

# **Exhibit F**

December 19, 1988

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JGJ

Thomas C. Merigan, M.D.  
David Schwartz, M.D., Ph.D.  
Division of Infectious Diseases  
Stanford University Medical Center  
Stanford University  
Stanford, CA 94305

RE: MATERIALS TRANSFER AGREEMENT

Dear Drs. Merigan and Schwartz:

Cetus Corporation agrees to provide you with certain research substances and know-how for the purpose of a scientific collaboration under the following conditions:

1. The parties to this Agreement are: Cetus Corporation, hereinafter "CETUS," ~~Stanford University Medical Center~~, hereinafter "INSTITUTION," and Thomas C. Merigan, M.D., and David Schwartz, M.D., Ph.D., hereinafter "SCIENTIST."

→ THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY

2. The Material that is covered by this Agreement includes: (a) appropriate oligonucleotide primers and probes for the detection of human immunodeficiency virus (HIV), HLA loci and both coded and noncoded control dilutions of HIV in uninfected DNA's to be used as controls for use with CETUS's proprietary polymerase chain reaction (PCR), and associated PCR technology; (b) any related biological material or associated know-how and data that will be received by SCIENTIST from CETUS; and (c) any substance and associated know-how and data that are replicated or derived therefrom by SCIENTIST or his/her co-workers. The Material is considered proprietary to CETUS. CETUS shall be free, in its sole discretion, to distribute the Material to others and to use it for its own purposes. It is contemplated that from time to time that SCIENTIST may provide CETUS with certain well characterized samples of individuals at high risk for or with Acquired Immune Deficiency Syndrome (AIDS) or related disorders as established by the AIDS Treatment Cooperative Groups, hereinafter ("ATCG") and CETUS may use such samples for CETUS' own research purposes.

3. The Material shall be used in research studies on the detection of human immunodeficiency virus (HIV) in samples accumulated by ATCG. During the course of this scientific collaboration, CETUS contemplates providing the SCIENTIST and his/her coworkers with certain proprietary information relating to PCR technology. As used in this Agreement, "Confidential Information" shall mean all data, protocols, technical and economic information, commercialization, clinical and research strategies, trade secrets and know-how disclosed or provided by CETUS to SCIENTIST \* . SCIENTIST agrees to take reasonable steps to ensure that all such Material and Confidential Information provided by CETUS (i) will be maintained and held in confidence by SCIENTIST and all SCIENTIST'S personnel involved in research under this Agreement for a period of three (3) years from the termination of the research, (ii) will be used only in connection with research under this Agreement, (iii) will not be made available or transferred by SCIENTIST to any third party without the

\*and designated in writing as confidential at the time of disclosure.

AS EXECUTED  
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Original returned for countersign  
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prior written consent of CETUS, and (iv) will be returned at CETUS' request on termination or expiration of this Agreement. Title to all such Material and information shall remain in CETUS. SCIENTIST shall take reasonable steps to prevent damage to or loss of any Material. The confidentiality obligations of SCIENTIST hereunder shall not apply to any information which (i) can be shown by SCIENTIST to have been in its possession prior to disclosure to it by CETUS (ii) at the time of disclosure hereunder is, or thereafter becomes, through no fault of SCIENTIST, part of the public domain by publication or otherwise; or (iii) is furnished to SCIENTIST by a third party after the time of disclosure hereunder as a matter of right and without restriction on its disclosure.

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EXECUTED  
WU  
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4. SCIENTIST or INSTITUTION shall not distribute or release the Material to any person other than laboratory personnel under SCIENTIST's direct supervision and shall ensure that no one will be allowed to take or send this Material to any other location, unless written permission is obtained from the Senior Vice President of Research and Development at CETUS. This Material is made available for investigational use only in laboratory animals or in *in vitro* experiments. SCIENTIST and INSTITUTION agree that the Material will not be used for any other purpose. Neither the Material nor any biological materials treated therewith will be used in human beings.

5. This Agreement and the resulting transfer of Material constitute a license to use the Material solely for academic or other not-for-profit purposes. Subject to the provisions in paragraph 8, SCIENTIST and INSTITUTION agree that nothing herein shall be deemed to grant to either any rights under any CETUS patents or any rights to use the Material for any products or processes for profit-making or commercial purposes. The Material will not be used in research that is subject to consulting or licensing obligations to another institution, corporation or business entity unless written permission is obtained from the Senior Vice President of Research and Development at CETUS.

6. Subject to the provisions in paragraph 8, SCIENTIST and INSTITUTION shall have no rights in the Material other than as provided in this Agreement, and at the request of CETUS, SCIENTIST will return all unused Material.

7. SCIENTIST will inform CETUS, in confidence, of research results related to the Material by personal written communication or by providing CETUS with a draft manuscript describing the results of such research. CETUS shall be free to use such data and information for any purpose. SCIENTIST agrees to maintain the confidentiality of any information respecting the Material, with the exception, however, that if it is desired to publish or otherwise disclose such information in a noncommercial scientific communication, SCIENTIST will provide CETUS with a copy of any manuscript or abstract disclosing such information, prior to submission thereof to a publisher or to any third party, and in any case, not less than forty-five (45) days prior to any public disclosure, for the purpose of protecting proprietary or intellectual property of CETUS or INSTITUTION that might be contained in such information. If publication results from research using the Material, SCIENTIST agrees to acknowledge CETUS and/or give credit to CETUS scientists, as scientifically appropriate, based on any direct contribution they may make to the research. CETUS agrees that it will reference or acknowledge SCIENTIST's publications, as scientifically appropriate, in its publications, which may refer to the data developed by SCIENTIST.

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8. If the research involving the Material results in an invention or substance that may be commercially useful, SCIENTIST will promptly disclose the invention or substance to INSTITUTION's Patent Administrator and notify the Patent Administrator of CETUS' role as a supplier of the Material used, as well as the role, if any, of any CETUS employee in creating the invention or substance. INSTITUTION, in cooperation with SCIENTIST, will promptly supply CETUS with a copy of the disclosure, in confidence, for CETUS' research and evaluation purposes only. In consideration of CETUS' providing of the Material, INSTITUTION, to the extent it is legally able to do so, hereby grants CETUS the first option to an exclusive license, at a reasonable royalty to be negotiated in good faith based on the respective parties' contributions and relevant industry standards, to use commercially the invention or substance, or at CETUS' option, a nonexclusive license.

9. The Material is experimental in nature and it is provided WITHOUT WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. CETUS MAKES NO REPRESENTATION OR WARRANTY THAT THE USE OF THE MATERIAL WILL NOT INFRINGE ANY PATENT OR OTHER PROPRIETARY RIGHT.

10. In no event shall CETUS be liable for any use by SCIENTIST or INSTITUTION of the Material or any loss, claim, damage or liability, of whatsoever kind or nature, which may arise from or in connection with this Agreement or the use, handling or storage of the Material.

11. SCIENTIST and INSTITUTION will use the Material in compliance with all laws and governmental regulations and guidelines applicable to the Material for work with recombinant DNA, and when the Material is used in the United States, SCIENTIST will comply with current NIH guidelines.

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MATERIALS TRANSFER AGREEMENT

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12. This Agreement is not assignable, whether by operation of law or otherwise, without the prior written consent of the Senior Vice President of Research and Development at CETUS.

Please return the original of this Agreement to me signed by you and by INSTITUTION's authorized representative; the copy is for your records. The Material will be shipped as soon as possible upon receipt of this signed Agreement.

Very truly yours,

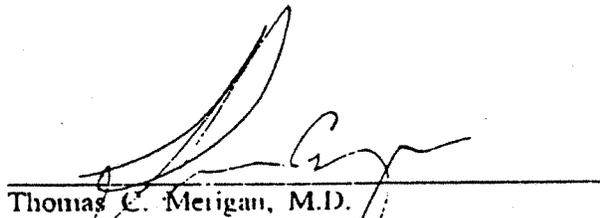
CETUS CORPORATION



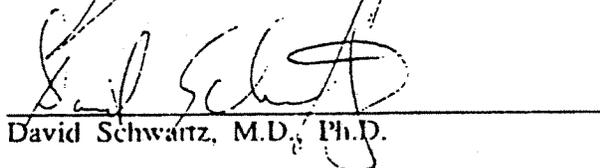
Jeffrey S. Price, Ph.D.  
Senior Vice President  
Research and Development

JSP/LSC/TAT:

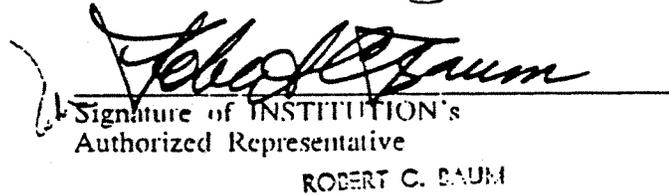
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Thomas C. Merigan, M.D.

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Date

  
\_\_\_\_\_  
David Schwartz, M.D., Ph.D.

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Date

  
\_\_\_\_\_  
Signature of INSTITUTION's  
Authorized Representative  
ROBERT C. BAUM

2-24-89  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

CONTRACT OFFICER

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Title

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