party hereto shall cause its respective Representatives, Affiliates and Affiliates' Representatives not to, issue a press release or other public announcement or otherwise make any public disclosure with respect to this Agreement or the subject matter hereof without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld, conditioned or delayed), except as may be required by applicable law or stock exchange rule (in which case the party hereto required to make the press release or other public announcement or disclosure shall, if not prohibited by applicable law, allow the other party hereto reasonable time to comment on such press release or other public announcement or disclosure in advance of such issuance).

Section 6.2 Payments Received In Error; Interest.

(a) Commencing on the Closing Date and at all times thereafter, if any payment of any portion of the Purchased Receivables is made to the Seller, the Seller shall pay such amount to the Buyer, promptly (and in any event within ten (10) Business Days) after the receipt thereof, by wire transfer of immediately available funds to an account designated in writing by the Buyer. The Seller shall notify the Buyer of such wire transfer and provide reasonable details regarding the Purchased Receivables payment so received by the Seller. The Seller agrees that, in the event any payment of the Purchased Receivables is paid to the Seller, the Seller shall (i) until paid to the Buyer, hold such payment received in trust for the benefit of the Buyer and (ii) have no right, title or interest in such payment and that it shall not pledge or otherwise grant any security interest therein.

(b) Commencing on the Closing Date and at all times thereafter, if any payment due under the License Agreement that does not constitute the Purchased Receivables is made to the Buyer, the Buyer shall pay such amount to the Seller, promptly (and in any event within five (5) Business Days) after the receipt thereof, by wire transfer of immediately available funds to an account designated in writing by the Seller. The Buyer shall notify the Seller of such wire transfer and provide reasonable details regarding the erroneous payment so received by the Buyer. The Buyer agrees that, in the event any payment due under the License Agreement that does not constitute the Purchased Receivables is paid to the Buyer, the Buyer shall (i) until paid to the Seller, hold such payment received in trust for the benefit of the Seller and (ii) have no right, title or interest in such payment and that it shall not pledge or otherwise grant any security interest therein.

(c) A late fee of 4% over the Prime Rate shall accrue on all unpaid amounts with respect to any sum payable under Section 6.2(a) or Section 6.2(b) beginning five (5) Business Days after receipt of such payment received in error.

Section 6.3 Royalty Reduction. If Licensee exercises any Royalty Reduction against any payment of the Purchased Receivables other than for a Permitted Reduction, such Royalty Reduction shall not reduce any payment of the Purchased Receivables otherwise payable to the Buyer, and if such Royalty Reduction reduces any payment of the Purchased Receivables to less than the full amount of the Purchased Receivables, then Seller shall promptly (and in any event within five (5) Business Days following the payment of the Purchased Receivables affected by such Royalty Reduction) make a true-up payment to the Buyer such that the Buyer receives the full amount of such Purchased Receivables payments that would have been payable to the Buyer had such Royalty Reduction not occurred.

Section 6.4 Seller Withholding Taxes. If Seller Withholding Taxes reduce any payment of the Purchased Receivables to less than the full amount of the Purchased Receivables, then Seller shall promptly (and in any event within five (5) Business Days following the payment of the Purchased Receivables affected by such Seller Withholding Taxes) make a true-up payment to the Buyer such that the Buyer receives the full amount of such Purchased Receivables payments that would have been payable to the Buyer had such event triggering Seller Withholding Taxes not occurred. For the avoidance of doubt, any withholding taxes, value-added taxes or other taxes, levies or charges that exist due to Seller being a Delaware corporation complying with applicable law shall not be considered Seller Withholding Taxes.

Section 6.5 Royalty Reports; Notices and Other Information from the Licensee. Promptly (and in any event within five (5) Business Days) following the receipt by the Seller of any Royalty Report or other notice, correspondence or confidential information relating to the Purchased Receivables or the Licensed Product in the Territory that has been provided to the Seller under the License Agreement and that the Licensee has not provided to the Buyer directly, the Seller shall furnish a true, correct and complete copy of the same to the Buyer.

Section 6.6 Notices and Other Information to the Licensee. The Seller shall not send (or refrain from sending), without the prior written consent of the Buyer, any material written notice or correspondence to Licensee, except for any such material written notice or correspondence that (i) does not relate to the Purchased Receivables and (ii) would not, and does not relate to a matter that would, reasonably be expected (with or without the giving of notice or passage of time, or both) to result in a Material Adverse Effect.

Section 6.7 Inspections and Audits of Licensee. Pursuant to the Power of Attorney, the Buyer shall have the right to, or at the written request of the Buyer, the Seller shall, to the extent permitted under Section 4(h) of the License Agreement, cause an inspection or audit by an independent public accounting firm to be made for the purpose of determining the correctness of Purchased Receivables payments made under the License Agreement. With respect to any inspection or audit (i) initiated by the Buyer pursuant to the Power of Attorney, (ii) requested by the Buyer or (iii) undertaken by the Seller on its own initiative with respect to the Purchased Receivables, the Seller shall, for purposes of Section 4(h) of the License Agreement, select such independent public accounting firm as the Buyer shall recommend for such purpose (as long as such independent certified public accountant is reasonably acceptable to Licensee as required by Section 4(h) of the License Agreement). The Buyer shall pay the Seller the expenses of any inspection or audit requested by the Buyer (including the fees and expenses of such independent public accounting firm designated for such purpose) that would otherwise be borne by the Seller pursuant to the License Agreement (if and as such expenses are actually incurred by the Seller).

Section 6.8 Amendment or Assignment of License Agreement. The Seller shall not, without the prior written consent of the Buyer, assign, amend, modify, supplement or restate (or consent to any assignment, amendment, modification, supplement or restatement of) any provision of the License Agreement. Subject to the foregoing, promptly, and in any event within five (5) Business Days, following receipt by the Seller of any final assignment, amendment, modification, supplement or restatement of the License Agreement, the Seller shall furnish a copy of the same to the Buyer.

Section 6.9 Maintenance of License Agreement. The Seller shall comply in all material with the Seller's obligations under the License Agreement and shall not take any action or forego any action that would reasonably be expected to constitute a material breach thereof or default thereunder. Promptly, and in any event within five (5) Business Days, after receipt of any (written or oral) notice from the applicable counterparty thereto of an alleged breach or default by the Seller under the License Agreement, the Seller shall give notice thereof to the Buyer, including delivering the Buyer a copy of any such written notice. After consultation with the Buyer and as reasonably requested by the Buyer, the Seller shall use reasonable best efforts to cure any breaches or defaults by the Seller under the License Agreement and shall give written notice to the Buyer upon curing any such breach or default. In connection with any dispute regarding an alleged breach or default by the Seller that is solely related to the Purchased Assets, involves a Licensed Patent (including patent term restoration, extension or adjustment, supplementary protection certificates and the like or any foreign equivalent), or could reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect, the Seller shall employ such counsel, reasonably acceptable to the Seller, as the Buyer may select. The Seller shall not, without the prior written consent of the Buyer, (i) forgive, release or compromise any amount owed to or becoming owed to the Seller under the License Agreement in respect of the Purchased Receivables or (ii) waive any obligation of, or grant any consent to, the Licensee under, in respect of or related to the Purchased Assets. The Seller shall not, without the prior written consent of Buyer, exercise or enforce the Seller's applicable rights under the License Agreement in any manner that would result in a breach of this Agreement or otherwise reasonably be expected (with or without the giving of notice or the passage of time, or both) to have a Material Adverse Effect. The Seller shall not, without the prior written consent of the Buyer, enter into any new agreement or legally binding arrangement in respect of the Licensed Patents.

Section 6.10 Enforcement of License Agreement.

(a) Notice of Breaches by Licensee. Promptly (and in any event within five (5) Business Days) after the Seller becomes aware of, or comes to believe in good faith that there has been, a breach of the License Agreement by the applicable counterparty thereto, the Seller shall provide notice of such breach to the Buyer. In addition, the Seller shall provide to the Buyer a copy of any written notice of breach or alleged breach of the License Agreement delivered by the Seller to the applicable counterparty thereto as soon as practicable and in any event not less than five (5) Business Days following such delivery.

(b) Enforcement of License Agreement. In the case of any breach by the applicable counterparty referred to in Section 6.10(a), the Seller shall consult with the Buyer regarding the timing, manner and conduct of any enforcement of the applicable counterparty's obligations under the License Agreement. Following such consultation, the Seller shall not, without the prior written consent of the Buyer, and if reasonably requested by the Buyer, the Seller shall exercise such rights and remedies relating to any such breach as shall be available to the Seller whether under the License Agreement or by operation of law and employ such counsel reasonably acceptable to the Seller as the Buyer shall recommend for such purpose.

(c) Allocation of Proceeds and Costs of Enforcement. Each of the Buyer and the Seller shall bear its own fees and expenses incurred in enforcing the applicable counterparty's obligations under the License Agreement pursuant to this Section 6.10, provided that the Buyer shall pay all costs and expenses pursuant to Section 6.10(b). The Proceeds resulting from any enforcement of the applicable counterparty's obligations under the License Agreement undertaken at the Buyer's request pursuant to this Section 6.10 shall be applied first to reimburse the Seller and the Buyer for any expenses incurred by them in connection with such enforcement, with the remainder of the Proceeds distributed to the Buyer. The Seller hereby assigns, and, if not presently assignable, agrees to assign, to the Buyer the amount of Proceeds due to the Buyer in accordance with this Section 6.10. Notwithstanding anything to the contrary, nothing in this Section 6.10 shall reduce the payments by Buyer of the payment obligations set forth in Section 2.2.

Section 6.11 Termination of License Agreement. The Seller shall not, without the prior written consent of the Buyer, (i) exercise any right to terminate the License Agreement, in whole or in part, (ii) agree with Licensee to terminate the License Agreement, in whole or in part, or (iii) take, or permit any Affiliate or sublicensee to take, any action that would reasonably be expected to give Licensee the right to terminate the License Agreement, in whole or in part.

Section 6.12 Preservation of Rights. The Seller shall not, without the prior written consent of the Buyer, hereafter sell, transfer, hypothecate, assign or in any manner convey or mortgage, pledge or grant a security interest or other encumbrance of any kind in any the Seller's right, title, and interest in any portion of the Licensed Patents or the License Agreement that could reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect. The Seller shall not hereafter subject to a Lien (other than a Permitted Lien), sell, transfer, assign, convey title (in whole or in part), grant any right to, or otherwise dispose of any portion of the Purchased Assets.

Section 6.13 Enforcement; Defense; Prosecution and Maintenance.

(a) The Seller shall promptly inform the Buyer of any suspected infringement by a third party of any of the Licensed Patents or any other patent right claiming the composition of matter of, or the method of making or using, any Licensed Product in the Territory. The Seller shall (i) provide to the Buyer a copy of any written notice of any suspected infringement in the Territory of any of the Licensed Patents and all pleadings filed in such action and (ii) notify the Buyer of any material developments in any claim, suit or proceeding resulting from such infringement that are delivered by Licensee to the Seller under Sections 5(d) and 5(f) of the License Agreement or otherwise as soon as practicable and in any event not less than five (5) Business Days following such delivery.

(b) If the Seller has the right to join an enforcement action in the Territory as set forth in Section 5(d) of the License Agreement, the Seller shall, if requested in writing by the Buyer, promptly, and in any event within five (5) Business Days after receipt of such request, exercise such right as instructed by the Buyer and the Seller shall employ such counsel reasonably acceptable to the Seller as the Buyer shall recommend for such purpose. The Seller shall not join any infringement action in the Territory under Section 5(d) of the License Agreement or initiate any infringement action in the Territory under Section 5(e) of the License Agreement without the Buyer's prior consent, which will not be unreasonably withheld, delayed, or conditioned.

(c) Promptly (and in any event within five (5) Business Days) following the Seller receiving notice from the Licensee pursuant to Section 5(c) of the License Agreement of the Licensee's intention to allow any of the Licensed Patents in the Territory to lapse or become abandoned or to not file patent applications for any of the Licensed Patents in the Territory (such Patent Rights, the "Applicable Patents"), the Seller shall inform the Buyer of such notice and, as reasonably requested by the Buyer, the Seller shall exercise its rights under Section 5(c) of the License Agreement to assume the prosecution and maintenance of any such Applicable Patents.

(d) The Seller shall act as reasonably requested by the Buyer, and in all cases to the extent provided for in, or permitted by, the License Agreement, to (i) take any and all actions, and prepare, execute, deliver and file any and all agreements, documents and instruments, that are reasonably necessary or desirable to diligently prosecute, preserve and maintain any Licensed Patents in the Territory for which it controls the prosecution and maintenance, in accordance with Section 5(c) of the License Agreement including payment of maintenance fees or annuities on any such Licensed Patents, which, as between the parties, shall be at the sole expense of the Buyer, (ii) prosecute any corrections, substitutions, reissues, reviews and reexaminations of any Licensed Patents in the Territory, for which it controls the prosecution and maintenance, in accordance with Section 5(c) of the License Agreement, and any other forms of patent term restoration in any applicable jurisdiction in the Territory, (iii) diligently enforce and defend any Licensed Patents for which it controls the defense and enforcement in the Territory, including by bringing any legal action for infringement or defending any counterclaim of invalidity or unenforceability or action of a third party for declaratory judgment of non-infringement or non-interference), and (iv) not disclaim or abandon, or fail to take any action necessary or desirable to prevent the disclaimer or abandonment (including through lack of enforcement against third party infringers), of any Licensed Patents in the Territory for which it controls the prosecution and maintenance, in accordance with Section 5(c) of the License Agreement. For purposes of compliance with this Section 6.13 (d), the Seller shall employ such counsel reasonably acceptable to the Seller as the Buyer shall recommend for such purpose.

Section 6.14 Power of Attorney. The Buyer shall have the right to use the Power of Attorney to exercise on behalf of the Seller with respect to [***].

Section 6.15 Efforts to Consummate Transactions. Subject to the terms and conditions of this Agreement, each of the Seller and the Buyer shall use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary under applicable law to consummate the transactions contemplated by this Agreement. Each of the Buyer and the Seller agrees to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be reasonably necessary in order to consummate or implement expeditiously the transactions contemplated by this Agreement.

Section 6.16 Further Assurances. After the Closing, the Seller and the Buyer agree to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be reasonably necessary in order to give effect to the transactions contemplated by this Agreement.

ARTICLE 7

CONFIDENTIALITY

Section 7.1 Confidentiality. Except as provided in this Article 7 or otherwise agreed in writing by the parties, the parties hereto agree that, during the term of this Agreement and for five (5) years thereafter, each party (the "Receiving Party") shall keep confidential and shall not publish or otherwise disclose and shall not use for any purpose other than as provided for in this Agreement (which includes the exercise of any rights or the performance of any obligations hereunder) any information furnished to it by or on behalf of the other party (the "Disclosing Party") pursuant to this Agreement (such information, "Confidential Information" of the Disclosing Party), except for that portion of such information that:

(a) was already known to the Receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the Disclosing Party;

(b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;

(c) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the Receiving Party in breach of this Agreement;

(d) is independently developed by the Receiving Party or any of its Affiliates, as evidenced by written records, without the use of or reference of the Confidential Information; or

(e) is subsequently disclosed to the Receiving Party on a non-confidential basis by a third party without obligations of confidentiality with respect thereto.

Section 7.2 Authorized Disclosure.

(a) Either party may disclose Confidential Information with the prior written consent of the Disclosing Party or to the extent such disclosure is reasonably necessary in the following situations:

(i) prosecuting or defending litigation;

(ii) complying with applicable laws and regulations, including regulations promulgated by securities exchanges;

(iii) complying with a valid order of a court of competent jurisdiction or other Governmental Entity;

(iv) for regulatory, tax or customs purposes;

(v) for audit purposes, provided that each recipient of Confidential Information must be bound by customary obligations of confidentiality and non-use prior to any such disclosure;

(vi) disclosure to its Affiliates and Representatives on a need-to-know basis, provided that each recipient of Confidential Information must be informed of and bound by obligations of confidentiality and non-use prior to any such disclosure; or

(vii) disclosure to its actual or potential investors and co-investors, and other sources of funding, including debt financing, or potential partners, collaborators or acquirers, and their respective accountants, financial advisors and other professional representatives, provided, that such disclosure shall be made only to the extent customarily required to consummate such investment, financing transaction partnership, collaboration or acquisition and that each recipient of Confidential Information must be bound by customary obligations of confidentiality and non-use prior to any such disclosure.

(b) Notwithstanding the foregoing, in the event the Receiving Party is required to make a disclosure of the Disclosing Party's Confidential Information pursuant to Section 7.2(a)(i), (a)(ii), (a)(iii) or (a)(iv), it will, except where impracticable, give reasonable advance notice to the Disclosing Party of such disclosure and use reasonable efforts to secure confidential treatment of such information and to limit the required scope of such disclosure. In any event, the Buyer shall not file any patent application based upon or using the Confidential Information of Seller provided hereunder.

ARTICLE 8

INDEMNIFICATION

Section 8.1 General Indemnity. Subject to Section 8.3, from and after the Closing:

(a) the Seller hereby agrees to indemnify, defend and hold harmless the Buyer and its Affiliates and its and their directors, managers, trustees, officers, agents and employees (the "Buyer Indemnified Parties") from, against and in respect of all Losses suffered or incurred by the Buyer Indemnified Parties to the extent arising out of or resulting from (i) any breach of any of the representations or warranties (in each case, when made) of the Seller in this Agreement, (ii) any breach of any of the covenants or agreements of the Seller in this Agreement, and (iii) any Excluded Liabilities and Obligations; provided, however, that the foregoing shall exclude any indemnification to any Buyer Indemnified Party (i) that results from the gross negligence or willful misconduct of a Buyer Indemnified Party or (ii) that results from acts or omissions of the Seller or any of its Affiliates that are in accordance with specific written instructions from any Buyer Indemnified Party (unless the Seller is otherwise liable for such Losses pursuant to the terms of this Agreement); and

(b) the Buyer hereby agrees to indemnify, defend and hold harmless the Seller and its Affiliates and its and their directors, officers, agents and employees ("Seller Indemnified Parties") from, against and in respect of all Losses suffered or incurred by the Seller Indemnified Parties to the extent arising out of or resulting from (i) any breach of any of the representations or warranties (in each case, when made) of the Buyer in this Agreement or (ii) any breach of any of the covenants or agreements of the Buyer in this Agreement provided, however, that the foregoing shall exclude any indemnification to any Seller Indemnified Party (i) that results from the gross negligence or willful misconduct of a Seller Indemnified Party or (ii) that results from acts or omissions of the Buyer or any of its Affiliates that are in accordance with specific written instructions from any Seller Indemnified Party (unless the Buyer is otherwise liable for such Losses pursuant to the terms of this Agreement).

Section 8.2 Notice of Claims. If either a Buyer Indemnified Party, on the one hand, or a Seller Indemnified Party, on the other hand (such Buyer Indemnified Party on the one hand and such Seller Indemnified Party on the other hand being hereinafter referred to as an "Indemnified Party"), has suffered or incurred any Losses for which indemnification may be sought under this Article 8, the Indemnified Party shall so notify the other party from whom indemnification is sought under this Article 8 (the "Indemnifying Party") promptly in writing describing such Loss, the amount or estimated amount thereof, if known or reasonably capable of estimation, and the method of computation of such Loss, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such Loss shall have occurred. If any claim, action, suit or proceeding is asserted or instituted by or against a third party with respect to which an Indemnified Party intends to claim any Loss under this Article 8, such Indemnified Party shall promptly notify the Indemnifying Party of such claim, action, suit or proceeding and tender to the Indemnifying Party the defense of such claim, action, suit or proceeding. A failure by an Indemnified Party to give notice and to tender the defense of such claim, action, suit or proceeding in a timely manner pursuant to this Section 8.2 shall not limit the obligation of the Indemnifying Party under this Article 8, except to the extent such Indemnifying Party is actually prejudiced thereby.

Section 8.3 Limitations on Liability. Other than with respect to Excluded Liabilities and Obligations, or any Losses due to any fraud, willful misconduct, intentional misrepresentation or intentional breach, no party hereto shall be liable for any consequential, punitive, indirect, special or incidental damages, under this Article 8 (and no claim for indemnification hereunder shall be asserted) as a result of any breach or violation of any covenant or agreement of such party (including under this Article 8) in or pursuant to this Agreement. Notwithstanding the foregoing, the Buyer shall be entitled to make indemnification claims, in accordance with the procedures set forth in this Article 8, for Losses that include any portion of the Purchased Receivables that the Buyer was entitled to receive but did not receive timely or at all due to any indemnifiable events under this Agreement, and such portion of the Purchased Receivables shall not be deemed consequential, punitive, indirect, special or incidental damages for any purpose of this Agreement. Other than with respect to Excluded Liabilities and Obligations, or any Losses due to any fraud, willful misconduct, intentional misrepresentation or intentional breach, in no event shall the Seller's aggregate liability for Losses under Section 8.1(a)(i) or the Buyer's aggregate liability for Losses under Section 8.1(b)(i) exceed [***].

Section 8.4 Third Party Claims. Upon providing notice to an Indemnifying Party by an Indemnified Party pursuant to Section 8.2 of the commencement of any action, suit or proceeding against such Indemnified Party by a third party with respect to which such Indemnified Party intends to claim any Loss under this Article 8, such Indemnifying Party shall have the right to defend such claim, at such Indemnifying Party's expense and with counsel of its choice reasonably satisfactory to the Indemnified Party. If the Indemnifying Party assumes the defense of such claim, the Indemnified Party shall, at the request of the Indemnifying Party, use commercially reasonable efforts to cooperate in such defense; provided, that the Indemnifying Party shall bear the Indemnified Party's reasonable out-of-pocket costs and expenses incurred in connection with such cooperation. So long as the Indemnifying Party is conducting the defense of such claim as provided in this Section 8.4, the Indemnified Party may retain separate co-counsel at its expense and may participate in the defense of such claim, and neither the Indemnified Party nor the Indemnifying Party shall consent to the entry of any Judgment or enter into any settlement with respect to such claim without the prior written consent (which will not be unreasonably withheld, delayed, or conditioned) of the other unless such Judgment or settlement (i) provides for the payment by the Indemnifying Party of money as sole relief (if any) for the claimant (other than customary and reasonable confidentiality obligations relating to such claim, Judgment or settlement), (ii) results in the full and general release of the Indemnified Party from all liabilities arising out of, relating to or in connection with such claim and (iii) does not involve a finding or admission of any violation of any law, rule, regulation or Judgment, or the rights of any Person, and has no effect on any other claims that may be made against the Indemnified Party. In the event the Indemnifying Party does not or ceases to conduct the defense of such claim as so provided, (a) the Indemnified Party may defend against, and consent to the entry of any Judgment or enter into any settlement with respect to, such claim in any manner it may reasonably deem to be appropriate, (b) subject to the limitations set forth in Section 8.3, the Indemnifying Party shall reimburse the Indemnified Party promptly and periodically for the reasonable out-of-pocket costs of defending against such claim, including reasonable attorneys' fees and expenses against reasonably detailed invoices, and (c) the Indemnifying Party shall remain responsible for any Losses the Indemnified Party may suffer as a result of such claim to the full extent provided in this Article 8.

Section 8.5 Survival of Representations and Warranties. The representations and warranties contained in this Agreement shall survive Closing solely for purposes of Section 8.1 and shall terminate on the date that is eighteen (18) months after the Closing Date (other than any representation or warranty with respect to any Seller Fundamental Representations and any Buyer Fundamental Representations, which shall survive Closing solely for purposes of Section 8.1 and shall terminate on the date that is five (5) years after termination of this Agreement). No Party hereto shall have any liability or obligation of any nature with respect to any representation or warranty after the termination thereof, unless the other party hereto shall have delivered a notice to such party, pursuant to this Article 8, claiming such liability or obligation under Section 8.1 prior to the date that is eighteen (18) months after the Closing Date (other than any liability or obligation of any nature with respect to any Seller Fundamental Representations and any Buyer Fundamental Representations, as to which such notice may be delivered at any time prior to the date that is five (5) years after the termination of this Agreement).

Section 8.6 Exclusive Remedy. Except as set forth in Section 10.10, from and after Closing, the rights of the parties hereto pursuant to (and subject to the conditions of) this Article 8 shall be the sole and exclusive remedy of the parties hereto and their respective Affiliates with respect to any claims (whether based in contract, tort or otherwise) resulting from or relating to any breach of the representations, warranties covenants and agreements made under this Agreement or any certificate, document or instrument delivered hereunder, and each party hereto hereby waives, to the fullest extent permitted under applicable law, and agrees not to assert after Closing, any other claim or action in respect of any such breach. Notwithstanding the foregoing, claims for fraud shall not be waived or limited in any way by this Article 8.

ARTICLE 9

TERMINATION

Section 9.1 Mutual Termination. This Agreement may be terminated at any time by mutual written agreement of the Buyer and the Seller.

Section 9.2 Automatic Termination. Unless earlier terminated as provided in Section 9.1, this Agreement shall continue in full force and effect until sixty (60) days after the full satisfaction of any amounts due under the License Agreement to the Seller and any payments in respect of the Purchased Receivables due under this Agreement to the Buyer, at which point this Agreement shall automatically terminate, except with respect to any rights that shall have accrued prior to such termination.

Section 9.3 Survival. Notwithstanding anything to the contrary in this Article 9, the following provisions shall survive termination of this Agreement: Section 6.1 (Disclosures), Section 6.2 (Payments Received in Error; Interest), Article 7 (Confidentiality), Article 8 (Indemnification), Section 9.3 (Survival) and Article 10 (Miscellaneous). Termination of the Agreement shall not relieve any party of liability in respect of breaches under this Agreement by any party on or prior to termination.

ARTICLE 10

MISCELLANEOUS

Section 10.1 Notices. All notices and other communications under this Agreement shall be in writing and shall be by email with PDF attachment, courier service or personal delivery to the following addresses, or to such other addresses as shall be designated from time to time by a party hereto in accordance with this Section 10.1:

If to the Seller, to it at:

LadRx Corporation
11726 San Vicente Blvd.
Suite 650
Los Angeles, CA 90049
Attention: [***]
Email: [***]

With a copy to:

Haynes and Boone, LLP
30 Rockefeller Plaza
New York, NY 10112
Attention: [***]
Email: [***]

If to the Buyer, to it at:

XOMA (US) LLC
2200 Powell Street, Suite 310
Emeryville, CA 94608
Attention: Legal Department; [***]
Email: [***]

With a copy to:

Gibson, Dunn & Crutcher LLP
555 Mission Street
San Francisco, CA 94105
Attention: [***]
Email: [***]

All notices and communications under this Agreement shall be deemed to have been duly given (i) when delivered by hand, if personally delivered, (ii) when received by a recipient, if sent by email, or (iii) one Business Day following sending within the United States by overnight delivery via commercial one-day overnight courier service.

Section 10.2 Expenses. Upon the Closing Date, the Seller shall promptly reimburse the Buyer for all its reasonable and documented out-of-pocket fees, costs, and expenses (including any legal, accounting and banking fees) incurred in connection with the preparation, negotiation, execution and delivery of this Agreement and to consummate the transactions contemplated hereby [***] for this Agreement and the Assignment and Assumption Agreement (the "Buyer Transaction Expenses"). For the avoidance of doubt, the Buyer shall have the right to deduct the Buyer Transaction Expenses from payment of the Purchase Price. In the event the transactions contemplated hereby are not consummated, the Seller shall promptly reimburse the Buyer for the Buyer Transaction Expenses incurred prior to the cessation of discussions regarding the transactions contemplated hereby.

Section 10.3 Assignment. The Seller shall not sell, assign or otherwise transfer all or any portion of its interest in the Licensed Patents, the License Agreement, or this Agreement to any third party or to the Licensee by operation of law, merger, change of control, or otherwise, unless in connection therewith (a) such Person acquires all of the Seller's interest in all of the Licensed Patents, the License Agreement, and this Agreement and (b) prior to closing any such transaction, the Seller causes such Person to deliver a writing to the Buyer in which (i) if such Person is not the Licensee, such Person assumes all of the obligations of the Seller to the Buyer under this Agreement, and (ii) if such Person is the Licensee, the Licensee assumes all of the obligations of the Seller to the Buyer hereunder and agrees to pay the Purchased Receivables directly to the Buyer notwithstanding any subsequent termination of the License Agreement by the Licensee. Subject to the first sentence of this Section 10.3, this Agreement shall be binding upon, inure to the benefit of and be enforceable by, the parties hereto and their respective permitted successors and assigns. The Buyer may assign this Agreement, provided that the Buyer promptly thereafter notifies the Seller and any such assignee promptly thereafter agrees in writing to be bound by the obligations of the Buyer contained in this Agreement, and in any event such assignment shall be of the Agreement in its entirety. Any purported assignment in violation of this Section 10.3 shall be null and void.

Section 10.4 Amendment and Waiver.

(a) This Agreement may be amended, modified or supplemented only in a writing signed by each of the parties hereto. Any provision of this Agreement may be waived only in a writing signed by the parties hereto granting such waiver.

(b) No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No course of dealing between the parties hereto shall be effective to amend, modify, supplement or waive any provision of this Agreement.

Section 10.5 Entire Agreement. This Agreement, the Exhibits annexed hereto, and the Disclosure Schedule constitute the entire understanding between the parties hereto with respect to the subject matter hereof and supersede all other understandings and negotiations with respect thereto.

Section 10.6 No Third Party Beneficiaries. This Agreement is for the sole benefit of the Seller and the Buyer and their permitted successors and assigns and nothing herein expressed or implied shall give or be construed to give to any Person, other than the parties hereto and such successors and assigns, any legal or equitable rights hereunder.

Section 10.7 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

Section 10.8 JURISDICTION; VENUE.

(a) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS RESPECTIVE PROPERTY AND ASSETS, TO THE EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE COURT OR FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN NEW YORK COUNTY, NEW YORK, AND ANY APPELLATE COURT THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, AND THE BUYER AND THE SELLER HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREE THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. THE BUYER AND THE SELLER HEREBY AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. EACH OF THE BUYER AND THE SELLER HEREBY SUBMITS TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF SUCH NEW YORK STATE AND FEDERAL COURTS. THE BUYER AND THE SELLER AGREE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THAT PROCESS MAY BE SERVED ON THE BUYER OR THE SELLER IN THE SAME MANNER THAT NOTICES MAY BE GIVEN PURSUANT TO Section 10.1 HEREOF.

(b) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY NEW YORK STATE OR FEDERAL COURT. EACH OF THE BUYER AND THE SELLER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

Section 10.9 Severability. If any term or provision of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any situation in any jurisdiction, then, to the extent that the economic and legal substance of the transactions contemplated hereby is not affected in a manner that is materially adverse to either party hereto, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect and the enforceability and validity of the offending term or provision shall not be affected in any other situation or jurisdiction.

Section 10.10 Specific Performance. Each of the parties acknowledges and agrees that the other parties would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached or violated. Accordingly, notwithstanding Section 8.6, each of the parties agrees that, without posting bond or other undertaking, the other parties shall be entitled to an injunction or injunctions to prevent breaches or violations of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any action, suit or other proceeding instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter in addition to any other remedy to which it may be entitled, at law or in equity. Each party further agrees that, in the event of any action for specific performance in respect of such breach or violation, it shall not assert that the defense that a remedy at law would be adequate.

Section 10.11 Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other similar means of electronic transmission, including "PDF," shall be considered original executed counterparts, provided receipt of such counterparts is confirmed.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Royalty Purchase Agreement to be executed and delivered by their respective representatives thereunto duly authorized as of the date first above written.

LADRX CORPORATION

By: */s/ Stephen Snowdy*
Name: Dr. Stephen Snowdy
Title: Chief Executive Officer

XOMA (US) LLC

By: */s/ Bradley Sitko*
Name: Bradley Sitko
Title: Chief Investment Officer

[SIGNATURE PAGE TO THE ROYALTY PURCHASE AGREEMENT]

Schedule 1.1

[***]

Disclosure Schedules

See attached

Exhibit A

Accounts

[***]

Exhibit B

Form of Bill of Sale

Exhibit C

Form of Licensee Instruction Letter

Exhibit D

Form of Licensee Consent

Exhibit E-1

License Agreement

Exhibit E-2

KTB Agreement

Exhibit F

Form of Power of Attorney

Exhibit 10.2

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED (INDICATED BY: [***]) FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE OF INFORMATION THAT THE REGISTRANT CUSTOMARILY AND ACTUALLY TREATS AS PRIVATE OR CONFIDENTIAL.

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement"), dated as of June 21, 2023 (the "Closing Date"), is made and entered into by and between LadRx Corporation, a Delaware corporation ("Assignor"), on the one hand, and XOMA (US) LLC, a Delaware limited liability company ("Assignee"), on the other hand.

RECITALS:

WHEREAS, Assignor sold certain assets to Orphazyme ApS ("Orphazyme") pursuant to that certain Asset Purchase Agreement, by and between Assignor and Orphazyme, dated as of May 13, 2011, assigned by Orphazyme to Zevra Denmark A/S ("Zevra"), effective as of June 1, 2022 (the "Zevra Agreement").

WHEREAS, Assignor is entitled to receive certain milestone, royalty, and other payments from Zevra pursuant to the Zevra Agreement (collectively, the "Royalty").

WHEREAS, Assignor desires to sell, transfer and assign to Assignee all of Assignor's right, title, and interest in and to the Zevra Agreement, including rights to the Royalty, and Assignee desires to purchase, assume and be bound by all covenants and obligations of Assignor under the Zevra Agreement, upon and subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the representations, warranties, covenants and agreements set forth herein and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Acquired Patents" has the meaning ascribed thereto in Article 1 of the Zevra Agreement.

"Affiliate" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person.

"Agreement" is defined in the preamble.

"Arimoclomol" means the pharmaceutical product known as arimoclomol with the chemical structure set forth on Schedule 1.1.

"Assignee" is defined in the preamble.

"Assignee Fundamental Representations" means the representations and warranties contained in Section 3.2(a) (Existence; Good Standing), Section 3.2(b) (Authorization), Section 3.2(c) (Enforceability), Section 3.2(d) (No Conflicts), and Section 3.2(g) (Brokers' Fees).

"Assignee Indemnified Parties" is defined in Section 5.1(a).

"Assignee Material Adverse Effect" means any event, occurrence, fact, condition or change that, individually or in the aggregate, adversely affects in any material respect any one or more of the following: (i) the ability of Assignee to (A) consummate the transactions contemplated by this Agreement and (B) perform its obligations under this Agreement, (ii) the validity or enforceability of this Agreement against Assignee or (iii) the rights and remedies of Assignor under this Agreement.

"Assignor" is defined in the preamble.

"Assignor Fundamental Representations" means the representations and warranties contained in Section 3.1(a) (Existence; Good Standing), Section 3.1(b) (Authorization), Section 3.1(c) (Enforceability), Section 3.1(d) (No Conflicts), Section 3.1(i) (Zevra Agreement and Related Agreements), Section 3.1(j) (Title to Zevra Agreement), Section 3.1(k) (Intellectual Property), and Section 3.1(l) (Brokers' Fees).

"Assignor Indemnified Parties" is defined in Section 5.1(b).

"Assignor Material Adverse Effect" means any event, occurrence, fact, condition or change that, individually or in the aggregate, adversely affects in any material respect any one or more of the following: (i) the ability of Assignor to (A) consummate the transactions contemplated by this Agreement and (B) perform its obligations under this Agreement, (ii) the validity or enforceability of this Agreement against Assignor or (iii) the rights and remedies of Assignee under this Agreement.

"Biorex" means, collectively, BIOREX Kutató és Fejlesztö Rt. ("V.A."), BRX Research and Development Company Ltd, and BRX (UK) Limited and each of their respective successors or assigns.

"Biorex Agreement" means that certain Asset Sale and Purchase Agreement, by and among BIOREX Kutató és Fejlesztö Rt. ("V.A."), BRX Research and Development Company Ltd, and Assignor, dated as of October 4, 2004, as assigned to BRX (UK) Limited, effective as of November 4, 2008.

"Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions located in New York, USA are permitted or required by applicable law or regulation to remain closed.

"Closing Date" is defined in the recitals.

"Commercial Sale Milestone" is defined in Section 2.3(b).

"Disclosure Schedules" is defined in Section 3.1.

"Escrow Account" means the escrow account created pursuant to the Escrow Agreement.

"Escrow Agreement" means an Escrow Agreement to be entered into by the Assignor, the Assignee and an escrow agent (the "Escrow Agent"), in form and content acceptable to Assignor and Assignee.

"Excluded Liabilities and Obligations" is defined in Section 2.5.

"FDA" means the U.S. Food and Drug Administration, or a successor federal agency thereto in the United States.

"First Commercial Sale" means the first invoiced sale in any country in the Territory of a pharmaceutical product comprising Arimoclomol as an active pharmaceutical ingredient by Zevra or any of its Affiliates or (sub)licensees to a Third Party for end use consumption in such country following receipt of Regulatory Approval required to sell such product in such country. First Commercial Sale excludes transfers of such product to Third Parties as bona fide samples, as donations, for clinical study purposes or for any expanded access program, compassionate sales or use program (including named patient program or single patient program), indigent program, or for other charitable or promotional purposes or similar limited purposes.

"Governmental Entity" means any: (i) nation, principality, republic, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (ii) federal, state, local, municipal, foreign or other government; (iii) 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 other entity and any court, arbitrator or other tribunal); (iv) multi-national organization or body; or (v) individual, body or other entity exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

"Indemnified Party" is defined Section 5.2.

"Indemnifying Party" is defined in Section 5.2.

"Judgment" means any judgment, order, writ, injunction, citation, award or decree of any nature.

"Knowledge of Assignor" means the actual knowledge of the Knowledge Parties.

"Knowledge Parties" means [***].

"Kriegsman Agreement" means that certain Amended and Restated Employment Agreement between Assignor and Steven A. Kriegsman, dated as of March 26, 2019 as amended.

"Lien" means any mortgage, lien, pledge, charge, adverse claim, security interest, encumbrance or restriction of any kind, including any restriction on use, transfer or exercise of any other attribute of ownership of any kind.

"Loss" means any and all Judgments, damages, losses, claims, costs, liabilities and expenses, including reasonable fees and out-of-pocket expenses of counsel.

"NDA" means a New Drug Application as described in 21 C.F.R. § 314.50 submitted to the FDA, in the United States with respect to a pharmaceutical product. The term "NDA" shall include all necessary documents, data, and other information concerning the applicable product required for Regulatory Approval of such product as a pharmaceutical product by the FDA.

"NDA Milestone" is defined in Section 2.3(a).

"Net Sales" has the meaning ascribed thereto in Article 1 of the Zevra Agreement.

"Orphazyme" is defined in the recitals.

"Orphazyme Product" has the meaning ascribed thereto in Article 1 of the Zevra Agreement

"Permitted Liens" means any (i) mechanic's, materialmen's, and similar Liens for amounts not yet due and payable, (ii) statutory Liens for Taxes not yet due and payable or for Taxes that the taxpayer is contesting in good faith by contemporaneous proceeding and (iii) other Liens and encumbrances not incurred in connection with the borrowing of money that do not, in the aggregate, materially and adversely affect the use or value of the affected assets provided that, in each case, such Liens are automatically released upon the sale or other transfer of the affected assets (it being understood that any obligations secured by such "Permitted Liens" shall remain the obligations of Assignor).

"Person" means any individual, corporation, partnership, limited liability company, trust, association, organization, or other entity or Governmental Entity.

"Prime Rate" means the prime rate published by the Wall Street Journal, from time to time, as the prime rate.

"Purchase Price" means the aggregate purchase price of $5,000,000, to be allocated between this Agreement and the Royalty Purchase Agreement as set forth in Section 2.2(b).

"Regulatory Approval" means, with respect to a particular country or other regulatory jurisdiction, any approvals, licenses, registrations, or authorizations of any Regulatory Authority necessary for the development, manufacture or commercialization of a product for one or more indications in such country or regulatory jurisdiction, including, if applicable, necessary pricing and reimbursement approvals in such country or regulatory jurisdiction.

"Regulatory Authority" means any applicable Governmental Entity with jurisdiction or authority over the development, manufacture or commercialization of pharmaceutical or biologic products in a particular country or other regulatory jurisdiction, and any corresponding national or regional regulatory authorities.

"Royalty" is defined in the recitals.

"Royalty Purchase Agreement" means that certain Royalty Purchase Agreement by and between the Assignee and Assignor of even date hereof.

"Royalty Reduction" is defined in Section 3.1(i)(ix).

"Royalty Term" has the meaning ascribed thereto in Section 2.9 of the Zevra Agreement.

"Taxes" means any income, gross receipts, license, payroll, employment, excise, severance, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, abandoned property, 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.

"Territory" means the United States, France, Germany, Italy, Spain, and the United Kingdom.

"Third Party" means any Person other than Assignor, Assignee, or their respective Affiliates.

"Transaction Expenses" is defined in Section 6.4.

"Zevra" is defined in the recitals.

"Zevra Agreement" is defined in the recitals.

"Zevra Instruction" is defined in Section 4.4.

ARTICLE 2

ASSIGNMENT AND ASSUMPTION OF THE ZEVRA AGREEMENT

Section 2.1 Assignment and Assumption. On the Closing Date, Assignor hereby sells, assigns, transfers, and conveys to Assignee all of Assignor's right, title, and interest in and to the Zevra Agreement, and Assignee hereby purchases, acquires and accepts from Assignor the foregoing assignment and assumes and agrees to perform and comply with all of the covenants and obligations of Assignor under the Zevra Agreement arising as of or after the Closing Date.

Section 2.2 Purchase Price

(a) Purchase Price. On the Closing Date, Assignee hereby agrees to deliver (or cause to be delivered) payment of the Purchase Price less the Transaction Expenses to Assignor by wire transfer of immediately available funds to one or more accounts specified by Assignor on Exhibit A.

(b) Allocation of Purchase Price. After the Closing Date, the parties hereto shall use reasonable efforts to allocate the Purchase Price, as mutually agreed, between this Agreement and the Royalty Purchase Agreement within sixty (60) days of the Closing Date.

Section 2.3 Post-Closing Payments.

(a) Subject to Section 4.5 and upon Assignor's receipt of written confirmation from Assignee of FDA acceptance for review of an Arimoclomol re-submission of an NDA filing (the "NDA Milestone"), Assignee shall make a one-time payment to Assignor of $1,000,000 by wire transfer of immediately available funds as directed by Assignor thirty (30) days after Assignee's receipt of an invoice.

(b) Subject to Section 4.6 and upon Assignor's receipt of written confirmation from Assignee of the First Commercial Sale of Arimoclomol (the "Commercial Sale Milestone"), Assignee shall make a one-time payment to Assignor of $1,000,000 by wire transfer of immediately available funds as directed by Assignor thirty (30) days after Assignee's receipt of an invoice.

Assignor hereby agrees and acknowledges that: (i) such payments pursuant to this Section 2.3 are contingent payment obligations of Assignee and there can be no assurance regarding the occurrence of the NDA Milestone or Commercial Sale Milestone; (ii) Assignee shall have no obligation or liability with respect to such payment unless and until the NDA Milestone and/or the Commercial Sale Milestone has occurred; and (iii) Assignee shall have the right, but not the obligation, to deduct from such payments, in whole or in part, amounts owed by Assignor or claimed in good faith to be owed by Assignor to any Assignee Indemnified Party whereby Assignee simultaneous with the deduction also shall submit a notice of claim as set forth in Section 5.2 if such notice of claim has not previously been submitted;[***].

Section 2.4 Withholding Taxes. Notwithstanding anything herein to the contrary, Assignee shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement such amounts as are required to be deducted and withheld with respect to the making of such payment under the U.S. Internal Revenue Code of 1986, as amended, or otherwise under applicable law. To the extent that amounts are so deducted and withheld, such amounts shall be (i) remitted by the deducting or withholding Person to the applicable taxing authority to the extent required by applicable law, and (ii) treated for all purposes of this Agreement as having been paid to such Person in respect of which such deduction and withholding was made. Assignee shall use commercially reasonable efforts to (a) provide Assignor with written notice prior to withholding any amounts pursuant to this Section 2.4 and (b) cooperate with Assignor (at Assignor's cost and expense) in mitigating any such proposed withholding whether by means of assisting in the preparation and filing of required documentation or otherwise.

Section 2.5 No Assumed Obligations. Notwithstanding any provision in this Agreement or any other writing to the contrary, Assignee is purchasing, acquiring and accepting only Assignor's right, title, and interest in and to the Zevra Agreement including any liability or obligation of Assignor under the Zevra Agreement arising as of or after the Closing Date. Except with respect to the liabilities and obligations of Assignor under the Zevra Agreement arising as of or after the Closing Date, Assignee is not assuming any liability or obligation of Assignor or any of Assignor's Affiliates of any kind, character or description whatsoever, whether direct or indirect, known or unknown, absolute or contingent, mature or unmatured, and currently existing or hereinafter arising, including the following (collectively, the "Excluded Liabilities and Obligations"):

(a) any liability or obligation of Assignor or any of Assignor's Affiliates under the Zevra Agreement related to any action, event, circumstance or condition arising prior to the Closing Date;

(b) any liability arising from or related to any noncompliance with any law applicable to Assignor; and

(c) any liability or obligation of Assignor or any of Assignor's Affiliates under the Biorex Agreement or the Kriegsman Agreement.

All Excluded Liabilities and Obligations shall be retained by and remain liabilities and obligations of Assignor or Assignor's Affiliates, as the case may be.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

Section 3.1 Assignor's Representations and Warranties. Except as set forth in the disclosure schedules delivered by Assignor to Assignee (the "Disclosure Schedules"), Assignor represents and warrants to Assignee that as of the Closing Date:

(a) Existence; Good Standing. Assignor is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware. Assignor is duly licensed or qualified to do business and in corporate good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing has not and would not reasonably be expected to have, either individually or in the aggregate, an Assignor Material Adverse Effect.

(b) Authorization. Assignor has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary corporate action on the part of Assignor.

(c) Enforceability. The Agreement has been duly executed and delivered and constitutes a valid and binding obligation of Assignor enforceable against Assignor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, securities, insolvency, or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies, or indemnification or by other equitable principles of general application.

(d) No Conflicts. The execution, delivery and performance by Assignor of this Agreement and the consummation of the transactions contemplated hereby do not and shall not (i) contravene or conflict with the organizational documents of Assignor, (ii) contravene or conflict with or constitute a material default under any law or Judgment binding upon or applicable to Assignor, (iii) contravene or conflict with or constitute a default under the Zevra Agreement or (iv) contravene or conflict with or constitute a material default under any other material contract or material agreement binding upon or applicable to Assignor, including but not limited to the Biorex Agreement or the Kriegsman Agreement.

(e) Consents. Except for the consent of Zevra that has been obtained on or prior to the Closing Date or filings required by the federal securities laws or stock exchange rules, no consent, approval, license, order, authorization, registration, declaration or filing with or of any Governmental Entity or other Person is required to be done or obtained by Assignor in connection with (i) the execution and delivery by Assignor of this Agreement, (ii) the performance by Assignor of its obligations under this Agreement or (iii) the consummation by Assignor of any of the transactions contemplated by this Agreement.

(f) No Litigation. There is no action, suit, investigation or proceeding pending before any Governmental Entity or, to the Knowledge of Assignor, threatened to which the Assignor is a party that, individually or in the aggregate would, if determined adversely, reasonably be expected to have an Assignor Material Adverse Effect.

(g) Compliance with Laws. Assignor is not in violation of, and to the Knowledge of Assignor, Assignor is not under investigation with respect to nor has the Assignor been threatened to be charged with or given notice of any violation of, any law or Judgment applicable to Assignor, which violation would reasonably be expected to have an Assignor Material Adverse Effect.

(h) No Undisclosed Events or Circumstances. Except for the transactions contemplated hereby, no event or circumstance has occurred or exists with respect to Assignor, its Affiliates, or their respective businesses, properties, operations or financial condition, which, under applicable law, rule or regulation, requires public disclosure or announcement by Assignor but which has not been so publicly announced or disclosed and which, individually or in the aggregate, would constitute an Assignor Material Adverse Effect. There is no action, suit, claim, investigation or proceeding pending or, to the Knowledge of Assignor, threatened against the Assignor or any of its Affiliate which questions the validity of this Agreement or the transactions contemplated hereby or any action taken or to be taken pursuant hereto. There is no action, suit, claim, investigation or proceeding pending or, to the Knowledge of Assignor, threatened against or involving Assignor or any of its Affiliates, or any of their respective properties or assets that would be reasonably be expected to result in an Assignor Material Adverse Effect.

(i) Zevra Agreement and Related Agreements. A true, correct and complete copy of the Zevra Agreement, including any amendments, modifications or side letters thereto, is attached as Exhibit B. Assignor has delivered to Assignee true, correct and complete copies of all formal written notices provided to Assignor pursuant to Section 7.3 of the Zevra Agreement, since the date of execution of the Zevra Agreement. Assignor has delivered to Assignee true, correct and complete copies of all formal written notices provided to Assignor pursuant to Section 8.5 of the Biorex Agreement and Section 15 of the Kriegsman Agreement, each since the date of execution of the Biorex Agreement and the Kriegsman Agreement, respectively, and relating to the Zevra Agreement or to the Royalty. As of the Closing Date, there are not, and have not been, any payments made by Zevra or Orphazyme to Assignor in respect of the Royalty.

(i) No Other Agreements. Except as set forth on Schedule 3.1(i)(i) of the Disclosure Schedules, the Zevra Agreement is the only agreement, instrument, arrangement, waiver or understanding between Assignor (or any predecessor or Affiliate thereof), on the one hand, and Zevra (or any predecessor or Affiliate thereof), on the other hand, relating to the subject matter thereof, and there are no other agreements, instruments, arrangements, waivers or understandings between Assignor (or any predecessor or any Affiliate thereof), on the one hand, and Zevra (or any predecessor or Affiliate thereof), on the other hand, that relate to the Zevra Agreement or the Royalty. Assignor has not proposed or received any proposal, to amend or waive any provision of the Zevra Agreement, Biorex Agreement or Kriegsman Agreement in any manner that would result in a breach of this Agreement or otherwise reasonably be expected (with or without the giving of notice or the passage of time, or both) to have an Assignor Material Adverse Effect.

(ii) Licenses. To the Knowledge of Assignor, there are no entered into by Assignor or any other Person (or any predecessor or Affiliate thereof) in respect of Assignor's rights and obligations under the Zevra Agreement (including any Acquired Patents).

(iii) Validity; Enforceability. (i) the Zevra Agreement is legal, valid, binding, enforceable, and in full force and effect and will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of the transactions contemplated by this Agreement; (ii) Assignor is not and, to the Knowledge of Assignor, Zevra is not is in breach of or default under the Zevra Agreement, and no event has occurred that with notice or lapse of time would constitute a breach thereof or default thereunder, or permit termination, modification, or acceleration, under the Zevra Agreement; (iii) no party to the Zevra Agreement has repudiated any provision of the Zevra Agreement and Assignor has not received any notice in connection with the Zevra Agreement challenging the validity, enforceability or interpretation of any provision of such agreement, including the obligation to pay any portion of the Royalty without set-off of any kind.

(iv) Orphazyme Product. Arimoclomol is an Orphazyme Product. Zevra and its Affiliates are required to pay milestone payments and royalties under Sections 2.6, 2.7 and 2.8 of the Zevra Agreement on the applicable milestones and on all Net Sales by or on behalf of them and any of their licensees of any Orphazyme Products on a country-by-country basis. Assignor has the right to receive the royalties on Net Sales of the Orphazyme Products for so long as Zevra, one of its Affiliates or any of its or their licensees is selling the Orphazyme Products during the Royalty Term.

(v) No Liens or Assignments by the Assignor. Assignor has not, except for Permitted Liens and as contemplated hereby, conveyed, assigned or in any other way transferred or granted any Liens upon or security interests with respect to all or any portion of its right, title and interest in and to the Zevra Agreement or the Royalty.

(vi) No Waivers or Releases. Assignor has not granted any material waiver under the Zevra Agreement and has not released Zevra, in whole or in part, from any of its material obligations under the Zevra Agreement.

(vii) No Breaches or Defaults; Timely Payments. There is and has been no material breach or default under any provision of the Zevra Agreement, the Biorex Agreement, or the Kriegsman Agreement, either by Assignor (or any predecessor thereof) or, to the Knowledge of Assignor, by Zevra, Orphazyme, Biorex, or Steven A. Kriegsman, as applicable (or any predecessor of each), and there is no event that upon notice or the passage of time, or both, would reasonably be expected to give rise to any breach or default either by Assignor or, to the Knowledge of Assignor, by Zevra, Orphazyme, Biorex, or Steven A. Kriegsman, as applicable. All payments required to be paid by Assignor to Biorex pursuant to the Biorex Agreement and Steven A. Kriegsman pursuant to the Kriegsman Agreement with respect to the Royalty have been timely paid.

(viii) No Assignments by Zevra. Assignor has not consented to any assignment or other transfer by Zevra or any of its predecessors of any of their rights or obligations under the Zevra Agreement, and, to the Knowledge of Assignor, Zevra has not assigned or otherwise transferred or granted any Liens upon or security interest with respect to any of its rights or obligations under the Zevra Agreement to any Person.

(ix) No Royalty Reductions. To the Knowledge of Assignor, the amount of the Royalty due and payable under the Zevra Agreement is not, as of the Closing Date, subject to any claim against Assignor pursuant to any right of set-off, counterclaim, credit, reduction or deduction by contract or otherwise (each, a "Royalty Reduction"). To the Knowledge of Assignor, no event or condition exists that, upon notice or passage of time or both, would reasonably be expected to permit Zevra to claim, or have the right to claim, a Royalty Reduction.

(x) No Liabilities. Except as disclosed in Schedule 3.1(i)(x) of the Disclosure Schedules, Assignor has no existing liabilities or obligations under the (i) the Zevra Agreement, (ii) the Biorex Agreement, and (ii) the Kriegsman Agreement and, in each case, no event has occurred that, upon notice or the passage of time or both, would reasonably be expected to result in any liability or obligation of Assignor or Assignee under such agreement.

(xi) No Disputes. Except as disclosed in Schedule 3.1(i)(xi) of the Disclosure Schedules, there have been no disputes or indemnity claims related to (i) the Zevra Agreement, (ii) the Biorex Agreement, and (iii) the Kriegsman Agreement and, in each case, no event has occurred that, upon notice or the passage of time or both, would reasonably be expected to result in any dispute or indemnity claim related to or under such agreement.

(j) Title to Zevra Agreement; Royalty. Assignor has good and marketable title to the Zevra Agreement and the Royalty free and clear of all Liens (other than Permitted Liens). Upon payment of the Purchase Price by Assignee, Assignee will acquire, subject to the terms and conditions set forth in this Agreement, good and marketable title to the Zevra Agreement, including the Royalty, free and clear of all Liens (other than Liens created by Assignee, if any).

(k) Intellectual Property. To the Knowledge of Assignor:

(i) Zevra is the sole owner of, and has the sole interest in, all of the Acquired Patents.

(ii) There are no pending or threatened litigations, interferences, reexamination, oppositions or like procedures involving any Acquired Patents.

(iii) All of the issued Acquired Patents are in full force and effect and have not lapsed, expired or otherwise terminated, and are valid and enforceable. Neither Assignor nor Ophazyme or Zevra has received any written notice relating to the lapse, expiration or other termination of any of the Acquired Patents (excluding, with respect to patent applications during the period when such patent applications were pending, all office actions from the U.S. Patent& Trademark Office and any equivalent patent office in any other jurisdiction involving such Acquired Patents during routine patent prosecution), or any written legal opinion that alleges that any of the issued Acquired Patents is invalid or unenforceable.

(iv) there is no Person who is or claims to be an inventor under any of the Acquired Patents who is not a named inventor thereof.

(v) Neither Assignor nor Ophazyme or Zevra has received any written notice of any claim by any Person challenging the inventorship or ownership of, its rights in and to, or the patentability, validity or enforceability of, any issued Acquired Patent [***], or asserting that the development, manufacture, importation, sale, offer for sale or use of any Orphazyme Product infringes any patent or other intellectual property rights of such Person.

(vi) The discovery and development of the Orphazyme Products did not and does not infringe, misappropriate or otherwise violate any patent rights or other intellectual property rights owned by any Third Party (other than Zevra). Neither Assignor nor Ophazyme or Zevra has in-licensed any patents or other intellectual property rights covering the manufacture, use, sale, offer for sale or import of the Orphazyme Products.

(vii) The manufacture, use, marketing, sale, offer for sale, importation or distribution of the Orphazyme Products has not and will not, infringe, misappropriate or otherwise violate any patent rights or other intellectual property rights owned by any other Person.

(viii) No Third Party has infringed, misappropriated or otherwise violated, or is infringing, misappropriating or otherwise violating, any of the Acquired Patents or any other patent right claiming the composition of matter of, or the method of making or using, any Orphazyme Product.

(ix) All required maintenance fees, annuities and like payments with respect to the Acquired Patents have been paid timely.

(l) Brokers' Fees. Except for Roth Capital Partners, LLC, there is no investment banker, broker, finder, financial advisor or other intermediary who has been retained by or is authorized to act on behalf of Assignor who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

(m) No Tax Withholdings. To the Knowledge of Assignor, the amount payable by Zevra pursuant to the Zevra Agreement is not, as of the Closing Date, subject to any deduction of any withholding Taxes, value-added Taxes, or other Taxes under Section 2.17 of the Zevra Agreement.

(n) No Implied Representations and Warranties. ASSIGNEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN SECTION 3.1, THE ASSIGNOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, AT LAW OR IN EQUITY IN RESPECT OF THE ZEVRA AGREEMENT, ANY ACQUIRED PATENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY SUCH OTHER REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED. ASSIGNEE ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR FRAUD, WILLFUL MISCONDUCT, INTENTIONAL MISREPRESENTATION, INTENTIONAL BREACH, AND AS EXPRESSLY SET FORTH IN ANY REPRESENTATION OR WARRANTY IN SECTION 3.1, ASSIGNEE SHALL HAVE NO CLAIM OR RIGHT REGARDING LOSSES OR DAMAGES PURSUANT TO SECTION 5.1(a) [***].

Section 3.2 Assignee's Representations and Warranties. Assignee represents and warrants to Assignor that as of the Closing Date:

(a) Existence; Good Standing. Assignee is a limited liability company duly formed, validly existing and in good standing under the laws of Delaware. Assignee is duly licensed or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing has not and would not reasonably be expected to have, either individually or in the aggregate, an Assignee Material Adverse Effect.

(b) Authorization. Assignee has all requisite organizational power and authority to execute, deliver and perform its obligations under this Agreement. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary organizational action on the part of Assignee.

(c) Enforceability. The Agreement has been duly executed and delivered and constitutes a valid and binding obligation of Assignee enforceable against Assignee in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, securities, insolvency, or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies, or indemnification or by other equitable principles of general application.

(d) No Conflicts. The execution, delivery and performance by Assignee of this Agreement and the consummation of the transactions contemplated hereby do not and shall not (i) contravene or conflict with the organizational documents of Assignee, (ii) contravene or conflict with or constitute a material default under any law or Judgment binding upon or applicable to Assignee, or (iii) contravene or conflict with or constitute a material default under any other material contract or material agreement binding upon or applicable to Assignee.

(e) Consents. No consent, approval, license, order, authorization, registration, declaration or filing with or of any Governmental Entity or other Person is required to be done or obtained by Assignee in connection with (i) the execution and delivery by Assignee of this Agreement, (ii) the performance by Assignee of its obligations under this Agreement, or (iii) the consummation by Assignee of any of the transactions contemplated by this Agreement.

(f) Financing. Assignee has sufficient cash on hand to pay the entire Purchase Price. Assignee acknowledges that its obligations under this Agreement are not contingent on obtaining financing.

(g) Brokers' Fees. There is no investment banker, broker, finder, financial advisor or other intermediary who has been retained by or is authorized to act on behalf of Assignee who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

ARTICLE 4

COVENANTS

Section 4.1 Disclosures. Except for a press release previously approved in form and substance by Assignor and Assignee or any other public announcement using substantially the same text as such press release, neither Assignee nor Assignor shall, and each party hereto shall cause its respective representatives, Affiliates and Affiliates' representatives not to, issue a press release or other public announcement or otherwise make any public disclosure with respect to this Agreement or the subject matter hereof without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld, conditioned or delayed), except as may be required by applicable law or stock exchange rule (in which case the party hereto required to make the press release or other public announcement or disclosure shall, if not prohibited by applicable law, allow the other party hereto reasonable time to comment on such press release or other public announcement or disclosure in advance of such issuance).

Section 4.2 Payments Received by Assignor; Interest Payments.

(a) Commencing on the Closing Date and at all times thereafter, if any payment of any portion of the Royalty is made to Assignor, Assignor shall pay such amount to Assignee, promptly (and in any event within ten (10) Business Days) after the receipt thereof, by wire transfer of immediately available funds to an account designated in writing by Assignee. Assignor shall notify Assignee of such wire transfer and provide reasonable details regarding the Royalty payment so received by Assignor. Assignor agrees that, in the event any payment of the Royalty is paid to Assignor, Assignor shall (i) until paid to Assignee, hold such payment received in trust for the benefit of Assignee and (ii) have no right, title or interest in such payment and that it shall not pledge or otherwise grant any security interest therein.

(b) A late fee of 4% over the Prime Rate shall accrue on all unpaid amounts with respect to any sum payable under Section 4.2(a) beginning five (5) Business Days after receipt of such payment received in error.

Section 4.3 Reports; Other Information; Notices. Promptly (and in any event within five (5) Business Days) following the receipt by Assignor of any report, notice, correspondence or confidential information provided by Zevra under the Zevra Agreement or by Biorex or Steven A. Kriegsman related to the Zevra Agreement and any material report, notice or correspondence by Biorex or Steven A. Kriegsman, Assignor shall furnish a true, correct and complete copy of the same to Assignee. Promptly (and in any event within five (5) Business Days) following the receipt by Assignee of any report, notice, correspondence or confidential information related to either the NDA Milestone or Commercial Sale Milestone provided by Zevra under the Zevra Agreement, Assignee shall furnish a true, correct and complete copy of the same to Assignor.

Section 4.4 Instruction Letter. On the Closing Date, Assignor shall deliver to Assignee an instruction letter, in substantially the form attached hereto as Exhibit C (the "Zevra Instruction"), duly executed by Assignor, instructing Zevra to pay the Royalty to the account specified by Assignee, which shall be delivered to Zevra thereafter. Promptly upon execution of the Escrow Agreement, Assignee shall deliver to Zevra an instruction letter, in substantially similar form to the Zevra Instruction, duly executed by Assignee, instructing Zevra to pay the Royalty to the Escrow Account.

Section 4.5 FDA Review. Assignee shall promptly (and in any event within five (5) Business Days) notify Assignor of communication from Zevra to Assignee indicating the NDA Milestone has been achieved.

Section 4.6 First Commercial Sale. Assignee shall promptly (and in any event within five (5) Business Days) notify Assignor of communication from Zevra to Assignee indicating the Commercial Sale Milestone has been achieved.

Section 4.7 Payments to Kriegsman; Biorex.

(a) [***]

Section 4.8 Legal Opinions. On the Closing Date, Haynes and Boone LLP, as counsel to the Assignor, and Richards, Layton & Finger, P.A., as Delaware counsel to the Assignor, shall deliver to the Assignee duly executed legal opinions in the form previously agreed by the parties hereto, including an opinion by Richards, Layton & Finger, P.A. that the authorization by the stockholders of the Assignor of the transactions contemplated hereby is not required under Section 271 of the Delaware General Corporation Law.

Section 4.9 Further Assurances. After the Closing Date, Assignor and Assignee agree to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be reasonably necessary in order to give effect to the transactions contemplated by this Agreement.

Section 4.10 Escrow Agreement. Assignor and Assignee agree to negotiate and enter into an Escrow Agreement within thirty (30) days of the Closing Date.

Section 4.11 Closing Certificates. On the Closing Date: (i) the Assignor shall deliver to the Assignee a certificate of an authorized officer of the Assignor, dated as of the Closing Date, certifying (A) as to the incumbency of the officer of the Assignor executing this Agreement, and (B) as to the attached copies of Assignor's certificate of incorporation, bylaws and resolutions adopted by the Assignor's board of directors authorizing the execution and delivery by the Assignor of this Agreement and the consummation by the Assignor of the transactions contemplated hereby; and (ii) the Assignee shall deliver to the Assignor a certificate of an authorized officer of Assignee, dated as of the Closing Date, certifying as to the incumbency of the officer of the Assignee executing this Agreement.

ARTICLE 5

INDEMNIFICATION

Section 5.1 General Indemnity. Subject to Section 5.3, from and after the Closing Date:

(a) Assignor hereby agrees to indemnify, defend and hold harmless Assignee and its Affiliates and its and their directors, managers, trustees, officers, agents and employees (the "Assignee Indemnified Parties") from, against and in respect of all Losses suffered or incurred by Assignee Indemnified Parties to the extent arising out of or resulting from (i) any breach of any of the representations or warranties (in each case, when made) of Assignor in this Agreement, (ii) any breach of any of the covenants or agreements of Assignor in this Agreement, and (iii) any Excluded Liabilities and Obligations; provided, however, that the foregoing shall exclude any indemnification to any Assignee Indemnified Party (i) that results from the gross negligence or willful misconduct of an Assignee Indemnified Party or (ii) that results from acts or omissions of Assignor or any of its Affiliates that are in accordance with specific written instructions from any Assignee Indemnified Party (unless Assignor is otherwise liable for such Losses pursuant to the terms of this Agreement); and

(b) Assignee hereby agrees to indemnify, defend and hold harmless Assignor and its Affiliates and its and their directors, officers, agents and employees ("Assignor Indemnified Parties") from, against and in respect of all Losses suffered or incurred by Assignor Indemnified Parties to the extent arising out of or resulting from (i) any breach of any of the representations or warranties (in each case, when made) of Assignee in this Agreement or (ii) any breach of any of the covenants or agreements of Assignee in this Agreement; provided, however, that the foregoing shall exclude any indemnification to any Assignor Indemnified Party (i) that results from the gross negligence or willful misconduct of an Assignor Indemnified Party or (ii) that results from acts or omissions of Assignee or any of its Affiliates that are in accordance with specific written instructions from any Assignor Indemnified Party (unless Assignee is otherwise liable for such Losses pursuant to the terms of this Agreement).

Section 5.2 Notice of Claims. If either an Assignee Indemnified Party, on the one hand, or an Assignor Indemnified Party, on the other hand (such Assignee Indemnified Party on the one hand and such Assignor Indemnified Party on the other hand being hereinafter referred to as an "Indemnified Party"), has suffered or incurred any Losses for which indemnification may be sought under this Article 5, the Indemnified Party shall so notify the other party from whom indemnification is sought under this Article 5 (the "Indemnifying Party") promptly in writing describing such Loss, the amount or estimated amount thereof, if known or reasonably capable of estimation, and the method of computation of such Loss, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such Loss shall have occurred. If any claim, action, suit or proceeding is asserted or instituted by or against a Third Party with respect to which an Indemnified Party intends to claim any Loss under this Article 5, such Indemnified Party shall promptly notify the Indemnifying Party of such claim, action, suit or proceeding and tender to the Indemnifying Party the defense of such claim, action, suit or proceeding. A failure by an Indemnified Party to give notice and to tender the defense of such claim, action, suit or proceeding in a timely manner pursuant to this Section 5.2 shall not limit the obligation of the Indemnifying Party under this Article 5, except to the extent such Indemnifying Party is actually prejudiced thereby.

Section 5.3 Limitations on Liability. Other than with respect to Excluded Liabilities and Obligations, Losses due to any fraud, willful misconduct, intentional misrepresentation or intentional breach, no party hereto shall be liable for any consequential, punitive, indirect, special or incidental damages under this Article 5 (and no claim for indemnification hereunder shall be asserted) as a result of any breach or violation of any covenant or agreement of such party (including under this Article 5) in or pursuant to this Agreement, except in respect of a claim for fraud, willful misconduct, intentional misrepresentation, or to the extent a court of competent jurisdiction awards such damages to a Third Party. Notwithstanding the foregoing, the parties hereto acknowledge and agree that (x) Assignee's Losses, if any, will typically include Losses for Royalty payments that Assignee was entitled to receive or would have received absent such breach, in each case in respect of its ownership of the Royalty, as well as expenses incurred in connection with enforcement of this Agreement, and (y) Assignee shall be entitled to make claims for all such missing, delayed or diminished Royalty payments as Losses hereunder, and such missing, delayed or diminished Royalty payments shall not be deemed consequential (including lost profits), punitive, special or incidental damages. Other than with respect to Excluded Liabilities and Obligations, Losses due to any fraud, willful misconduct, intentional misrepresentation or intentional breach, in no event shall Assignor's aggregate liability for Losses under Section 5.1(a)(i) or Assignee's aggregate liability for Losses under Section 5.1(b)(i) exceed [***].

Section 5.4 Third Party Claims. Upon providing notice to an Indemnifying Party by an Indemnified Party pursuant to Section 5.1(a) of the commencement of any action, suit or proceeding against such Indemnified Party by a Third Party with respect to which such Indemnified Party intends to claim any Loss under this Article 5, such Indemnifying Party shall have the right to defend such claim, at such Indemnifying Party's expense and with counsel of its choice reasonably satisfactory to the Indemnified Party. If the Indemnifying Party assumes the defense of such claim, the Indemnified Party shall, at the request of the Indemnifying Party, use commercially reasonable efforts to cooperate in such defense; provided, that the Indemnifying Party shall bear the Indemnified Party's reasonable out-of-pocket costs and expenses incurred in connection with such cooperation. So long as the Indemnifying Party is conducting the defense of such claim as provided in this Section 5.4, the Indemnified Party may retain separate co-counsel at its expense and may participate in the defense of such claim, and neither the Indemnified Party nor the Indemnifying Party shall consent to the entry of any Judgment or enter into any settlement with respect to such claim without the prior written consent of the other unless such Judgment or settlement (A) provides for the payment by the Indemnifying Party of money as sole relief (if any) for the claimant (other than customary and reasonable confidentiality obligations relating to such claim, Judgment or settlement), (B) results in the full and general release of the Indemnified Party from all liabilities arising out of, relating to or in connection with such claim and (C) does not involve a finding or admission of any violation of any law, rule, regulation or Judgment, or the rights of any Person, and has no effect on any other claims that may be made against the Indemnified Party. In the event the Indemnifying Party does not or ceases to conduct the defense of such claim as so provided, (i) the Indemnified Party may defend against, and consent to the entry of any Judgment or enter into any settlement with respect to, such claim in any manner it may reasonably deem to be appropriate, (ii) subject to the limitations set forth in Section 5.3, the Indemnifying Party shall reimburse the Indemnified Party promptly and periodically for the reasonable out-of-pocket costs of defending against such claim, including reasonable attorneys' fees and expenses against reasonably detailed invoices, and (iii) the Indemnifying Party shall remain responsible for any Losses the Indemnified Party may suffer as a result of such claim to the full extent provided in this Article 5.

Section 5.5 Exclusive Remedy**.** Except as set forth in Section 6.12, from and after the Closing Date, the rights of the parties hereto pursuant to (and subject to the conditions of) this Article 5 shall be the sole and exclusive remedy of the parties hereto and their respective Affiliates with respect to any claims (whether based in contract, tort or otherwise) resulting from or relating to any breach of the representations, warranties covenants and agreements made under this Agreement or any certificate, document or instrument delivered hereunder, and each party hereto hereby waives, to the fullest extent permitted under applicable law, and agrees not to assert after the Closing Date, any other claim or action in respect of any such breach. Notwithstanding the foregoing, claims for fraud shall not be waived or limited in any way by this Article 5.

Section 5.6 Survival of Representations and Warranties. The representations and warranties contained in this Agreement shall survive the Closing Date solely for purposes of Section 5.1 and shall terminate on the date that is eighteen (18) months after the Closing Date (other than any representation or warranty with respect to any Assignor Fundamental Representations and any Assignee Fundamental Representations, which shall survive solely for purposes of Section 5.1 and shall terminate on the date that is five (5) years from the date the Royalty Purchase Agreement is terminated. No party hereto shall have any liability or obligation of any nature with respect to any representation or warranty after the termination thereof, unless the other party hereto shall have delivered a notice to such party, pursuant to this Article 5, claiming such liability or obligation under Section 5.1 prior to the date that is eighteen (18) months after the Closing Date (other than any liability or obligation of any nature with respect to any Assignor Fundamental Representations, any Assignee Fundamental Representations, or any Excluded Liability and Obligations, as to which such notice may be delivered at any time prior to the date that is five (5) years after the termination of the Royalty Purchase Agreement).

ARTICLE 6

MISCELLANEOUS

Section 6.1 Certain Interpretations. Except where expressly stated otherwise in this Agreement, the following rules of interpretation apply to this Agreement: (a) "either" and "or" are not exclusive and "include," "includes" and "including" are not limiting and shall be deemed to be followed by the words "without limitation;" (b)"extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if;" (c) "hereof," "hereto," "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement; (d) references to a Person are also to its permitted successors and assigns; (e) definitions are applicable to the singular as well as the plural forms of such terms; (f) unless otherwise indicated, references to an "Article", "Section", "Schedule" or "Exhibit" refer to an Article or Section of, or a Schedule or Exhibit to, this Agreement; (g) references to "$" or otherwise to dollar amounts refer to the lawful currency of the United States; (h) references to a contract, license, indenture, instrument or agreement mean such contract, license, indenture, instrument or agreement as from time to time amended, modified or supplemented, in each case to the extent not prohibited thereby or by this Agreement; (i) references to an agreement or other document include references to any annexes, exhibits and schedules attached thereto; and (j) references to a law include any amendment or modification to such law and any rules and regulations issued thereunder, whether such amendment or modification is made, or issuance of such rules and regulations occurs, before or after the date of this Agreement.

Section 6.2 Headings. The table of contents and the descriptive headings of the several Articles and Sections of this Agreement and any Exhibits and Schedules are for convenience only, do not constitute a part of this Agreement and shall not control or affect, in any way, the meaning or interpretation of this Agreement.

Section 6.3 Notices. All notices and other communications under this Agreement shall be in writing and shall be by email with PDF attachment, facsimile, courier service or personal delivery to the following addresses, or to such other addresses as shall be designated from time to time by a party hereto in accordance with this Section 6.3:

If to Assignor, to it at:

LadRx Corporation
11726 San Vicente Blvd, Suite 650
Los Angeles, CA 90049
Attention: [***]
Email: [***]

With a copy to:

Haynes and Boone, LLP
30 Rockefeller Plaza
New York, NY 10112
Attention: [***]
Email: [***]

If to Assignee, to it at:

Xoma (US) LLC
2200 Powell Street, Suite 310
Emeryville, CA 94608
Attention: Legal Department; [***]
Email: [***]

With a copy to:

Gibson, Dunn & Crutcher LLP
555 Mission Street, 30th Floor
San Francisco, California 94105
Attention: [***]
E-mail: [***]

All notices and communications under this Agreement shall be deemed to have been duly given (i) when delivered by hand, if personally delivered, (ii) when received by a recipient, if sent by email, or (iii) one (1) Business Day following sending within the United States by overnight delivery via commercial one-day overnight courier service.

Section 6.4 Expenses. Upon the Closing Date, Assignor shall promptly reimburse Assignee for all its reasonable and documented out-of-pocket fees, costs, and expenses (including any legal, accounting and banking fees) incurred in connection with the preparation, negotiation, execution and delivery of this Agreement and to consummate the transactions contemplated hereby [***] for this Agreement and the Royalty Purchase Agreement ("Transaction Expenses"). For the avoidance of doubt, Assignee shall have the right to deduct Transaction Expenses from payment of the Purchase Price. In the event the transactions contemplated hereby are not consummated, Assignor shall promptly reimburse Assignee for Transaction Expenses incurred prior to the cessation of discussions regarding the transactions contemplated hereby.

Section 6.5 Assignment Neither party shall sell, convey, assign, dispose, pledge, hypothecate or otherwise transfer all or any portion of its interest in this Agreement to any Third Party without the consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. Subject to the foregoing, this Agreement shall be binding upon, inure to the benefit of and be enforceable by, the parties hereto and their respective permitted successors and assigns. Assignee may assign this Agreement, provided that Assignee promptly thereafter notifies Assignor and any such assignee promptly thereafter agrees in writing to be bound by the obligations of Assignee contained in this Agreement, and in any event such assignment shall be of the Agreement in its entirety. Any purported sale, conveyance, assignment, disposition, pledge, hypothecation or transfer in violation of this Section 6.5 shall be null and void.

Section 6.6 Amendment and Waiver.

(a) This Agreement may be amended, modified or supplemented only in a writing signed by each of the parties hereto. Any provision of this Agreement may be waived only in a writing signed by the party hereto granting such waiver.

(b) No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No course of dealing between the parties hereto shall be effective to amend, modify, supplement or waive any provision of this Agreement.

Section 6.7 Entire Agreement. This Agreement and the Exhibits and Schedules annexed hereto constitute the entire understanding between the parties hereto with respect to the subject matter hereof and supersede all other understandings and negotiations with respect thereto.

Section 6.8 No Third Party Beneficiaries. This Agreement is for the sole benefit of Assignor and Assignee and their permitted successors and assigns and nothing herein expressed or implied shall give or be construed to give to any Person, other than the parties hereto and such successors and assigns, any legal or equitable rights hereunder.

Section 6.9 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

Section 6.10 Jurisdiction; Venue.

(a) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS RESPECTIVE PROPERTY AND ASSETS, TO THE EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE COURT OR FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN NEW YORK COUNTY, NEW YORK, AND ANY APPELLATE COURT THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, AND ASSIGNEE AND ASSIGNOR HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREE THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. ASSIGNEE AND ASSIGNOR HEREBY AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. EACH OF ASSIGNEE AND ASSIGNOR HEREBY SUBMITS TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF SUCH NEW YORK STATE AND FEDERAL COURTS. ASSIGNEE AND ASSIGNOR AGREE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THAT PROCESS MAY BE SERVED ON ASSIGNEE OR ASSIGNOR IN THE SAME MANNER THAT NOTICES MAY BE GIVEN PURSUANT TO SECTION 6.3 HEREOF.

(b) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY NEW YORK STATE OR FEDERAL COURT. EACH OF ASSIGNEE AND ASSIGNOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

Section 6.11 Severability. If any term or provision of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any situation in any jurisdiction, then, to the extent that the economic and legal substance of the transactions contemplated hereby is not affected in a manner that is materially adverse to either party hereto, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect and the enforceability and validity of the offending term or provision shall not be affected in any other situation or jurisdiction.

Section 6.12 Specific Performance. Each of the parties acknowledges and agrees that the other party would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached or violated. Accordingly, notwithstanding Section 5.5, each of the parties agrees that, without posting bond or other undertaking, the other party shall be entitled to an injunction or injunctions to prevent breaches or violations of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any action, suit or other proceeding instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter in addition to any other remedy to which it may be entitled, at law or in equity. Each party further agrees that, in the event of any action for specific performance in respect of such breach or violation, it shall not assert the defense that a remedy at law will be adequate.

Section 6.13 Relationship of Parties. The relationship between Assignee and Assignor is solely that of purchaser and seller, and neither Assignee nor Assignor has any fiduciary or other special relationship with the other party or any of its Affiliates. This Agreement is not a partnership or similar agreement, and nothing contained herein shall be deemed to constitute Assignee and Assignor as a partnership, an association, a joint venture or any other kind of entity or legal form for any purposes, including any Tax purposes. Assignee and Assignor agree that they shall not take any inconsistent position with respect to such treatment in a filing with any Governmental Entity. If there is an inquiry by any Governmental Entity of Assignee or Assignor related to the treatment of the transactions contemplated by this Agreement for Tax purposes, the parties hereto shall cooperate with each other in responding to such inquiry in a reasonable manner.

Section 6.14 Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, or other similar means of electronic transmission, including "PDF," shall be considered original executed counterparts, provided receipt of such counterparts is confirmed.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be executed and delivered by their respective representatives thereunto duly authorized as of the date first above written.

ASSIGNOR:

LADRX CORPORATION

By: */s/ Stephen Snowdy*
Name: Dr. Stephen Snowdy
Title: Chief Executive Officer

[Signature Page to Assignment and Assumption Agreement]

ASSIGNEE:

XOMA (US) LLC

By: */s/ Bradley Sitko*
Name: Bradley Sitko
Title: Chief Investment Officer

[Signature Page to Assignment and Assumption Agreement]

Schedule 1.1
[***]

Disclosure Schedules

See attached.

Exhibit A

Account

[***]

Exhibit B

Zevra Agreement

See attached.

Exhibit C

Form of Zevra Instruction

[***]

Exhibit 99.1

LadRx Completes Non-Dilutive Financing Transaction for up to $11 Million with XOMA Corporation

XOMA acquires future milestone economics and royalties associated with arimoclomol and aldoxorubicin, allowing LadRx to focus on core LADR assets

LOS ANGELES, June 22, 2023 – (BUSINESS WIRE) – LadRx Corporation (OTCQB: LADX) ("LadRx" or the "Company"), a biopharmaceutical innovator focused on research and development of life-saving cancer therapeutics, today announced that it has transferred the royalty and milestone rights associated with arimoclomol and aldoxorubicin to XOMA Corporation (NASDAQ: XOMA) ("XOMA"). In exchange for the future rights to royalties and milestones on arimoclomol and aldoxorubicin, the agreement provides to LadRx $5 million in gross proceeds upon closing and up to an additional $6 million based on regulatory and commercial milestones related to the development of arimoclomol and aldoxorubicin by their respective sponsors, Zevra, Inc. and Immunity Bio, Inc. The $6 million in potential post-closing payments is composed of $1 million upon acceptance by the Food and Drug Administration ("FDA") of the arimoclomol New Drug Application ("NDA"), $1 million upon first commercial sale of arimoclomol, and $4 million upon FDA approval of aldoxorubicin. All royalty and milestone payments made to XOMA will be net of the existing licensing and milestone obligations owed by LadRx related to arimoclomol and aldoxorubicin.

The Company expects to use the proceeds primarily to advance its lead novel cancer therapeutic candidate LADR-7 towards an Investigation New Drug filing ("IND") with the FDA, and for general corporate expenses. The IND-enabling work that remains prior to applying to the FDA for first-in-human studies for LADR7 is limited due to the extensive experimentation already completed, which included toxicology studies of LADR7 with non-GMP manufactured drugs. Company management estimates that these final IND-enabling activities for LADR7 would take approximately 12 months to complete, once initiated, and that first-in-human dosing could be achieved within approximately 6-9 months after completion of the IND-enabling studies, representing a relatively fast and capital-efficient path to clinical entry.

Stephen Snowdy, PhD, CEO of LadRx commented, "We are excited to have found a non-dilutive path forward for our lead LADR-based anti-cancer drug, LADR7, in the midst of a very challenging period for capital markets, particularly for OTC-listed companies like LadRx. LADRs 7-10 are the result of an extensive screening program and substantial investment that resulted in drug candidates with excellent pre-clinical toxicology and efficacy profiles. We look forward to giving the LADR platform an opportunity to prove itself in delivering highly chemotoxic molecules with improved therapeutic indices."

LadRx was represented by Roth Capital Partners in this transaction.

Forward-Looking Statements

This press release may contain certain statements relating to future results which are forward-looking statements, including whether the company's strategic review will be successful and whether the stock split will help the company be more successful in evaluating strategic alternatives. These statements are not historical facts, but instead represent only LadRx's belief regarding future events, many of which, by their nature, are inherently uncertain and outside of LadRx's control. Such statements involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements; and other risks and uncertainties described in the most recent annual and quarterly reports filed by LadRx with the SEC, including disclosures under the heading "Risk Factors", and current reports filed since the date of the LadRx's most recent annual report. All forward-looking statements are based upon information available to LadRx on the date the statements are first published. LadRx undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About LadRx

LadRx Corporation (OTCQB: LADX) is a biopharmaceutical company with expertise in discovering and developing new therapeutics principally to treat patients with cancer. LadRx's most recent advanced drug conjugate, aldoxorubicin, is an improved version of the widely used anti-cancer drug doxorubicin and has been out-licensed to ImmunityBio, Inc. In addition, LadRx's drug candidate, arimoclomol, was sold to Orphazyme A/S (now Zevra Therapeutics) in exchange for milestone payments and royalties. Zevra is developing arimoclomol and is currently focused on Niemann-Pick disease Type C (NPC). LadRx Corporation's website is www.ladrxcorp.com.

Contacts

Longacre Square Partners
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ladrx@longacresquare.com