

MATERIAL TRANSFER AGREEMENT

This Material Transfer Agreement (“Agreement”) is made and entered into this 20th day of December, 2010 (the “Effective Date”), by and between BioTime, Inc., having a place of business at 1301 Harbor Bay Parkway, Alameda CA, 94502 (“Company”), The Regents of the University of California having an address at UCOP RPAC, 1111 Franklin Street, 11th Floor, Oakland, CA 94607 (“Institution”). . Company and the Institution are sometimes referred to herein individually as a “Party” and collectively as “Parties.” Each Institution employee receiving Cell Lines bound by this Agreement as listed in the Implementing Letter (Exhibit B) (IL) is referred to as “Researchers”.

INTRODUCTORY STATEMENT

In connection with Researchers’ scientific research, Company has agreed to provide to Institution certain materials that are identified and described in Exhibit A attached hereto (the “Cell Lines”) for Researcher’s use in connection with basic research as outlined in the IL (the “Research” or the “Research Project”) in accordance with the terms and conditions of this Agreement. Institution agrees that it shall enter into and execute an IL for all Researchers.

For good and valuable consideration, including the covenants and promises contained herein, the receipt and sufficiency of which are hereby acknowledged, accepted and agreed to, Company and Institution, intending to be legally bound, hereby agree as follows:

1. Transfer of Materials, Payments, Taxes

1.1 As soon as practicable after the submission of each IL, Company agrees to transfer the Cell Lines to Researchers, for use in connection with a Research Project. Company or someone on its behalf may also transfer to Recipient information marked “confidential information” relating to the Cell Lines for use in connection with the Research Project (the “Company Confidential Information”). Institution and Researcher(s) shall accept the Cell Lines in accordance with the terms and conditions of this Agreement.

1.2 **Company acknowledges and agrees that Institution shall have no obligation to pay Company any fees, taxes or charges in connection with this Agreement.**

1.3 Institution agrees to provide Company with written notice of Researchers’ receipt of the Cell Lines within 30 days of its receipt of the Cell Lines.

2. Limited Use of Materials

The Cell Lines and Company Confidential Information shall be used by Researchers solely for non-commercial research in accordance with the Research Project. Without limiting the generality of the foregoing, the Cell Lines shall not be used for any diagnostic or therapeutic purposes. The Research shall be conducted in the laboratory of Researchers at Institution’s facility. Researchers shall exercise due care to ensure that all Cell Lines are handled by trained personnel only. The Cell Lines will not be distributed or released other than to co-workers working under the Researcher’s direct supervision who need to have access to the Cell Lines for the Research and no one will be allowed to take or send the Cell Lines to any other location, unless prior express written permission is obtained from Company. Researchers shall not use the Cell Lines or Company Confidential Information in any experiment on or treatment of human subjects, nor shall Researchers conduct the Research on human subjects.

3. Intellectual Property

3.1 Company Intellectual Property. Institution acknowledges, understands and agrees that Company is the sole and exclusive owner of all rights, including without limitation, any intellectual property rights in and to the Company Confidential Information and the Cell Lines (subject to such licensing arrangements as Company has entered into from time to time with various parties). Company hereby grants to Institution a limited, non-exclusive license to use the Company Confidential Information, the Cell Lines and Company's applicable intellectual property rights relating to the Cell Lines for the sole purpose of conducting the non-commercial Research in accordance with the terms and conditions of this Agreement and as outlined in the IL. Institution acknowledges, understands and agrees that except as expressly granted in this Agreement, no right or license is granted by Company to Institution with respect to any right or license, express or implied, under any Company patents, the Company Confidential Information or the Cell Lines, other than the right to conduct the non-commercial Research in accordance with the terms and conditions of this Agreement.

3.2 Institution Intellectual Property. Company acknowledges, understands and agrees that all assays, methodologies, intellectual property and interrelated trade secrets, know-how and confidential information owned by Institution as of the Effective Date or thereafter (collectively, the "Institution Intellectual Property"), shall, at all times, continue to be owned by Institution and no license or grant of any nature or kind is hereby given or implied with respect to the Institution Intellectual Property.

4. Publications

4.1 Subject to the following, the Researchers have the right to publish any information or material resulting from the Research. If the Institution receives Company Confidential Information in addition to the receipt of the Cell Lines, then in no event shall Institution or Researchers publish or present any materials or information containing said Company Confidential Information without furnishing a copy of any proposed publication or presentation at least thirty (30) days in advance of submission for publication or presentation. Company shall have thirty (30) days after receipt of said copy to review such proposed publication or presentation and to require Researchers to delete any Company Confidential Information from the proposed publication or presentation.

4.2 In any publication made by Researcher(s) on the Research, Researcher(s) shall acknowledge Company as the provider of the Cell Lines.

5. Disclaimer; Indemnification

5.1 No Warranties. IT IS UNDERSTOOD AND AGREED THAT THE CELL LINES ARE EXPERIMENTAL IN NATURE, AND THAT COMPANY IS NOT MAKING ANY REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY NATURE OR KIND, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE CELL LINES. THE CELL LINES ARE PROVIDED "AS IS" AND WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE USE OF THE CELL LINES WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER PROPRIETARY RIGHTS.

5.2 Indemnification; Liability. Institution agrees to indemnify, defend, and hold Company and its affiliates and their respective directors, officers, representatives, employees, and agents harmless against all losses, expenses (including without limitation any legal expenses and attorneys' fees), claims (including third-party claims), damages, demands, suits, or other actions arising from Institution's or Researchers' use, storage, or disposal of the Cell Lines, or arising from a breach by Institution or

Researchers of this Agreement. Without limiting the foregoing, Institution assumes all liability for damages that may arise from its use, storage or disposal of the Cell Lines. Company will not be liable to Institution for any loss, claim or demand made by Institution, or against Institution by any other party, due to or arising from the use of the Cell Lines by Institution, except to the extent caused by the gross negligence or willful misconduct of Company.

6. Confidentiality

6.1 Confidential Information. Institution and Researchers agree to keep in confidence Company Confidential Information and not to use for any purpose other than for the Research Project and not to disclose nor make available to any third party the Company Confidential Information for a period of five (5) years from the time of delivery of the Confidential Information by Company to Institution. Institution and Researchers shall protect Company Confidential Information by using the same degree of care, but no less than reasonable degree of care, as Institution uses to protect its own confidential information of like kind to prevent the unauthorized disclosure of Company Confidential Information.

6.2 Permitted Disclosure. Notwithstanding the foregoing, nothing herein shall limit the use or disclosure of such Company Confidential Information that:

- (i) is legally in the possession of Institution prior to receipt thereof from Company;
- (ii) enters into the public domain through no fault of Institution;
- (iii) is disclosed to Institution without restrictions or breach of any duty of confidentiality by a third party who has the right to make such disclosure; or
- (iv) is independently developed by or for Institution without use of Company's Confidential Information.

6.3 Disclosure Required by Law. In the event Institution is required by law or legal process to disclose any Company Confidential Information, Institution shall provide prompt notice before disclosing such information to Company so that legal protection for the Company Confidential Information may be sought. Institution and Researchers shall cooperate to the extent practicable with Company's efforts to obtain such protection.

7. Compliance with Law and Scientific Standards

Institution is solely responsible for the management and use of the Cell Lines supplied hereunder, including without limitation the storage, transportation, treatment, use, and disposal of the Cell Lines. Institution shall use the Cell Lines and conduct the Research in compliance with all applicable federal, state and local statutes, rules, regulations and consistent with any applicable guidelines and any applicable scientific standards. Without limiting the generality of the foregoing, Institution agrees that the Research will exclude (i) the mixing of Cell Lines with an intact embryo, either human or non-human; (ii) implanting Cell Lines or products of Cell Lines in a uterus; and (iii) attempting to make whole embryos with Cell Lines by any method. If any governmental regulatory body requires any permits, licenses or approvals in connection with the supply or use of the Cell Lines or the conduct of the Research, Institution shall be responsible for obtaining the same, without any cost to Company.

8. Term and Termination

8.1 Term. This Agreement shall commence as of the Effective Date. Either party may terminate this Agreement upon written notice to the other. Each IL shall expire, unless earlier terminated as provided herein or extended by mutual written agreement of the Parties five (5) years after execution. Upon expiration or termination of this Agreement, any provisions of this Agreement which by their nature survive any expiration or termination, including, but not limited to, those relating to intellectual property, confidentiality and indemnification, will survive and continue to be enforceable.

8.2 Termination; Destruction or Return of Materials. Either Party may terminate this Agreement at any time. Company may terminate this Agreement at any time in the event that Institution or Researchers commit a material breach of the terms of this Agreement. Company acknowledges and agrees that all of the Cell Lines may be destroyed in connection with conducting the Research and that therefore no Cell Lines may be available to be returned.

9. Notices

All notices, reports or documents to be provided by either party to the other shall be in writing and shall be delivered personally or mailed by certified or registered mail, postage prepaid, or reputable overnight courier, or sent by telefax as follows:

If to Company, then to:

BioTime, Inc.
1301 Harbor Bay Parkway
Alameda, CA 94502

Attn: Michael D. West
Fax: 510 521-3389

If to Institution, then to:

The Regents of the University of California
1111 Franklin Street, 11th Floor
Oakland, CA 94607
Attn: Wendy Streitz, Director, RPAC

All notices, reports or other documents shall be deemed properly served upon receipt of such written communication.

10. Representations and Warranties

BioTime represents and warrants that it has all rights, title and interest to the Cell Lines necessary to enter into this Agreement, it is not under any obligation, contractual or otherwise, that conflicts with or is inconsistent with this Agreement, and that the use of the Cell Lines for the Research will not be subject to permissions of or the payment of royalties to a third party.

11. Miscellaneous

11.1 Multiple Copies. This Agreement may be executed in multiple copies, each of which shall be deemed to be an original.

11.2 Integration. This Agreement constitutes the entire agreement between the Parties relative to the subject matter hereof and supersedes all prior agreements in respect thereof. This Agreement shall not be superseded, amended or modified except by written agreement between the Parties hereunder.

11.3 Severability. If any provision of this Agreement is held invalid, illegal or otherwise unenforceable by a tribunal or court of competent jurisdiction, such invalidity shall not affect the enforceability of any other provision of this Agreement, and the remaining provisions of this Agreement shall be valid and enforceable to the fullest extent permitted by applicable law.

11.4 Waiver. Any waiver of any rights or failure to act in a specific instance relates only to that instance and is not an agreement to waive any rights or fail to act in any other instance.

11.5 Headings. All headings used in this Agreement are for convenience only and do not affect the meaning of any provision of this Agreement.

11.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws (other than the conflict of laws rules) of the State of California.

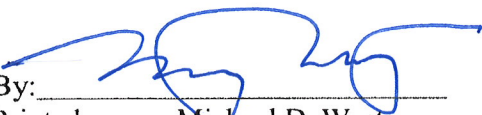
11.7 Independent Parties. The Parties hereto acknowledge that they are independent contractors and nothing contained in this Agreement shall be deemed to create a partnership, joint venture, agency or fiduciary relationship between the Parties.

[The next page is the signature page.]

IN WITNESS WHEREOF, the Parties, intending to be bound by this Agreement, have caused their respective authorized representatives to sign below.

BioTime, Inc.

The Regents of the University of California

By: 
Printed name: Michael D. West
Title: CEO, BioTime Inc.
Date: December 20, 2010

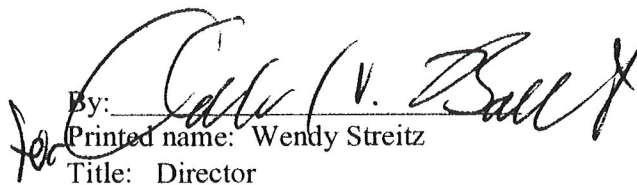
By: 
Printed name: Wendy Streitz
Title: Director
Date: December 20, 2010

EXHIBIT A

The five Cell Lines are: ESI-014, ESI-017, ESI-035, ESI-051 and ESI-053 all as further described in that certain article, "The Generation of Six Clinical-Grade Human Embryonic Stem Cell Lines," by Crook et al, Cell Stem Cell 1, November 2007, p. 490.

EXHIBIT B
Implementing Letter

The purpose of this Letter is to provide a record of the biological material transfer and to memorialize the agreement between the Company (identified below) and the Institution (identified below) to abide by all terms and conditions of the Agreement, dated _____. The Implementing Letter is effective when signed by all parties. The parties executing this Implementing Letter certify that they are bound by the terms of the Agreement.

Upon termination of this Implementing Letter, Institution and Researcher shall discontinue the Research Project and will, upon written request of Company, destroy or return to Company all Cell Lines in Institution's possession and shall make no further use of the Cell Lines for any purpose whatsoever.

The Institution and the Researchers hereby assure, and to the best of his/her knowledge, that the acceptance of the Cell Lines in accordance with the terms and conditions of the Agreement and performance of all obligations hereunder and in the performance of the Research Project will not breach or conflict with any other agreement or arrangement to which either the Institution or the Researchers are a party, including the terms under which the Research to be conducted using the Cell Lines is funded. The Institution and /or the Researchers will not hereafter grant anyone any rights inconsistent with the terms of the Agreement.

Please fill in the blank lines below:

COMPANY

By: _____

Printed Name: _____

Date: _____

The Regents of the University of California on behalf of its [] campus

By: _____

Printed Name: _____

Date: _____

CELL LINES REQUESTED

- ESI-014**
- ESI-017**
- ESI-035**
- ESI-051**
- ESI-053**

ACKNOWLEDGEMENT BY INVESTIGATOR:

I, the Investigator, while not a party to the Agreement or this IL, hereby acknowledge: (a) that the description of the Research on this Project Order is accurate, (b) that I have read and understood the terms and conditions of the Agreement as they apply to me.

By: _____

Printed Name: _____

Date: _____