

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

In re:

Case No: 6:20-bk-02538-KSJ
Chapter 11

ISE PROFESSIONAL TESTING &
CONSULTING SERVICES, INC.,

Debtor.

**DEBTOR'S MOTION FOR ORDER
AUTHORIZING AND APPROVING SETTLEMENT AND COMPROMISE OF
CONTROVERSY BETWEEN THE ISE PARTIES AND SYNOGEN PARTIES**

**NOTICE OF OPPORTUNITY TO
OBJECT AND REQUEST FOR HEARING**

If you object to the relief requested in this paper, you must file a response with the Clerk of the Court at United States Bankruptcy Court, George C. Young Federal Courthouse, 400 W. Washington Street, Suite 5100, Orlando, Florida, 32801 and serve a copy on the movant's attorney, Kathleen L. DiSanto, Esq., Bush Ross, P.A. Post Office Box 3913, Tampa, Florida 336601-3913, within 21 days from the date of the attached proof of service, plus an additional three days if this paper was served on any party by U.S. Mail.

If you file and serve a response within the time permitted, the Court will either notify you of a hearing date or the Court will consider the response and grant or deny the relief requested in this paper without a hearing. If you do not file a response within the time permitted, the Court will consider that you do not oppose the relief requested in the paper, and the Court may grant or deny the relief requested without further notice or hearing.

You should read these papers carefully and discuss them with your attorney if you have one. If the paper is an objection to your claim in this bankruptcy case, your claim may be reduced, modified, or eliminated if you do not timely file and serve a response.

ISE Professional Testing & Consulting Services, Inc. (the "**Debtor**" or "**ISE**"), by counsel, pursuant to section 105(a) of the Bankruptcy Code¹ and Bankruptcy Rules 2002(a)(3) and 9019, moves for the entry of an order authorizing and approving the terms of a compromise

¹ All references to the "Bankruptcy Code" shall refer to Title 11 of the United States Code, *et seq.* All references to a "Bankruptcy Rule" or the "Bankruptcy Rules" are to the applicable rule of the Federal Rules of Bankruptcy Procedure.

between the Debtor and RYANNE EARLY (“**Ms. Early**,” and together with ISE, the “**ISE Parties**”) and JAMIE GROOMS (“**Mr. Grooms**”), SYNOPEN MANAGEMENT GROUP, INC. (“**Synopen**”) and NeXtGen Biologics, Inc. (“**Nextgen**,” and together with Mr. Grooms and Synopen, the “**Synopen Parties**”). The terms of the compromise are set forth in the Agreement and Release appended to the Mediation Report as Exhibit “A” and attached to this motion (the “**Motion**”) as Exhibit “A”(the “**Settlement**”).² In support of the Motion, the Debtor states as follows:

Jurisdiction and Venue

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a “core” proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue of this proceeding is proper in this district pursuant to 28 U.S.C. § 1408.

Background³

A. The Bankruptcy Case

3. On May 4, 2020 (the “**Petition Date**”), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtor has elected to proceed under Subchapter V of Chapter 11 Bankruptcy Code.
4. The Debtor continues to operate and manage its property and financial affairs as debtor-in-possession pursuant to section 1184 of the Bankruptcy Code.

B. The License Agreement

5. Ms. Early is an inventor and scientist who develops and licenses patented scientific manufacturing procedures processes related to amniotic, mammalian, and non-

² For purposes of this Motion, the ISE Parties and the Synopen Parties shall be referred to collectively as the “Parties”.

³ In the event that the Settlement is not approved by the Court, none of statements or recitation of facts made in this Motion shall be deemed an admission of or otherwise be binding on any of the Parties, the ISE Parties, or the Synopen Parties.

mammalian tissues. The biomaterials manufactured through these processes have a variety of medical and non-medical uses, including cutting edge innovations in reconstructive surgeries and grafting procedures. Ms. Early assigned the patents and the related intellectual property and trade secrets to the Debtor, who, in turn, licenses the patents, intellectual property, and/or trade secrets to third parties.

6. One of the Debtor's trade secrets concerns the dynamic process used for the decellurization of urodele derived tissue (the "**Decellularization Process**"). Prior to the Petition Date, the Debtor granted a number of licenses of this trade secret, including one to Seed Biotech, Inc. ("**Seed**").

7. On or about September 23, 2014, the Debtor entered into a License Agreement with Synogen, which likewise concerns the licensing of the Decellularization Process. A copy of the License Agreement is attached as Exhibit "B". The License Agreement authorizes Synogen to sublicense the non-mammalian patent portfolio, but it is subject to the express written consent of ISE, as provided in section 2.2.1 of the License Agreement. Subsequent to the execution of the License Agreement, Synogen entered sublicenses with Nextgen and Regenex. Seed also entered into a separate Development Agreement with Nextgen. In conjunction with the Development Agreement, Ms. Early, through Seed, provided certain consulting services to Nextgen.

8. In general terms, the License Agreement grants Synogen an exclusive license to use the non-mammalian patent portfolio and a non-exclusive license to use the Licensed Know-How, which the License Agreement defines as "unpatented trade secret process technology, know-how and related proprietary information solely as applied to or used for decellularization of urodele derived tissue Controlled by ISE." See License Agreement, sections 1.7, 2.1.1, and 2.1.2.

9. In addition, the License Agreement contemplates that ISE will provide consulting services. See License Agreement, section 5.1. Section 5.1 of the License Agreement provides in relevant part as follows:

LICENSOR will provide consulting services to LICENSEE, including but not limited to technical assistance and training, as is necessary, up to fifteen (15) hours per month at a rate equal to the lowest rate charged by LICENSOR in any of its contracts for similar services, and shall use its best efforts to provide services in excess of such amount when reasonably required by LICENSEE.

10. Section 5.2 of the License Agreement provides the terms governing the transfer of the Licensed Know-How and states as follows:

a. Section 5.2.1 of the License Agreement:

Following the Effective Date, LICENSOR will transfer promptly at the request and expense of the Licensee the Licensed Know-How. LICENSEE understands and agrees the Licensed Know-How is the confidential and proprietary information of LICENSOR and LICENSEE agrees to (i) hold and protect the Licensed Know-How as LICENSEE's confidential information, (ii) use the Licensed Know-How only for the purposes of this Agreement, and (iii) disclose the Licensed Know-How only to Sublicensees who have executed an agreement protecting LICENSOR's confidentiality, proprietary and intellectual property rights in the Licensed Know-How with the terms at least as restrictive as the provisions of this Agreement.

b. Section 5.2.2 of the License Agreement:

LICENSOR and LICENSEE will promptly establish a commercially viable manufacturing procedure which utilizes the Licensed Know-How for making decellularized Urodele extracellular matrix tissue, which manufacturing procedure will include a black box aspect, LICENSEE may disclose this manufacturing procedure to Sublicensees under the confidentiality provisions as set forth in 5.2.1, EXCEPT THAT LICENSEE may NOT disclose to Sublicensees the black box aspects of the manufacture process.

11. The License Agreement also includes a confidentiality provision in Section 6. Among other things, pursuant to Section 6, the parties agreed "not to use the Confidential Information received for any other purpose other than in connection with the Licenses", to limit disclosure of such Confidential Information (as defined in the License Agreement), and to protect

and keep confidential any Confidential Information that also constitutes a trade secret as long as such information remains a trade secret.

C. Pre-Bankruptcy Litigation

12. Disputes arose between ISE, on one hand, and Synogen and Nextgen, on the other, and were submitted to arbitration.

13. On October 9, 2019, the arbitrator entered an interim award granting injunctive relief (the “**Injunctive Award**”).

14. While the arbitration was still pending, the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida (the “**State Court**”) confirmed the Injunctive Award on November 15, 2019. In connection with their efforts to enforce the Injunctive Award, Synogen and Nextgen sought and obtained the Contempt Order from the State Court eleven days after the Injunctive Award was confirmed. The Contempt Order commanded Ms. Early to execute a power of attorney in favor of Synogen and Nextgen, to effectuate the interim injunctive relief.

15. On December 3, 2019, the arbitrator entered a final award (the “**Final Award**”), which included money damages and permanent injunctive relief. Thereafter, Synogen and Nextgen sought to confirm the Final Award in the State Court.

16. On March 30, 2020, the State Court entered a judgment (the “**Judgment**”), which was docketed on March 31, 2020. The non-monetary provisions of the Judgment are found in paragraphs 4(i) and (ii) of the Judgment.

ISE is enjoined from breaching Section 5 of the License Agreement. Specifically, in accordance with § 5.2.1 of the License Agreement, ISE shall transfer promptly to Synogen, and not later than 10 business days from the entry of the 1/27/20 Order Denying the Motion to Vacate, the Licensed Know-How and all information owner, controlled or otherwise in ISE’s possession that may be relevant to the development of a commercially viable manufacturing process contemplated by the License Agreement; ISE is directed to otherwise cooperate with Synogen and NeXtGen in the development of this process;

ISE is further prohibited from breaching the provisions of the License Agreement relating to the prosecution of the patents. Specifically, ISE is prohibited from directly or indirectly, interfering with or impeding Synogen's prosecution and preparation of the Licensed Patents through counsel of Synogen's choice, and is directed to cooperate with Synogen and its counsel, including executing any documents deemed necessary by Synogen to enable its continued work on the patent prosecution and preparation.

17. The Judgment is the subject of a pending appeal before the Fifth District Court of Appeal. Shortly after the Petition Date, the Debtor filed a suggestion of bankruptcy in the appeal, and the Fifth District Court of Appeal entered an order staying the appeal as a result of the filing of this chapter 11 case.

D. The Bankruptcy Litigation, Mediation, and Settlement

18. On June 3, 2020, Synogen and Nextgen filed their stay relief motion (Doc. No. 38) (the "**Stay Relief Motion**").

19. On June 15, 2020, the Debtor filed a response to the Stay Relief Motion (Doc. No. 42).

20. On June 17, 2020, the Court conducted a preliminary hearing on the Stay Relief Motion.

21. Following the hearing on the Stay Relief Motion, on June 22, 2020, the Court entered an Order Directing Mediation (Doc. No. 47) for possible resolution of all issues between the Debtor and Synogen and Nextgen, including all issues raised in the Stay Relief Motion.

22. On June 24, 2020, the Court also entered an Order Scheduling Trial (Doc. No. 51) on the Stay Relief Motion, which scheduled a trial for August 6, 2020, at 9:30 a.m.

23. On July 13, 2020, Nextgen filed a proof of claim asserting a secured claim in the amount of \$867,683.95 arising from its judgment lien certificate. Synogen also filed a proof of

claim asserting a secured claim in the amount of \$977,715.60 arising from its judgment lien certificate.

24. Beginning on July 23, 2020, the Parties and the Subchapter V Trustee participated in a mediation conference with Harley Riedel, as mediator (the “**Mediator**”).

25. On August 3, 2020, as evidenced by the Mediation Report (Doc. No. 65) filed by the Mediator, the Parties reached a settlement.

Proposed Settlement Terms

26. The ISE Parties and the Synogen Parties have agreed to the terms of the Settlement, subject to the approval of this Court. The Parties intend that the Settlement will (a) resolve any claims and controversies between the ISE Parties and the Synogen Parties without the need for additional litigation; (b) provide the framework for the resolution of claims and controversies between related parties including, but not limited to Seed and Regenx, and the dismissal of related litigation, to effectuate a complete severance of the business relationships between the ISE Parties and the Synogen Parties; (c) provide the framework of a consensual plan; and (d) secure Synogen and Nextgen’s support for that plan if the Settlement is approved by the Court and the plan proposed by the Debtor is consistent with the terms of the Settlement.

27. The material terms of the Settlement are summarized⁴ as follows:

Patent Assignments. On the effective date of the Settlement, the ISE Parties shall deliver to Synogen executed assignments of patent application 14/759895 (the non-mammalian patent portfolio) and related patent applications in the form of assignment attached to the Settlement. See Settlement, paragraphs 1a and 2.

Cash Consideration. Beginning on September 1, 2020, and on the first of each month for the next three months, ISE shall make four installment payments to Synogen in immediately available funds in the amount of \$10,000.00, for a total amount of \$40,000.00. See Settlement, paragraph 1b.

⁴ The terms provided above are intended to highlight and summarize certain terms of the Settlement. Nothing in this Motion is intended to modify or in any alter the terms of the Settlement. In the event of any discrepancy between this Motion and the terms of the Settlement, the terms of the Settlement shall prevail.

Full Mutual Releases. The Settlement also includes mutual general releases between the ISE Parties and the Synogen Parties. See Settlement, paragraph 4.

Dismissal with Prejudice. The Settlement contemplates the dismissal with prejudice, with each party bearing its own attorney fees and costs of the following actions:

- a. AAA Arbitration No. 01-19-0002-3786;
- b. Case No. 2019-CA-012605-O, pending in the Ninth Judicial Circuit in and for Orange County, Florida;
- c. Case No. 2D18-3264, pending before the Fifth District Court of Appeal;
- d. AAA Arbitration No. 01-19-0002-7261, subject to Seed Biotech, Inc.'s mutual release of all claims;
- e. Case No. 502020-CA-003024, Div: AB, subject to RegenX Science, Inc., Elisabeth Corson, and Jamie Grooms' mutual release of all claims.

In addition, the Synogen Parties further agree that the Final Award issued on December 3, 2019 in Arbitration No. 01-19-0002-3786, and confirmed in Case No. 2019-CA-012605-O resulting in the Final Judgment issued from the same action, is null and void and this Settlement Agreement supersedes all relief ordered in the Final Award. Within one (1) business day of the satisfaction by the ISE Parties of the Release Conditions, the Synogen Parties will file terminations of the judgment lien certificates recorded in the judgment lien registry maintained by the Florida Secretary of State, Division of Corporations. See Settlement, paragraph 5.

Surviving Obligations. The intention of paragraph 9 of the Settlement Agreement, in very simple terms, is (i) to effectuate the severance of all relationships between the parties, by terminating the License Agreement and any sublicense agreements (the "**Prior Agreements**") and eliminating any obligation of any of the ISE Parties or Seed to provide additional information or services to Synogen, Nextgen, or their sublicensees, (ii) to require confidential information provided to Synogen, Nextgen, or their sublicensees by any of the ISE Parties, Seed or their respective agents to be kept confidential, and (iii) to terminate disclosure and use rights of the Synogen Parties and any sublicensees as to ISE's Licensed Know-How (as defined in the prior agreements), provided, however, that Synogen, Nextgen, or their sublicensees shall be allowed to use the data and information in their possession as of the Effective Date of the Agreement, subject to maintaining the confidentiality of such information as more fully described in the Settlement Agreement. The full text of paragraph 9 is as follows:

The Parties agree that there are no ongoing obligations between the Parties except as expressed in this Section and elsewhere in this Agreement. Specifically, the Prior Agreements are hereby terminated and cancelled, in all respects with no further or surviving obligations, except Section 6 of the Prior Agreements, which shall remain in effect as to Synogen, Nextgen, and any sublicensees with respect to all Confidential Information (as defined in the Prior Agreements) provided by

or on behalf of any of the ISE Parties, Seed Biotech, Inc., or their respective agents, through the Effective Date of this Agreement. The Synogen Parties, by and on behalf of themselves and any sublicensees, understand and agree that all disclosure rights and rights to use ISE's Licensed Know-How (as defined in the Prior Agreements), owned and controlled by any of the Parties or a Third Party is hereby terminated, with the proviso that it is understood and agreed that ISE has never provided the Synogen Parties with the Licensed Know-How and that the Synogen Parties shall have the right to use the data and information in their possession as of the Effective Date of this Agreement.

Relief Requested

28. The Debtor requests authority to enter into the Settlement and seeks approval of the Settlement to resolve any claims and controversies between the ISE Parties and the Synogen Parties without the need for additional litigation.

Argument

29. Bankruptcy Rule 9019(a) grants the Court authority to approve settlements of claims and controversies. Under this authority, bankruptcy courts consider the overall wisdom of compromising and settling disputes arising in bankruptcy cases. *See, e.g., In re Air Safety Developmental, L.C.*, 336 B.R. 843 (S.D. Fla. 2005); *In re Marvel Entertainment Group, Inc.*, 222 B.R. 243, 249 (D. Del. 1998). In reviewing a proposed settlement, a bankruptcy court's ultimate inquiry should be "whether the proposed settlement is fair and equitable." *Air Safety*, 336 B.R. at 843 (citing *In re Gallagher*, 283 B.R. 342, 346 (Bankr. M.D. Fla. 2002)). Ultimately, the question is not whether a better settlement might have been achieved or a better result reached if litigation pursued. Instead, a bankruptcy court should approve settlements that meet a minimal threshold of reasonableness. *See e.g., In re Biocoastal Corp.*, 164 B.R. 1009, 1016 (Bankr. M.D. Fla. 1993) ("This Court has broad discretion to approve a settlement or compromise, and it should do so unless the proposed settlement falls below the lowest point in the range of reasonableness.").

30. The Eleventh Circuit specifically set forth four criteria to be considered by the court in determining the fairness, reasonableness, and adequacy of a settlement (the “**Justice Oaks Factors**”): “(a) the probability of success in the litigation; (b) the difficulties, if any, to be encountered in the matter of collection; (c) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attended it; and (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises.” *Wallis v. Justice Oaks II, Ltd. (In re Justice Oaks, II, Ltd.)*, 898 F.2d 1544, 1549 (11th Cir. 1990).

31. The Debtor submits that the compromise satisfies each of the Justice Oaks Factors and is fair and equitable and in the best interests of the estate and its creditors. The Settlement, if approved, resolves all disputes and controversies between the ISE Parties and the Synogen Parties, in addition to the related disputes with Seed and Regenx and provides for a consensual treatment of Synogen and Nextgen’s claims under the Debtor’s plan of reorganization.

(A) Probability of Success in Litigation

32. Had the Parties not reached a settlement, the Debtor would have litigated a number of contested matters and adversary proceedings, including potentially a motion to reject the License Agreement, which would have resulted in protracted litigation concerning rejection damages and would have further hampered the Debtor’s efforts to successfully reorganize, as the litigation would have consumed the Debtor’s limited resources to fund creditor payments and to pay administrative expense claims. The Debtor may have also engaged in disputes concerning the value of its assets, which would have likely required the retention of one or more experts to provide reports and testimony concerning valuation of the Debtor’s intellectual property portfolio.

33. In addition, it may have also been necessary for the Debtor to prosecute the appeal of the Judgment. Absent settlement, the Debtor could have faced litigation in multiple forums, which would have created enormous and possibly insurmountable litigation costs.

34. It is difficult, if not impossible, to determine the likelihood of success in litigation, but the significant risks of continued litigation militate in favor of settlement. Even if the Debtor prevailed in certain contested matters or with respect to the Appeal, the Debtor would have faced years of litigation to obtain the result and further disruption to its operations, which is contrary to ISE's primary goals and objectives in seeking relief under chapter 11.

(B) Difficulties in Collection

35. The difficulties in collection factor is not particularly relevant under these facts. However, the Debtor's ability to pay creditors is derived from income generated from its customers, including royalty payments. The continued litigation between Seed and Nextgen, in addition to the effects of COVID-19 on elective medical procedures, have the potential for disrupting the Debtor's cash flow. The Debtor has minimal disposable income after payment of debt, and the Debtor's ability to pay creditors could be jeopardized by further litigation with Synogen and Nexten in the bankruptcy case. Ending the litigation, coupled with a severance of complex and disputed business relationships, will allow the Parties to move forward independently with their businesses and bring certainty to the Parties, which is in their best interest.

(C) Complexity of Litigation and Cost of Litigation

36. Whether addressing the bankruptcy case, the state court litigation, or the appeal, these matters involve a number complex legal issues, which are further complicated by the overlay of bankruptcy and intellectual property law.

37. The litigation before this Court of contested matters and adversary proceedings between the Debtor and Synogen and Nextgen would have easily resulted in the estate incurring extensive attorney fees and expenses, as multiple issues would have required evidentiary hearings, trials, and expert testimony. Litigation outside of the bankruptcy case through either the appeal or the state court litigation would only add to these costs. In addition, the Debtor would be burdened with identifying substitute counsel, in light of former counsel's withdrawal, and the costs associated with bringing a new counsel up to speed on these cases in potentially a very short time frame would be substantial. In sum, these matters would have consumed considerable time and resources, resulting in increased administrative expense claims due to additional attorney's fees and costs.

(D) Paramount Interest of Creditors

38. Synogen and Nextgen filed the largest proofs of claim in the bankruptcy case and are the two significant stakeholders in the case. Their support of the Settlement militates in favor of approval of the Settlement in its entirety.

Legal Analysis Concerning Mutual Releases

39. The mutual general releases contemplated by the Settlement are material aspects of the proposed resolution of disputes among the Parties. Section 105(a) of the Bankruptcy Code grants a court broad equitable power "to issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). Under the authority granted by section 105(a), bankruptcy courts are empowered to issue permanent injunctions or third party releases under certain factual circumstances. *In re Transit Group*, 286 B.R. 811, 816 (Bankr. M.D. Fla. 2002) (Jennemann, J.).

40. In evaluating whether a release contemplated by a plan or settlement is appropriate, courts consider the seven factors set forth by this Court in *In re Transit Group* (the “**Transit Factors**”). *Id.* at 817. The Transit Factors are as follows:

- a. Whether the debtor and the third party share an identity of interest, usually an indemnity relationship, such that a suit against the non-debtor is, in essence, a suit against the debtor or will deplete the assets of the estate;
- b. Whether the non-debtor has contributed substantial assets to the reorganization;
- c. Whether the injunction is essential to reorganization, namely, the reorganization hinges on the debtor being free from indirect suits against parties who would have indemnity or contribution claims against the debtor;
- d. Whether the impacted class, or classes, has overwhelmingly voted to accept the plan;
- e. Whether the plan provides a mechanism to pay for all, or substantially all, of the class, or classes, affected by the injunction;
- f. Whether the plan provides an opportunity for those claimants who choose not to settle to recover in full, and;
- g. Whether the bankruptcy court made a record of specific factual findings that support its conclusions.

Id.

41. While some of the Transit Factors are more applicable in the context of a release presented in a chapter 11 plan, as the *Transit* case itself concerned non-debtor releases proposed through a chapter 11 plan, the Transit Factors nevertheless militate in favor of approval of the mutual general releases contemplated by the Settlement between the ISE Parties and the Synogen Parties. Claims that could be asserted against Ms. Early or Seed share some commonality with the claims that could or have been asserted against ISE. Similarly, the claims that the ISE Parties and/or Seed may have against the Synogen Parties, Regenx, Mr. Grooms, or Ms. Corson are likewise overlapping. The Settlement is essential to the Debtor’s ability to effectuate a consensual reorganization through chapter 11, and, from the Debtor’s perspective, one of the primary goals and objectives of the Settlement is to free ISE from the burdens and costs of

litigation that have plagued it for so long. Synogen and Nextgen support the Settlement, and it enables them to receive value for their claims.

42. The Debtor believes there is factual support to warrant the approval of the Settlement in its entirety, including the releases, and requests that the Court make factual findings to support the releases contemplated by the Settlement.

Conclusion

43. The Settlement represents the accord of the ISE Parties and the Synogen Parties that will save vast amounts of time and money, and the Debtor believes, in an exercise of its business judgment, is beneficial to the estate and creditors. The Settlement was negotiated at arms-length in a multi-day mediation and in good faith by informed counsel for the Debtor and the Synogen Parties. The Parties' support for the Settlement Agreement, in and of itself, suggests the Settlement Agreement is fair, equitable, and incorporates the paramount interests of the estate's creditors.

WHEREFORE, the Debtor respectfully requests the entry of an order (a) granting the Motion, (b) approving the Settlement and authorizing the Debtor to enter the Settlement, (c) authorizing and directing the Parties to perform their obligations under the Settlement and binding the Parties to those terms, and (d) granting such other and further relief the Court deems appropriate.

Dated: Tampa, Florida
August 7, 2020

BUSH ROSS, P.A.
Post Office Box 3913
Tampa, Florida 33601-3913
(813) 224-9255 (telephone)
(813) 223-9620 (fax)
Counsel for the Debtor

By: /s/ Kathleen L. DiSanto
Jeffrey W. Warren
Florida Bar No. 150024

jwarren@bushross.com

Kathleen L. DiSanto

Florida Bar No. 58512

kdisanto@bushross.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on August 7, 2020, I electronically filed a true and correct copy of the foregoing *Debtor's Motion for Order Authorizing and Approving Settlement and Compromise of Controversy between the ISE Parties and the Synogen Parties* with the Clerk of the United States Bankruptcy Court for the Middle District of Florida by using the CM/ECF system, and I furnished a copy of the foregoing document(s) to the following parties in the manner of service indicated below:

_____/s/ Kathleen L. DiSanto

ATTORNEY

Via the CM/ECF system which will send a Notice of Electronic Filing to:

United States Trustee

Jason A. Burgess, SubChapter V Trustee

Rachel Nanes, Esq.

Shane G. Ramsey, Esq.

Audrey M. Aleskovsky, Esq.

Adam L. Alpert, Esq.

Jeffrey W. Warren, Esq.

All parties who receive electronic service via the CM/ECF system

Via first class United States Mail, postage prepaid, to:

All Parties listed on the Attached All Creditor Matrix who did not receive service electronically via the CM/ECF system

CONFIDENTIAL DRAFT FOR SETTLEMENT PURPOSES ONLY FRE 408

AGREEMENT AND RELEASE

This Agreement and Release (this "Agreement") is entered into as of July ____, 2020 (the "Effective Date") by and between Ryanne Early and ISE Professional Testing & Consulting Services, Inc. ("ISE") (collectively, the "ISE Parties"), on the one hand, and Jamie Grooms, Synogen Management Group, Inc. ("Synogen"), and NeXtGen Biologics, Inc. ("NeXtGen") (collectively the "Synogen Parties") on the other hand. Each of the foregoing referred to herein individually as a "Party" and collectively as the "Parties".

The Parties desire to enter into this Agreement to resolve and settle all actual, threatened and potential claims that arise out of the September 23, 2014 License Agreement between Synogen and ISE and any sublicense (referring to the claims, the "Disputes"; referring to the agreement and any sublicense agreements, collectively, the "Prior Agreements").

Without any admission of liability whatsoever by any Party, and for the purpose of avoiding further dispute resolution through arbitration or litigation, including appeals or any future disputes among each other, the Parties have agreed to resolve the Disputes on the terms set forth below.

In consideration of the promises made herein, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties state their agreement as follows:

1. Consideration. The Synogen Parties agree to make the promises and releases set forth below in exchange for the following conditions set forth in this Section 1 (collectively, the "Release Conditions"):

- a. Patent Assignments. On the Effective Date, the ISE Parties shall deliver to Synogen executed assignments of patent application 14/759895 and all related patent applications (including any continuation, divisional, continuation-in-part, substitute or provisional application thereof) and all counterparts or foreign equivalents of the foregoing issued by or filed in any country or other jurisdiction by or on behalf of Ryanne Early or ISE to Synogen (collectively, the "Assignment") in the form of assignment documents as attached hereto as Exhibit A.
- b. Cash Consideration. Beginning on September 1, 2020, and on the first of each month for the next three months, ISE shall make four installment payments to Synogen in immediately available funds in the amount of \$10,000.00, for a total amount of \$40,000.00.

2. Patent Assignments. ISE hereby assigns all of its rights under the patent application 14/759895 and the related patent applications (including any continuation, divisional, continuation-in-part, substitute or provisional application thereof) identified in Schedule A to the Assignment and all counterparts or foreign equivalents of the foregoing issued by or filed in any country or other jurisdiction by or on behalf of Ryanne Early or ISE to Synogen. The ISE Parties hereby irrevocably designate and appoint Synogen and its duly authorized officers and agents as the ISE Parties' agent as of the Effective Date, specific to act for and on the ISE Parties' behalf

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and stead to execute and file any application, registration, filing or other instrument, and to do all other lawfully permitted acts to further the prosecution and issuance of the patent rights pursuant to the Assignment, with the same legal force and effect as if executed by such the ISE Parties.

The ISE Parties shall be required, to sign and deliver any and all documents reasonably required by Synogen to properly record and effectuate the Assignment, and take such other actions as may be necessary or reasonably requested by Synogen to document the Assignment, or to enable Synogen to secure, register, maintain, enforce or otherwise fully protect their rights pursuant to such Assignment.

3. Representations, Warranties and Covenants. The ISE Parties hereby represent and warrant that, as of the Effective Date, to the best of their actual knowledge: (i) they own all of the intellectual property rights subject to the Assignment free and clear of all liens, charges, and encumbrances, either written, oral, or implied; (ii) they have not received any written communications relating in any way to a possible infringement of any patent or other intellectual property or proprietary right of a third party with respect to the intellectual property rights under the Assignment; (iii) there are no interferences or oppositions pending or threatened against them before any court or administrative office or agency which relate to the intellectual property rights under the Assignment; and (iv) other than the Disputes, there is no action, claim, demand, suit, proceeding, arbitration, grievance, citation, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise, in law or in equity, pending or threatened against them in connection with or relating to the transactions and/or activities contemplated by this Agreement.

The ISE Parties hereby covenant not to challenge, directly or indirectly, the validity, scope, or enforceability of or otherwise oppose in any way the intellectual property rights relating to the intellectual property subject to the Assignment. This covenant not to challenge is a material inducement for the Synogen Parties to enter into this Agreement. In the event of a breach of this covenant, Synogen shall have the right to void this Agreement, as if the Agreement is a nullity and never executed.

EXCEPT AS SET FORTH IN THIS AGREEMENT, THE ISE PARTIES DO NOT MAKE ANY REPRESENTATION OR EXTEND ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT AND VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING.

4. Full Mutual Releases. The Parties specifically represent that the consideration for the settlement and the promises made herein is the release of all claims and potential claims upon the Effective Date, including appeals or any court action, and performance of all other obligations set forth herein.

- a. Subject to the approval of this Agreement by the Bankruptcy Court, the ISE Parties hereby release and discharge all claims or potential claims related to the Disputes against the Synogen Parties and their attorneys, agents, and employees. For the avoidance of doubt, the ISE Parties agree to the full and complete immediate discharge, settlement and release of any and all manner

of claims, demands, penalties, sanctions, duties, damages or issues and controversies of any kind whatsoever related to the Disputes, whether known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, that any of them ever had, now has, or may have against any of the Synogen Parties, including all claims threatened, disclosed, anticipated, or that could have been brought between the Parties from the beginning of time to the Effective Date.

- b. Subject to the approval of this Agreement by the Bankruptcy Court, the Synogen Parties hereby release and discharge all claims or potential claims related to the Disputes against the ISE Parties, and their attorneys, agents and employees. The Synogen Parties agree to the full and complete immediate discharge, settlement and release of any and all manner of claims, demands, penalties, sanctions, duties, damages or issues and controversies of any kind whatsoever related to the Disputes, whether known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, that any of them ever had, now has, or may have against any of the ISE Parties, including all claims threatened, disclosed, anticipated, or that could have been brought between the Parties from the beginning of time to the Effective Date.
- c. Nothing in this release prohibits the Parties from asserting any claims arising out of a breach of this Agreement or from defending or enforcing their respective rights under this Agreement.

5. Dismissal With Prejudice. Within one (1) business day of the satisfaction by the ISE Parties of the Release Conditions, the Parties agree to file consent dismissals with prejudice of all claims and counterclaims or demands for sanctions pending between them, and the below-listed related entities, in any forum, with each party bearing its own attorney fees and costs, including but not limited to:

- a. AAA Arbitration No. 01-19-0002-3786;
- b. Case No. 2019-CA-012605-O, pending in the Ninth Judicial Circuit in and for Orange County, Florida;
- c. Case No. 2D18-3264, pending before the Fifth District Court of Appeal;
- d. AAA Arbitration No. 01-19-0002-7261, subject to Seed Biotech, Inc.'s mutual release of all claims;
- e. Case No. 502020-CA-003024, Div: AB, subject to RegenX Science, Inc., Elisabeth Corson, and Jamie Grooms' mutual release of all claims.

The Synogen Parties further agree that the Final Award issued on December 3, 2019 in Arbitration No. 01-19-0002-3786, and confirmed in Case No. 2019-CA-012605-O resulting in the Final Judgment issued from the same action, is null and void and this Settlement Agreement supersedes all relief ordered in the Final Award. Within one (1) business day of the satisfaction by the ISE Parties of the Release Conditions, the Synogen Parties will file terminations of the judgment lien certificates recorded in the judgment lien registry maintained by the Florida Secretary of State, Division of Corporations.

6. Bankruptcy Proceeding. ISE is currently a debtor in a bankruptcy proceeding pending in the United States Bankruptcy Court for the Middle District of Florida (Case No: 20-bk-02538-KSJ) (the "Bankruptcy Court"). Within five (5) days following execution of this Agreement, ISE shall file, with notice to all applicable parties in interest, a motion to approve this Agreement under Federal Rule of Bankruptcy Procedure 9019, which such Motion (in both form and manner of notice) shall be reasonably acceptable to the Synogen Parties and the ISE Parties, and shall include a proposed form of order that, among other things, contemplates the transfer of all of ISE's rights under the relevant patents and patent applications identified in the Assignment, free and clear of all liens, claims and encumbrances under section 363 of the Bankruptcy Code. Within thirty (30) days following service of the Motion, the Bankruptcy Court shall have entered an order, in form and substance reasonably acceptable to the Synogen Parties and the ISE Parties, approving this Agreement and the transfer of all of ISE's rights under the relevant patents and patent applications identified in the Assignment, free and clear of all liens, claims and encumbrances (the "Order"). Notwithstanding anything herein to the contrary, the effectiveness of this Agreement and the parties' obligations hereunder are contingent upon the entry of the Order. No subsequent pleading filed in the Bankruptcy Court, including any plan of reorganization proposed or confirmed in the Bankruptcy Case shall contain any provisions which are inconsistent with or purport to override the terms of this Agreement and the ancillary agreements to be entered into herewith, all of which shall be expressly preserved under the terms of such plan. Further, in the event of a conversion of the bankruptcy case to Chapter 7 or dismissal, the obligations under this Agreement shall be unaffected and fully preserved, so that the Chapter 7 Trustee shall be obligated and required to comply with ISE's duties, including further assurances, without cost to, or the necessity of a motion or administrative claim from the Synogen Parties.

7. Confirmation of Understanding. The Parties acknowledge that they have read this Agreement and understand the terms and conditions contained therein.

8. Entire Agreement. This Agreement, including any exhibits to the Agreement, contains the entire agreement and understanding between the Parties relating to the settlement of the Disputes. If any term of another agreement survives, it is stated in this Agreement. This Agreement may not be altered, amended or modified, nor any provision waived in whole or in part, except by a writing executed by all the Parties hereto.

9. Surviving Obligations. The Parties agree that there are no ongoing obligations between the Parties except as expressed in this Section and elsewhere in this Agreement. Specifically, the Prior Agreements are hereby terminated and cancelled, in all respects with no further or surviving obligations, except Section 6 of the Prior Agreements, which shall remain in effect as to Synogen, Nextgen, and any sublicensees with respect to all Confidential Information (as defined in the Prior Agreements) provided by or on behalf of any of the ISE Parties, Seed

Biotech, Inc., or their respective agents, through the Effective Date of this Agreement. The Synogen Parties, by and on behalf of themselves and any sublicensees, understand and agree that all disclosure rights and rights to use ISE's Licensed Know-How (as defined in the Prior Agreements), owned and controlled by any of the Parties or a third party, is hereby terminated, with the proviso that it is understood and agreed that ISE has never provided the Synogen Parties with the Licensed Know-How and that the Synogen Parties shall have the right to use the data and information in their possession as of the Effective Date of this Agreement.

10. Severability. The provisions of this Agreement are severable, and the invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity and enforceability of the other provisions hereof. If, despite the express agreement of the Parties to this Agreement, a court should hold any portion of this Agreement unenforceable for any reason, the maximum scope of release reasonable under the circumstances, as determined by the court, will be substituted for the restrictions held unenforceable.

11. Governing Law. This Agreement shall be governed by the laws of the State of Florida, United States, without regard to any provisions thereof relating to conflicts of laws among different jurisdictions. Each Party agrees that any legal action or proceeding relating to this Agreement brought by any Party hereto, or its successors or assigns, shall be submitted to the Bankruptcy Court.

12. Confidentiality. Each Party acknowledges and agrees that this Agreement is confidential, and that such Party will not disclose the terms of this Agreement to any third party (other than as reasonably necessary to legal, financial and tax advisors or to prospective investors, acquirers, lenders, and other professional advisors; provided, however, that the disclosing Party shall be responsible for any breach of confidentiality and non-use by such persons), except as required to obtain approval of the Agreement pursuant to Bankruptcy Rule 9019 by the Bankruptcy Court, compelled by a court of competent jurisdiction or in any judicial forum, arbitration or proceeding brought in connection with any claim alleging a breach of this Agreement, or to defend any claim regarding the scope of the release provided herein. A Party may truthfully respond to any question posed by any governmental or regulatory authority solely to the extent required to comply with any subpoena or as otherwise required by law to be answered; provided, however, that the responding Party shall provide written notice to each Party that would reasonably be expected to be affected by such response promptly following the responding Party's receipt of such question; provided further, that any such question is not solicited or prompted by any Party.

13. Time. Time is of the essence in this Agreement.

14. Counterparts. This Agreement may be executed by the Parties in counterparts and transmitted, via facsimile or electronically, and the combined signature pages will be compiled to establish the complete Agreement. Original signatures of each Party are not necessary to enforce this Agreement. Each Party may electronically execute this Agreement, including, but not limited to, through means of an S-signature.

15. Drafting Parties. The Parties acknowledge and agree that the language of this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any of the Parties.

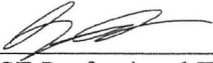
16. Authority. Each person executing this Agreement on behalf of any Party represents and warrants that: s/he is fully authorized to enter into this Agreement on behalf of the Party on whose behalf s/he is executing it.

17. Assignment. The Parties may assign this Agreement, in whole or in part, or assign or sublicense, as applicable, any of its rights and/or obligations under this Agreement. Notwithstanding any assignment, the Parties will continue to be liable for any breaches of this Agreement by the Party or any Party's assignees, and the Parties' and/or assignee's heirs, personal representatives, and successors and assigns.

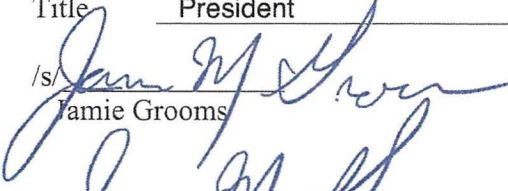
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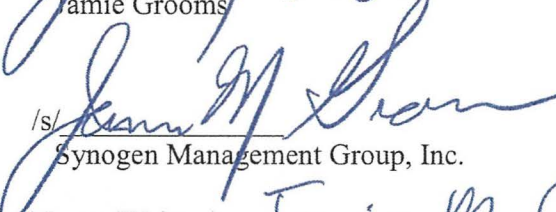
AGREED:

Dated: 8/2/20 /s/ 
Ryanne Early

Dated: 8/2/20 /s/ 
ISE Professional Testing & Consulting Services, Inc.

Name (Written) Ryanne Early
Title President

Dated: 8/3/20 /s/ 
Jamie Grooms

Dated: 8/3/20 /s/ 
Synogen Management Group, Inc.

Name (Written) Jamie M. Grooms
Title Director

Dated: _____ /s/ _____
NeXtGen Biologics, inc.

Name (Written) _____
Title _____

AGREED:

Dated: 8/2/20 /s/ [Signature]
Ryanne Early

Dated: 8/2/20 /s/ [Signature]
ISE Professional Testing & Consulting Services, Inc.

Name (Written) Ryanne Early
Title President

Dated: _____ /s/ _____
Jamie Grooms

Dated: _____ /s/ _____
Synogen Management Group, Inc.

Name (Written) _____
Title _____

Dated: 8/5/2020 /s/ [Signature]
NeXtGen Biologics, inc.

Name (Written) JUVELLE L. TOOTHMAN
Title CEO

Exhibit A

The Assignments

See attached.

ASSIGNMENT

WHEREAS, ISE Professional Testing & Consulting Services, Inc., a corporation of Florida, with its principal place of business located at 2785 S. Bay Street G, Eustis, FL 32726 ("Assignor") is the owner of the entire right, title and interest in and to U.S. Provisional Patent Application No. 61/750,555, PCT International Patent Application No. PCT/US2014/010890, together with the patents and patent applications including but not limited to those listed in Schedule A, and of the invention(s) therein described; and

WHEREAS, Synogen Management Group, Inc., a corporation of Florida, with its principal place of business located at 101 SE 2nd Place, Suite 201 B, Gainesville, FL 32601 ("Assignee"), is desirous of acquiring the entire right, title and interest in and U.S. Provisional Patent Application No. 61/750,555, PCT International Patent Application No. PCT/US2014/010890, together with the patents and patent applications listed in Schedule A, and of the invention(s) therein described.

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and of other good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, intending to be legally bound, does hereby sell, assign and transfer to the assignee the entire right, title and interest, for the United States of America, its territories and possessions, and for all foreign countries, in said U.S. Provisional Patent Application No. 61/750,555, PCT International Patent Application No. PCT/US2014/010890, all divisions and continuations thereof, all rights to claim priority based thereon, all rights to file foreign applications on said inventions, and all letters patents and reissues thereof, issuing for said inventions and any improvements thereon in the United States of America and in any and all foreign countries including the patents and patent applications listed in Schedule A.

It is agreed that the undersigned shall be legally bound, upon request of the assignee, or its successors or assigns or a legal representative thereof, to execute all instruments proper to patent the inventions in the United States of America and foreign countries in the name of the assignee, and to execute all instruments proper to carry out the intent of this instrument.

The rights and property herein conveyed by the undersigned are free and clear of any encumbrance.

[Signature Page Follows]

EXECUTED under seal on July 24, 2020.

ISE Professional Testing & Consulting Services, Inc.

By: [Signature]

Name: Ryanne Early

Title: President

STATE OF Tennessee :
COUNTY OF Hamilton : SS

On July 24, 2020, before me, the undersigned, personally appeared, Ryan Early, known to me or satisfactorily proven to be the person(s) who executed the within instrument, and who acknowledged herself/himself to be the President of ISE Professional Testing & Consulting Services, Inc., and, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the said company by herself/himself as such Ryan Early.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[Signature] (SEAL)
Notary Public
ex 11-07-2021



"To be Delivered Upon Court Approval"

SCHEDULE A

Country	Application Number	Filing Date
Canada	2,897,662	January 9, 2014
China	201780013359.0	January 9, 2014
Europe	14737892.1	January 9, 2014
Hong Kong	16108111.9	January 9, 2014
Israel	239828	January 9, 2014
Japan	2015-552775	January 9, 2014
	2018-224475 (Divisional)	November 30, 2018
Korea	10-2015-7021367	January 9, 2014
United States	61/750,555	January 9, 2013
	14/759,895	July 8, 2018
	16/801956 (Continuation)	April 30, 2019
WIPO	PCT/US2014/010890	January 9, 2014

"To be Delivered Upon Court Approval"

ASSIGNMENT

WHEREAS, I, RYANNE EARLY, a citizen of the United States of America, residing at 3439 Reflecting Dr. Chatterbox, TN 37115 United States of America (hereinafter referred to as "the undersigned"), having made an invention entitled DECELLULARIZED BIOMATERIAL FROM NON-MAMMALIAN TISSUE, identified in US Provisional Application No. 61/750,555, US Regular Application 14/759,895, and International Application No. PCT/US2014/010890;

WHEREAS, ISE PROFESSIONAL TESTING & CONSULTING SERVICES, INC, with offices at 2007 NW 5th Street, Gainesville, FL 32603, United States of America, (hereinafter referred to as "assignee"), is desirous of acquiring the entire right, title and interest in said invention, said US application(s), said International Application, and all related US and non-US patent applications claiming priority to any of said US, PCT and non-US patent applications, including but not limited to those listed in Schedule A attached hereto, and all letters patent issuing for said invention or from said applications;

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and of other good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, intending to be legally bound, does hereby sell, assign and transfer to the assignee the entire right, title and interest, for the United States of America, its territories and possessions, and for all foreign countries, in said invention, including said US application, all divisions and continuations thereof, all rights to claim priority based thereon, all rights to file foreign applications on said invention, and all letters patent and reissues thereof, issuing for said invention in the United States of America and in any and all foreign countries.

It is agreed that the undersigned shall be legally bound, upon request of the assignee, or its successors or assigns or a legal representative thereof, to execute all instruments proper to patent the invention in the United States of America and foreign countries in the name of the assignee, and to execute all instruments proper to carry out the intent of this instrument.

The rights and property herein conveyed by the undersigned are free and clear of any encumbrance.

[Signature Page Follows]

EXECUTED on the date(s) set forth below.

7/27/20
Date

Ryanne Early
Ryanne Early

STATE OF Tennessee :
COUNTY OF Hamilton : ss
:

On July 26, 2020, before me, the undersigned, personally appeared, Ryanne Early, known to me or satisfactorily proven to be the person(s) who executed the within instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Joshua S. Bryant (SEAL)
Notary Public



To be Delivered Upon Court Approval

SCHEDULE A

Country	Application Number	Filing Date
Canada	2,897,662	January 9, 2014
China	201780013359.0	January 9, 2014
Europe	14737892.1	January 9, 2014
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To be Delivered Upon Court Approval

EXHIBIT “B”

LICENSE AGREEMENT BETWEEN ISE AND SYNOGEN

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Section 14	Product Liability; Conduct of Business
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License Agreement between ISE and Synogen

This Agreement is made effective the 23rd day of September, 2014 (the "Effective Date") by and between ISE Professional Testing & Consulting Services, Inc. ("LICENSOR"), a Florida corporation having a principal address at 2007 NW 5th St., Gainesville, FL, 32603, and Synogen Management Group, Inc. (hereinafter called "LICENSEE") a Florida corporation having a principal address at 6565 NW 81st Blvd., Gainesville, FL 32653 (each of LICENSOR AND LICENSEE a "Party" and collectively the "Parties").

WHEREAS, LICENSOR owns certain inventions that are described in the "Licensed Patents" and "Licensed Know-How" defined below, and LICENSOR is willing to grant a license to LICENSEE under the Licensed Patents and Licensed Know-How and LICENSEE desires a license under all of them;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, the Parties covenant and agree as follows:

Section 1: Definitions

- 1.1 "Affiliate" means: (a) any person or entity which controls at least fifty percent (50%) of the equity or voting stock of the LICENSEE or (b) any person or entity fifty percent (50%) of whose equity or voting stock is owned or controlled by the LICENSEE or (c) any person or entity of which at least fifty percent (50%) of the equity or voting stock is owned or controlled by the same person or entity owning or controlling at least fifty percent (50 %) of LICENSEE.
- 1.2 "Change of Control" shall mean
 - (a) any consolidation, merger, combination, reorganization or other transaction in which LICENSEE is not the surviving entity other than a transaction, the principal purpose of which is to effect a change in domicile or the form of entity of LICENSEE
 - (b) the shares of stock of LICENSEE constituting in excess of fifty percent (50%) of the voting power of LICENSEE are exchanged for or changed into other stock or securities, cash, and/or other property other than in the context of a financial transaction
 - (c) a sale or other disposition of all or substantially all of the assets of the LICENSEE, or the assignment of this Agreement to a Third Party or Affiliate pursuant to Section 12.
- 1.3 "Control" and its correlative terms, "Controlled" or "Controls" shall mean, with respect to any intellectual property right or other intangible property, that a Party or one of its Affiliates owns or has a license or sublicense to such item or right, and has the ability to grant access, license or sublicense in or to such right without violating the terms of any agreement or other arrangement with any Third Party
- 1.4 "Development Plan" means a written report summarizing the development activities that are to be undertaken by the LICENSEE to bring Licensed Products and/or Licensed Processes to the market. The Development Plan is attached as Appendix A.
- 1.5 "Development Report" means a written account of LICENSEE's progress under the Development Plan having at least the information specified on Appendix B to this Agreement, and shall be sent to the address specified on Appendix B
- 1.6 "Improvements" means any improvement, enhancement or modification arising from the research and development under Section 2.3 and which relate to Urodeles. Improvements will be included as Licensed Patents to the extent such Improvements are patentable and will be included as Licensed Know-How to the extent such Improvements are not patentable.
- 1.7 "Licensed Know-How" means unpatented trade secret process technology, know how, and related proprietary information solely as applied to or used for decellurization of urodele derived tissue Controlled by ISE.

- 1.8 “Licensed Field” means all fields permitted by law. For the avoidance of doubt, LICENSOR is not providing and cannot provide a license to intellectual property of third parties not controlled by LICENSOR which now or in the future overlaps with the scope of the claims in Licensed Patents.
- 1.9 “Licensed Patents” means all of the following LICENSOR intellectual property.
- 1.9.1 PCT application Serial Number PCT/US2014/010890 entitled “Decellularized Biomaterial from Non-Mammalian Tissue, filed January 9, 2014, inventor Ryanne Early and United States Patent application Serial Number 61/750,555, entitled “Decellularized Biomaterial from Non-Mammalian Tissue”, filed January 9, 2013, inventor Ryanne Early; and all United States and foreign patents and patent applications based on this PCT and this U.S. application;
- 1.9.2 any and all United States and foreign patent applications based on or claiming priority to any of the patent applications identified in section 1.9.1; and
- 1.9.3 any and all patents issuing from the patent applications identified in Section 1.9.1 and 1.9.2, including, but not limited to, letters patents, patents of addition, divisionals, reissues, re-examinations, term extensions, term restorations, term adjustments and supplementary protection certificates.
- 1.10 “Licensed Product” means any product or method, or part thereof, developed by LICENSEE or its Sublicensee that utilizes Urodele extracellular matrix tissue, in any form, or utilizes material isolated or extracted from Urodele extracellular matrix tissue.
- 1.11 “Licensed Territory” means the world.
- 1.12 “Sublicense” means, directly or indirectly, to sublicense or grant any other right with respect to any right licensed to LICENSEE under this Agreement.
- 1.13 “Sublicensee” means any entity to which LICENSEE grants a sublicense.
- 1.14 “Third Party” means any entity that is not a Party or an Affiliate of a Party.
- 1.15 “Valid Claim” means a claim of any issued, unexpired patent that has not been revoked or held unenforceable or invalid by a decision of a court or governmental authority of competent jurisdiction from which no appeal can be taken, or with respect to which an appeal is not taken within the time allowed for appeal, and that has not been disclaimed or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise.

Section 2: Grant

2.1 License

2.1.1 License under Licensed Patents

Subject to the terms of this agreement, LICENSOR hereby grants to LICENSEE an exclusive license, in the Licensed Field and in the Licensed Territory, under the Licensed Patents and the patentable Improvements to make, have made, develop, use, lease, import, export, offer to sell, sell and have sold Licensed Products

2.1.2 License under Licensed Know-How

Subject to the terms of this agreement, LICENSOR hereby grants to LICENSEE a non-exclusive license, in the Licensed Field and in the Licensed Territory, to use the Licensed Know-How and the Improvements that are not patentable in the making, development, use, lease, import, export, offer to sell, and sale of Licensed Products.

2.2 Sublicense

2.2.1 "LICENSOR and LICENSEE will agree upon an initial list of companies to which a Sublicense may not be granted, which list shall be attached hereto as Appendix C (the "Excluded Sublicensees"). LICENSOR and LICENSEE will meet annually to review and update the list of Excluded Sublicenses and as deemed appropriate by each Party. LICENSOR and LICENSEE agree that they will act in good faith in the review and updating of the list and will not unreasonably prohibit the removal or addition of a company from or to the list of Excluded Sublicensees. In the event of a dispute with regard to the list of the Excluded Sublicensees, or in the event that one party believes that the other party is acting unreasonably or not in good faith then the parties shall proceed through mediation as required under Section 13. LICENSEE may grant, in its sole discretion, written Sublicenses to third parties which are not Excluded Sublicensees through one or more tiers. For the avoidance of doubt, LICENSEE may not and will not sublicense the Licensed Patents, whether in or out of the Licensed Field and Licensed Territory, to any individual, entity or party not explicitly permitted under this Agreement without the express written consent of LICENSOR. Any agreement granting a Sublicense shall be consistent with the terms and conditions of this Agreement. In the event of termination of this Agreement by LICENSOR, any Sublicense shall, at the Sublicensee's option, survive such termination, provided that the Sublicensee is not in material breach of any of its obligations under such Sublicense and provided that the Sublicensee and LICENSOR enter into a direct license on substantially the same terms as the sublicense. Licensor shall not be required to undertake obligations in addition to those required by this Agreement, and LICENSOR's rights under such direct license shall be consistent with its rights under this Agreement, taking into account the scope of the license granted under such direct license.

2.2.2 In respect to Sublicenses granted by LICENSEE, LICENSEE shall not receive from Sublicensees anything of value in lieu of cash payments in consideration for any Sublicense under this Agreement without the express prior written permission of LICENSOR.

2.2.3 LICENSEE shall provide LICENSOR with a copy of each sublicense agreement within ten (10) days after the execution of any Sublicense and further agrees to forward to LICENSOR annually a copy of all reports received by LICENSEE from its Sublicensees pertinent to payments received under said Sublicense.

2.3 Grant Back

Subject to the terms and conditions of this Agreement, LICENSOR hereby retains the rights under the Licensed Patents and patentable Improvements, to make and use Licensed Products solely for the purpose of conducting internal research at LICENSOR's or LICENSEE's premises.

Section 3: Due Diligence

3.1 Development

LICENSEE agrees and warrants to use commercially reasonable efforts to pursue the development of the technology embodied in the Licensed Patents, principally through sublicensing the Licensed Patents to Third Parties, not including the Excluded Sublicensees;

3.2 Reports

LICENSEE agrees to provide LICENSOR with an annual Development Report fifteen (15) days after the end of the calendar year, respecting efforts taken by LICENSEE and any Sublicensee to develop Licensed Patents. Failure to provide the required reports constitutes a material breach of this Agreement and grounds for termination of the Agreement and the license if not cured according to Section 11 herein.

Section 4: Payments**4.1 Payment of past Intellectual Property Costs**

LICENSEE is responsible for settlement and/or payment of all outstanding debt owed by LICENSOR to Foley and Lardner through the Effective Date of this Agreement, including but not limited to, settling and/or paying any and all past, present and future costs, fees and expenses (including without limitation any and all legal fees) related to or associated with the preparation, filing, prosecution, issuance and maintenance of any and all patent or intellectual property protection in the Licensed Territory for the Licensed Patents and the Licensed Products, and the licensing and/or sale of the Licensed Patents and Licensed Products. LICENSOR agrees the amount owed by LICENSEE shall not be materially in excess of that already identified by ISE to LICENSEE as outstanding, which is \$47,154.45. All payments for outstanding debt and past and present fees and expenses (including without limitation any and all legal fees) shall be paid by LICENSEE to Foley and Lardner, provided that LICENSEE and Foley and Lardner may negotiate and agree upon a lower payment in full settlement of the debt or a structured payment arrangement as deemed appropriate.

4.2 Payments respecting amounts received for Sublicenses

LICENSEE shall pay LICENSOR fifty percent (50%) of all consideration received for the Sublicense of the Licensed Patents, including fifty percent (50%) consideration received based on running royalties and fifty percent (50%) of any non-royalty consideration received such as minimum royalties, milestone payments or other payments for a Sublicense of the Licensed Patents. For the avoidance of doubt, for consideration to qualify, the consideration must be consideration for the Sublicense of the Licensed Patents, and not consideration for items like advance payment or reimbursement for product development, payment for equity sold at fair market value, payment for reimbursement of patent costs, payment for a sublicense of other rights, and the like.

4.3 Payments for sales by LICENSEE

In the event that LICENSEE itself develops a Licensed Product, the Parties shall negotiate in good faith commercially reasonable terms for a running royalty or licensee fee to be paid by LICENSEE. In the event that the Parties are unable to agree upon commercially reasonable terms within sixty (60) days of initiating such negotiations, then, at LICENSEE's request, the Parties must submit the determination of commercially reasonable terms to an independent referee agreed upon by Parties who has significant relevant experience in the licensing of medical products. If hired, the referee will work with the parties to resolve the dispute without further action. If the Parties do not agree on a referee within fifteen (15) days after the termination of the sixty (60)-day period immediately following such election, or the parties are unable to resolve the dispute with the referee within thirty (30) days after selection, then either Party may request that an independent accounting or consulting firm ("consultant") be hired to review and decide either the royalty amount or license fee based on current market factors and research that it decides in its sole discretion. The consultant must deliver to the Parties as promptly as practicable (but in any case no later than thirty (30) days from the date of engagement), a report setting forth its determination of the royalty or license fee. The decision of the consultant will be final and non-appealable. The referee's and/or consultant's fees and expenses will be shared equally by the Parties. Each Party shall otherwise bear its own costs. The parties further agree (1) to require the referee or the consultant to execute a non-disclosure agreement and (2) to cooperate fully in the resolution of any dispute hereunder.

4.4 Accounting for Payments

4.4.1 Any amounts that remain unpaid after the date they are due to LICENSOR under this Section 4, Section 7, or any other section of this Agreement will begin to accrue interest at the rate of one and one-half percent

(1.5%) per month commencing the day after the payment is due. However, in no event shall this interest provision be construed as a grant of permission for any payment delays. LICENSEE is responsible for repayment to LICENSOR of any attorney, collection agency, or other out-of-pocket LICENSOR expenses required to collect overdue payments due from this Section 4, Section 7, or any other applicable section of this Agreement

- 4.4.2 Except as otherwise directed, all amounts owing to LICENSOR under this Agreement shall be paid in U.S. dollars to LICENSOR at the following address:

ISE Professional Testing & Consulting Services, Inc,
2007 NW 5th St.
Gainesville, FL, 32603
Attention: Ryanne Early

All monies owing stated in currencies other than U.S. dollars shall be converted at the rate shown in the Federal Reserve Noon Valuation - Value of Foreign Currencies on the day preceding the payment due date.

- 4.4.3 An accounting statement showing how any amounts payable to LICENSOR under Section 4.2 or 4.3 have been calculated shall be submitted to LICENSOR on the date of each such payment. The accounting statements must contain a written representation signed by an executive officer of LICENSEE that states that the statements are true, accurate, and fairly represent all amounts payable to LICENSOR pursuant to this Agreement.

Section 5: Consulting services and technology transfer

5.1 Consulting services

LICENSOR will provide consulting services to LICENSEE including but not limited to technical assistance and training, as is necessary, up to fifteen (15) hours per month at a rate equal to the lowest rate charged by LICENSOR in any of its contracts for similar services, and shall use its best efforts to provide services in excess of such amount when reasonably requested by LICENSEE. LICENSEE will notify LICENSOR at least one (1) month in advance of the date services are to be rendered and reimburse LICENSOR for reasonable business and travel costs associated in providing such services.

5.2 Technology Transfer

- 5.2.1 Following the Effective Date, LICENSOR will transfer promptly at the request and expense of LICENSEE the Licensed Know-How. LICENSEE understands and agrees that the Licensed Know-How is the confidential and proprietary information of LICENSOR and LICENSEE agrees to (i) hold and protect the Licensed Know-How as LICENSEE's confidential information, (ii) use the Licensed Know-How only for the purposes of this Agreement, and (iii) disclose the Licensed Know-How only to Sublicensees who have executed an agreement protecting LICENSOR's confidentiality, proprietary and intellectual property rights in the Licensed Know-How with terms at least as restrictive as the provisions of this Agreement.
- 5.2.2 LICENSOR and LICENSEE will promptly establish a commercially viable manufacturing procedure which utilizes the Licensed Know-How for making decellularized Urodele extracellular matrix tissue, which manufacturing procedure will include a black box aspect, LICENSEE may disclose this manufacturing procedure to Sublicensees under the confidentiality provisions as set forth in 5.2.1, EXCEPT THAT, LICENSEE may NOT disclose to Sublicensees the black box aspects of the manufacture procedure.

Section 6: Confidentiality

- 6.1 For the purposes of this Agreement, the term "Confidential Information" shall mean without limitation, ideas, concepts, plans, designs, marketing techniques, sales techniques, forecasts, products, technology,

methods, procedures, pricing, costs, cost reports, customer prospects, designs, computer systems, passwords, computer software, procedures, methods, formulae, financial statements, assets, liabilities, revenues, business methods, marketing information, marketing methods, acquisition plans, contract terms, contract negotiations, compensation information, structures and plans, employee responsibilities and duties, copyright, trademark and patent applications, all business and technical information, data, know-how, costs, projections, samples, revenue projections, business plans, clinical protocols, formulae or other information which are owned or are in the possession of one or more of the parties to this Agreement, disclosed by one Party to the other, directly or indirectly, in writing or orally. Confidential Information does not include information that: (a) is or subsequently becomes part of the public domain through no fault of the Recipient (defined below); (b) is received from a Third Party under no obligation of confidentiality to the Disclosing Party and who has a lawful right to disclose the information; (c) was known by the Recipient prior to the time of first disclosure by the Disclosing Party, as demonstrated by written documentation; or (d) is independently developed by the Recipient without the aid, application or use of such Confidential Information, as demonstrated by written documentation.

- 6.2 This Agreement applies to all Confidential Information disclosed from one party (the "Disclosing Party") to the other (the "Recipient"), as of the Effective Date of this Agreement and does not affect or supersede or novate any prior Agreement, which applies only to information up until the Effective Date of this Agreement.
- 6.3 Each Party agrees not to use the Confidential Information received for any purpose other than in connection with the Licenses granted herein. The Recipient agrees to limit disclosure of the Confidential Information to its employees, officers, directors, Affiliates and consultants with a bona fide need to know, but only to the extent necessary in connection with the Licenses. All individuals receiving access to the Confidential Information must previously have entered into a confidentiality agreement with the Recipient or otherwise be bound under terms at least as restrictive as those contained herein.
- 6.4 Recipient shall hold Confidential Information in strict confidence and agrees to take all reasonable efforts to prevent disclosure of any Confidential Information to persons outside of its own organization and unauthorized use for a period of seven (7) years or in the event that the Confidential Information also constitutes a trade secret, then as long as it remains a trade secret under applicable law.
- 6.5 Any materials or documents of one Party that are furnished to the other Party will be promptly returned to the Disclosing Party, accompanied by all copies of the documentation made by the Recipient, at the Disclosing Party's request, except that one copy of any written information may be retained by the Receiving Party in legal archives.
- 6.6 This Agreement is binding upon and for the benefit of the parties, and the right to the Confidential Information granted to the Recipient may not be assigned; (ii) This Agreement shall not be construed to grant any license or other rights except as specified herein; (iii) Each Disclosing Party warrants that it believes that (a) it is the owner or licensee of its Confidential Information or otherwise has the right to disclose such Confidential Information in its possession and (b) it has the right to enter into the Agreement without any breach of its obligations to others; (iv) Each Disclosing Party makes no other warranty relating to the Confidential Information and the use to be made thereof by the Recipient and disclaims all implied warranties.
- 6.7 The parties agree that the disclosure of Confidential Information by recipient without the Disclosing Party's written permission may cause the Disclosing Party irreparable harm and that any breach of this Agreement may entitle a party injunctive relief, in addition to any other legal remedies available to it, in any court of competent jurisdiction.
- 6.8 In the event that any Confidential Information is requested from a Recipient by legal process, such as a subpoena or a request for production, is required to be disclosed by law, or pursuant to the direction of a court or government agency ("Request"), the Recipient must provide the Disclosing Party with prior written notice of the Request within two (2) business days and shall not disclose the Confidential Information absent consent of the Disclosing Party. The Recipient and the Disclosing Party agree to take

all reasonable efforts, collectively and independently, to limit disclosure of the Confidential information in accordance with the law.

Section 7: Certain Warranties and Disclaimers of LICENSOR

- 7.1 LICENSOR represents that it is the owner of the Licensed Patents or otherwise has the right to grant the licenses granted to LICENSEE in this Agreement. However, nothing in this Agreement shall be construed as:
- 7.1.1 a warranty or representation by LICENSOR as to the validity or scope of any right included in the Licensed Patents;
- 7.1.2 a warranty or representation that anything made, used, sold or otherwise disposed of under the license granted in this Agreement will or will not infringe patents of Third Parties;
- 7.1.3 an obligation to bring or prosecute actions or suits against Third Parties for infringement of Licensed Patents; or
- 7.1.4 an obligation to furnish any services other than those specified in this Agreement.
- 7.2 EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, LICENSOR MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT AND VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING. LICENSOR ASSUMES NO RESPONSIBILITIES WHATSOEVER WITH RESPECT TO USE, SALE, OR OTHER DISPOSITION BY LICENSEE, ITS SUBLICENSEE(S), OR THEIR VENDEES OR OTHER TRANSFEREES OF PRODUCT INCORPORATING OR MADE BY USE OF INVENTIONS LICENSED UNDER THIS AGREEMENT.

Section 8: Record Keeping

- 8.1 LICENSEE and its Sublicensee(s) shall keep books and records sufficiently to verify the accuracy and completeness of LICENSEE's and its Sublicensee(s)'s accounting referred to above, including without limitation inventory, purchase, and invoice records, manufacturing records, sales analysis, general ledgers, financial statements, and tax returns relating to the Licensed Products. All books and records must be preserved for a period not less than three years after they are created or as required by federal law, both during and after the term of this Agreement.
- 8.2 LICENSEE and its Sublicensee(s) agree to take all steps necessary so that LICENSOR may, within thirty (30) days of its written request, audit, review and/or copy all the books and records at a single U.S. location to verify the accuracy of LICENSEE's and its Sublicensee(s)'s accounting. The review may be performed by any authorized employees or contractors of LICENSOR as well as by any attorneys and/or accountants designated by LICENSOR, upon reasonable notice and during regular business hours. If a deficiency, as determined by LICENSOR, with regard to any payment hereunder is determined, LICENSEE and/or its Sublicensee(s) agree to pay the deficiency within thirty (30) days of receiving notice thereof along with applicable interest as described in Section 4. If a payment deficiency for a calendar year exceeds six percent (6%) of the royalties paid for that year, then LICENSEE and its Sublicensee(s) are be responsible for paying LICENSOR's out-of-pocket expenses incurred with respect to such review.

Section 9: Patent Prosecution

- 9.1 LICENSEE shall prosecute and maintain the Licensed Patents using counsel of its choice. LICENSEE shall not be able to delegate this responsibility to a Third Party or an Affiliate. LICENSEE shall provide LICENSOR with advance copies of all patent applications, amendments, and other filings with the United States Patent and Trademark Office and foreign patent offices and all related correspondence. LICENSEE will also provide LICENSOR with copies of office actions and other communications and correspondence

relating to Licensed Patents and received by LICENSEE from the United States Patent and Trademark Office and foreign patent offices. LICENSOR agrees not to disclose any information received to a Third Party. LICENSOR retains the right to comment on prosecution, and LICENSEE shall take into account the reasonable comments made by LICENSOR.

- 9.2 LICENSEE is responsible for and must pay all costs and expenses incurred by LICENSEE and related to the preparation, filing, prosecution (including interferences), issuance, maintenance, defense (including oppositions) and reporting of the Licensed Patents during the term of the Agreement.
- 9.3 LICENSOR shall, at the request and expense of LICENSEE, cooperate in all respects with LICENSEE's efforts in preparing and prosecuting the Licensed Patents, and, to the extent possible and necessary, have its employees appear before patent offices and submit declarations when requested and make available relevant records, papers, information, samples, specimens, and the like.
- 9.4 Unless the Parties mutually agree to abandon a Licensed Patent, if LICENSEE declines to pay for patent expenses for any Licensed Patent or gives sixty (60) days notice that it intends to decline to pay for patent expenses for any Licensed Patent, then the license granted hereunder respecting such Licensed Patent automatically terminates after the expiration of such sixty (60) days in the involved country and/or jurisdiction.

Section 10: Infringement and Invalidity

- 10.1 LICENSEE agrees to inform LICENSOR promptly in writing of any alleged infringement of the Licensed Patents by a Third Party and of any available evidence thereof.
- 10.2 During the term of this Agreement, LICENSEE shall have the right, but shall not be obligated, to prosecute at its own expense any infringements of the Licensed Patents. If LICENSEE prosecutes any infringement, LICENSOR agrees that LICENSEE may include LICENSOR as a co-plaintiff in any suit, without expense to LICENSOR. No settlement, consent judgment or other voluntary final disposition of the suit may be entered into without the written consent of LICENSOR, which consent shall not be unreasonably withheld. LICENSEE shall indemnify LICENSOR against any order for costs, fees and damages that may be made against LICENSOR in such proceedings.
- 10.3 If within six (6) months after having been notified of any alleged infringement, LICENSEE has been unsuccessful in persuading the alleged infringer to desist but has not brought an infringement action against the alleged infringer, or if LICENSEE shall notify LICENSOR at any time prior thereto of its intention not to bring suit against the alleged infringer, then, and in those events only, LICENSOR may, but is not obligated, to prosecute at its own expense any infringement of the Licensed Patents, and LICENSOR may, for those purposes, include LICENSEE as a co-plaintiff in any suit, without expense to LICENSEE. No settlement, consent judgment or other voluntary final disposition of the suit may be entered into without the consent of LICENSEE, which consent may not be unreasonably withheld. LICENSOR will indemnify LICENSEE against any order for costs that may be made against LICENSEE in such proceedings.
- 10.4 In the event that a declaratory judgment action is brought against LICENSOR or LICENSEE by a Third Party alleging invalidity, unpatentability, unenforceability, or non-infringement of the Licensed Patents, LICENSEE, at its option, within twenty (20) days after commencement of such action, may take over the sole defense of the action at its own expense.
- 10.5 In the event that a Party shall undertake the enforcement by litigation and/or defense of the Licensed Patents by litigation, then the other Party shall have the right, but not the obligation, to voluntarily join that litigation, represented by its own counsel at its own expense. In the event that LICENSEE shall undertake the enforcement by litigation and/or defense of the Licensed Patents by litigation, any recovery of damages by LICENSEE for any such suit shall be applied first in satisfaction of any unreimbursed expenses and legal fees of LICENSEE relating to the suit, and next toward reimbursement of LICENSOR for any legal fees, and unreimbursed expenses. The balance remaining from any recovery will be divided equally between LICENSEE and LICENSOR. In the event that LICENSOR undertakes the enforcement by

- 12.1 LICENSEE shall have the right to assign the License Agreement, upon prior written consent from LICENSOR, not to be unreasonably withheld, to an Affiliate or to a Third Party in conjunction with the transfer or sale of substantially all of the assets or stock of the business entity to which the License Agreement relates.

Section 13: Dispute Resolution Procedures

- 13.1 In the event of a dispute between the Parties, they agree and each Sublicensee which enters into a direct license must agree, that all disputes will be resolved through mediation or arbitration exclusively and not in court. If any Party is forced to bring a motion to compel arbitration in court and that motion is granted, then the moving Party is entitled to recover all attorneys' fees and costs related to the court action, and the Parties agree that either the court or arbitrator is authorized to grant those fees as part of a sanction or award against the non-moving Party.
- 13.2 All controversies, claims, demands or disputes arising out of or relating to this Agreement will be resolved by arbitration by a neutral arbitrator. To initiate this process, the Party requesting arbitration must send the other Party written notice demanding arbitration (the "Demand").
- 13.3 The arbitration will be governed by the rules of the American Arbitration Association ("AAA"), but the Parties agree to try to select an arbitrator themselves without requiring the AAA to administer the arbitration. The arbitrator will be selected by mutual agreement of the parties within fifteen (15) days of the Demand being sent. The arbitrator must be an attorney with a background in intellectual property and human biologics. In the event that the Parties are unable to agree to the name of an arbitrator within fifteen (15) days of the Demand being sent, then the case will be transferred to the AAA and selection of the single arbitrator will proceed according to the AAA's rules. To effectuate the transfer, either Party may submit the written demand for arbitration in accordance with the AAA's rules within five (5) days following the expiration of the time to agree to the name of the arbitrator.
- 13.4 In any arbitration proceeding, each Party must submit or file any claim that would constitute a compulsory counterclaim (as defined by the then current rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the demand to which it relates. Any claim not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Party subject to the arbitration. The Parties agree that in the arbitration proceeding there will be no depositions and no exchange of information by way of interrogatory.
- 13.5 The arbitration hearing will be held in the City of Gainesville, Florida. A hearing must be scheduled within sixty (60) days of the date of Demand, or in the event that the matter is transferred to the AAA, then within sixty (60) days of the date of the appointment of the arbitrator, who must agree to this time frame prior to appointment. The arbitrator must render his or her decision within thirty (30) days of the close of the arbitration hearing record. The hearing record must close within ninety (90) days of the presentation of the Demand.
- 13.6 The Parties further agree that the award may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules ("Appellate Rules") or submitted directly to the AAA for appeal following an independent determination; that the award rendered by the arbitrator must, at a minimum, be a reasoned award; and that the award will not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired. Appeals must be filed within thirty (30) days of receipt of the award, as defined by Rule A-3 of the Appellate Rules, by filing a Notice of Appeal with the AAA. Following the appeal process, the decision rendered by the appeal tribunal may be entered in any court having jurisdiction thereof. If either party takes an appeal, then the award will be final only in accordance with the AAA rules.
- 13.7 At any point in time prior to or after a Demand has been made, either Party may request the other Party to agree to mediation of the dispute through a mutually agreed upon mediator. The request shall be in writing. If the parties cannot agree upon a mediator, then the Party requesting mediation will submit the request to

the AAA to select a mediator for the parties and then mediation will proceed according to the AAA's mediation rules then in effect. In the event a request for mediation is made, then mediation is mandatory. Although mediation is not binding, both Parties recognize that mediation may resolve the disputes without incurring substantial costs and agree to participate in mediation in good faith within thirty (30) days of the request for mediation being made, or as soon as possible thereafter if there is a delay caused solely by the selected mediator's schedule.

Section 14: Product Liability

- 14.1 LICENSEE and Sublicensee(s) shall, at all times during the term of this Agreement and thereafter, indemnify, defend and hold LICENSOR, and each of its directors, officers, employees, and agents, and the inventors of the Licensed Patents, regardless of whether such inventors are employed by LICENSOR at the time of the claim, harmless against all claims and expenses, including legal expenses and reasonable attorneys' fees, whether arising from a Third Party claim or resulting from LICENSOR's enforcing this indemnification clause against LICENSEE, arising out of the death or injury to any person or persons or out of any damage to property and against any other claim, proceeding, demand, expense and liability of any kind whatsoever resulting from the development, production, manufacture, sale, use, lease, consumption, marketing, or advertisement of Licensed Products or arising from any right or obligation of LICENSEE hereunder. Notwithstanding the above, LICENSOR at all times reserves the right to retain counsel of its own to defend LICENSOR's, and the inventor's interests.
- 14.2 LICENSEE covenants that (i) LICENSEE or its Sublicensee will maintain liability insurance coverage appropriate to the risk involved in the development, producing, manufacturing, clinical trials, selling, marketing, using, leasing, consuming, or advertising the products subject to this Agreement and (ii) prior to the first use of a Product in a human, LICENSEE's or its Sublicensee's insurance coverage will list LICENSOR as an additional insured. Prior to the first use of a Product in a human and thereafter annually between January 1 and January 31 of each year, LICENSEE will present evidence to LICENSOR that coverage is being maintained with LICENSOR listed as an additional insured. In addition, LICENSEE shall provide LICENSOR with at least thirty (30) days prior written notice of any change in or cancellation of the insurance coverage.

Section 15: Use of Names

Neither Party shall use the names of the other Party, nor of any of either entity's employees, agents, or Affiliates, nor the name of any inventor of Licensed Patents, nor any adaptation of such names, in any promotional, advertising or marketing materials or any other similar form of publicity, or to suggest any endorsement by such entities or individuals, without the prior written approval of other Party, or the individual involved.

Section 16: Miscellaneous

- 16.1 This Agreement is governed by the laws of the State of Florida.
- 16.2 The Parties hereto are independent and not joint venturers or partners.
- 16.3 This Agreement constitutes the full understanding between the Parties with reference to the subject matter hereof, and no statements or agreements by or between the Parties, whether orally or in writing, may vary or modify the written terms of this Agreement. This Agreement may not be amended or modified except in writing as mutually agreed upon by the Parties.
- 16.4 Survival

The provisions of this Section shall survive the termination of this Agreement. Upon termination of the Agreement for any reason, the following sections of the License Agreement will remain in force as non-cancelable obligations:

- Section 6 Confidentiality
- Section 8 Record Keeping
- Section 11.4 Requirement to pay royalties after Agreement termination
- Section 13 Dispute Resolution
- Section 14 Product Liability
- Section 15 Use of Names

Section 17: Notices

Any notice required to be given pursuant to the provisions of this Agreement shall be in writing and shall be deemed to have been given:

- if sent by facsimile transmission, when receipt thereof is acknowledged at the facsimile number of the recipient as set forth below, **or**
- the second day following the day on which the notice has been delivered prepaid to a courier service, **or**
- five (5) business days following deposit in the U.S. mail if sent certified mail, **(return receipt acknowledgement is not required to certify delivery).**

17.1 If to LICENSOR:

President
ISE Professional Testing & Consulting Services, Inc.
1909 Hickory Trace Dr.
Fleming Island, FL 32003
Facsimile Number:

With a copy to:
Geoffrey Vickers
Nelson Mullins Riley & Scarborough, LLP
150 4th Ave. N., Suite 1100
Nashville, TN 37219
Facsimile Number: 615-664-5341

17.2 If to LICENSEE:

President
Synogen Management Group, Inc.
6565 NW 81st Blvd
Gainesville, FL 32653
Facsimile Number:

With a copy to:
Edward R. Gates
WolfGreenfield
600 Atlantic Avenue
Boston, Ma 02210
Fax: 617-646-8646

Section 18: Contract Authority

18.1 LICENSOR and LICENSEE hereby warrant and represent that the persons signing this Agreement have authority to execute this Agreement on behalf of the Party for whom they have signed.

18.2 Force Majeure

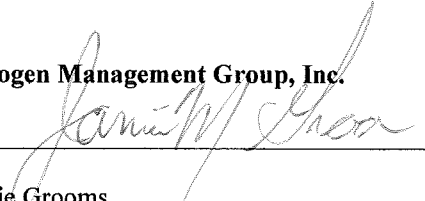
No default, delay, or failure to perform on the part of LICENSEE or LICENSOR shall be considered a default, delay or failure to perform otherwise chargeable hereunder, if such default, delay or failure to perform is due to causes beyond either Party's reasonable control including, but not limited to: strikes, lockouts, or inactions of governmental authorities, epidemics, war, embargoes, fire, earthquake, hurricane, flood, acts of God, or default of common carrier. In the event of such default, delay or failure to perform, any date or times by which either Party is otherwise scheduled to perform shall be extended automatically for a period of time equal in duration to the time lost by reason of the excused default, delay or failure to perform.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement on the dates indicated below.

ISE Professional Testing & Consulting Services, Inc.

 Date: October 16, 2014
Rianne Early
President

Synogen Management Group, Inc.

By:  Date: 10/16/, 2014
Jamie Grooms
President

Initials: 

Appendix A

1. Formation of Sublicensee companies
 - a. Last quarter 2014, form NextGen
 - b. 2015 recruit management for Next Gen
 - c. 2015 raise funds with NextGen
 - d. 2015 enter into a sublicense with NextGen
2. Last quarter 2014, establish Black Box manufacture procedure with ISE
3. Sublicensee development program
 - a. 2015 NextGen to establish a development plan for a lead product.
4. LICENSEE development program (only applicable if agreement reached under Section 4.3)
 - a. None planned

Narrative: Synogen will approach the market in two ways. The first is like NeXtGen; where Synogen will form a company, support the hiring of a team, and support fundraising to get specific technology field housed and licensed. The second is straight licensing. Work will be serial, to an extent. The primary focus at the start is the formation and funding and support of NextGen. Upon establishing NextGen to a point of stability, Synogen will start pursuing the next field opportunity, and so on.

Appendix B

1. Efforts made in connection with formation of Sublicensee companies
 - a. Company formation
 - b. Funds raised
 - c. Management recruited
2. Sublicensee development program
 - a. Development activities accomplished, specifying the activity and the date of the accomplishment.
3. LICENSEE development program (only applicable if agreement reached under Section 4.3)