

AGREEMENT

THIS AGREEMENT (this "Agreement"), effective as of May 28, 2010 (the "Effective Date"), is made and entered into by and between ImmuneWorks, Inc., a Delaware corporation (the "Company"), and the Indiana Economic Development Corporation (the "IEDC" and, together with the Company, the "Parties", and each, a "Party").

RECITALS

WHEREAS, the IEDC and ImmuneWorks, LLC, an Indiana limited liability company (the "Original Grantee"), entered into that certain Grant Agreement dated November 15, 2007, as amended by and between the IEDC and the Company pursuant to that certain Amendment to Grant Agreement dated November 17, 2008 (the "Grant Agreement"), to provide for the completion of the Project and the disbursement of the Grant funds (as such terms are defined in the Grant Agreement);

WHEREAS, in connection with the merger of the Original Grantee with and into the Company and pursuant to that certain Assignment of Grant Agreement, dated October 15, 2008, by and among the IEDC, the Original Grantee and the Company, the Original Grantee assigned and transferred the Grant funds and the Original Grantee's rights under the Grant Agreement to the Company to allow the Company to complete the Project, and the Company assumed all of the rights and responsibilities of the Original Grantee under the Grant Agreement;

WHEREAS, [REDACTED]

WHEREAS, [REDACTED]

WHEREAS, [REDACTED]

NOW, THEREFORE, in consideration of the mutual covenants and promises of the Parties contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Termination of Grant Agreement. Subject to the conditions contained in Section 4(f) hereof, as of the Effective Date:

(a) the Parties hereby terminate the Grant Agreement, including any provisions thereof which by their terms would survive termination of the Grant Agreement in absence of this Agreement, and each Party hereby releases and forever discharges the other Party with respect to any obligation or liability arising out of, or provided for under, the Grant Agreement; and

(b) no Party shall have any further rights, privileges, liabilities or obligations of any nature whatsoever with respect to, in connection with or otherwise arising under the Grant Agreement, and the Grant Agreement shall have no further force or legal effect.

2. Consideration. As consideration for the termination of the Grant Agreement and in full satisfaction of any and all obligations of the Company under the Grant Agreement, simultaneously with the execution and delivery of this Agreement, the Company shall execute and deliver a promissory note, in the form attached hereto as Exhibit A, in favor of the IEDC in the aggregate principal amount of Two Million Dollars (\$2,000,000) (the "Note"), the terms of which are incorporated herein by reference. Subject to the terms and conditions set forth in the Note, the principal amount of the Note shall be due and payable as follows: (i) One Million Dollars (\$1,000,000) shall be due and payable by the Company to the IEDC within two (2) business days [REDACTED]

[REDACTED] and (ii) the remaining outstanding principal amount of the Note, together with all accrued but unpaid interest thereon, shall be due and payable upon the earlier of (1) the occurrence of a Sale Transaction (as defined in the Note), and (2) [REDACTED]. The Note shall bear interest [REDACTED]

[REDACTED] on the unpaid principal amount thereof, commencing on the Effective Date until due and payable, as provided in the Note.

3. Confidentiality.

REDACTED

4. Miscellaneous.

(a) Successors and Assigns. This Agreement and all covenants and agreements contained herein and rights, interests or obligations hereunder, by or on behalf of any Party, shall bind and inure to the benefit of the respective successors and permitted assigns of the Parties whether so expressed or not, except that neither this Agreement nor any of the covenants and agreements herein or rights, interests or obligations hereunder may be assigned or delegated by any Party without the prior written consent of the other Party.

(b) Governing Law. The validity, performance, construction and affect of this Agreement shall be governed by and construed in accordance with the internal laws of the State of Indiana, without giving effect to its principles of conflicts of law. Any proceeding to enforce, interpret, challenge the validity of, or recover for the breach of any provision of, this Agreement shall be brought and litigated exclusively in a state or federal court having subject matter jurisdiction and located in Indianapolis, Indiana, and the Parties expressly waive any and all objections to personal jurisdiction, service of process or venue in connection therewith.

(c) Counterparts. This Agreement may be executed in multiple original or facsimile counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

(d) Severability. If at any time any provision of this Agreement is determined to be invalid, unenforceable or illegal by any court, public authority, governmental department or agency, or other forum, so long as the economic and legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to either Party, such adjudication shall not effect the remaining portions of this Agreement, and this Agreement shall be construed as if such invalid, unenforceable or illegal provision had never been contained herein, so long as the economic and legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to either Party, such holding or action shall be strictly construed and shall not affect the validity or effect of any other provision hereof, as long as the remaining provisions, taken together, are sufficient to carry out the overall intentions of the Parties as evidenced hereby.

(e) Entire Agreement. This Agreement supersedes any and all prior agreements and understandings between the Parties, whether written or oral, with respect to the subject matter hereof and thereof and sets forth the entire agreement and understanding between the Parties as to the subject matter hereof and thereof.

(f) Rescission.

REDACTED

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

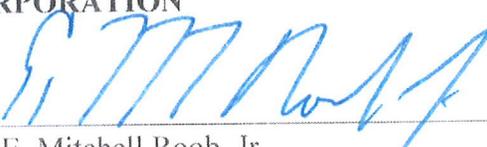
IMMUNEWORCS, INC.

By:  **COPY**

Wade A. Lange, President & CEO

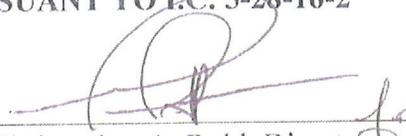
**INDIANA TWENTY-FIRST CENTURY
RESEARCH AND TECHNOLOGY FUND**

**INDIANA ECONOMIC DEVELOPMENT
CORPORATION**

By: 

E. Mitchell Roob, Jr.
Secretary of Commerce & CEO PML

**STATE BUDGET AGENCY CERTIFICATION
PURSUANT TO I.C. 5-28-16-2**

By: 

Christopher A. Ruhl, Director
The State Budget Agency

EXHIBIT A

FORM OF PROMISSORY NOTE

See Attached

THIS PROMISSORY NOTE ("NOTE") HAS BEEN ACQUIRED BY THE HOLDER SOLELY FOR ITS OWN ACCOUNT FOR THE PURPOSE OF INVESTMENT AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH ANY DISTRIBUTION THEREOF IN VIOLATION OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND APPLICABLE STATE SECURITIES LAWS. THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION THEREFROM.

PROMISSORY NOTE

\$2,000,000

May 28, 2010

FOR VALUE RECEIVED, the undersigned, ImmuneWorks, Inc., a Delaware corporation ("Maker"), hereby promises to pay to the order of the Indiana Economic Development Corporation, or its successors or assigns ("Holder"), at such place as Holder may direct in writing to Maker, the principal amount of Two Million Dollars (\$2,000,000), together with interest as provided herein, all without relief from valuation or appraisal laws.

This Note evidences obligations of Maker as more fully described in that certain Agreement entered into by and between Maker and Holder, dated of even date herewith (the "Agreement"). The obligations of Maker under this Note and the Agreement supersede the obligations of Maker as set forth in the "Grant Agreement" (as such term is defined in the Agreement), except as otherwise provided in the Agreement. The terms of the Agreement are incorporated herein by reference.

1. Payment of Principal and Interest.

(a) Subject to Section 2 below, the outstanding principal amount of this Note shall be due and payable as follows:

(i) One Million Dollars (\$1,000,000) (the "Initial Payment"), all of which shall be applied to reduce the principal amount of this Note, shall be due and payable within two (2) business days following [REDACTED]

[REDACTED]; and

(ii) the remaining outstanding principal amount of this Note, together with all accrued but unpaid interest thereon, shall be due and payable in full on the earlier of (1) the date of the closing of a Sale Transaction (as defined below), and (2) [REDACTED] (the date that the remaining outstanding principal amount of this Note becomes due and payable being the "Maturity Date"). For purposes of this Note, a "Sale Transaction" means (A) the merger, consolidation or other combination of Maker with any other entity that will result in the stockholders of Maker as of the date of this Note owning, in combination, less than 50% of the voting power and capital stock of the surviving entity

immediately after the consummation of such transaction, on a fully-diluted basis; or (B) the sale, exchange, lease or transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of Maker; further, the definition of Sale Transaction shall include without limitation the "Merger Transaction" (as such term is defined in the Agreement) and a "Transaction" (as such term is defined in the Grant Agreement).

(b) So long as no Event of Default (as hereinafter defined) shall have occurred and be continuing and until the Maturity Date, interest shall accrue on the outstanding principal amount of this Note commencing on the date of this Note until such principal amount is paid in full, at the rate of [REDACTED]

While there exists any uncured Event of Default, or in the event of acceleration hereunder or the exercise by Holder of any rights or remedies following any Event of Default, interest shall accrue at a [REDACTED]

(c) Payments of principal and interest under this Note shall be made by check or wire transfer of immediately available United States funds sent to Holder at the address set forth in Section 8 herein, or at such other address as Holder shall direct in writing, or such bank account of Holder as Holder shall direct in writing.

2. Prepayment. Maker may prepay all or any portion of the unpaid balance of the principal amount of this Note, and any unpaid interest accrued hereon, without premium or penalty; provided, however, all sums received as prepayment shall first be applied to costs of collection, if any, then to interest, if any, and the balance to principal; provided, further, that during the existence of any Event of Default all payments received by Holder may be applied in such order and manner as Holder shall determine.

3. Events of Default. Each of the following constitutes an "Event of Default" hereunder:

(a) The non-payment of any portion of the principal amount of this Note and accrued interest hereon, if any, within [REDACTED] after the same becomes due and payable;

(b) Maker shall be in default in the performance of any covenant or obligation under this Note or the Agreement; or

(c) If Maker becomes insolvent or admits in writing Maker's inability to pay debts as they become due; or Maker applies for, consents to or acquiesces in the appointment of a trustee, receiver or other custodian for Maker or any property or assets of Maker, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for Maker or for a substantial part of the property or assets of Maker and is not discharged within ninety (90) days; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of Maker and if such case or proceeding is not commenced by Maker it is consented to or

acquiesced in by Maker or if such case or proceeding is not vacated, stayed or dismissed within ninety (90) days of such commencement.

4. Remedies Upon an Event of Default. If an Event of Default under Section 3(c) above shall occur and be continuing, the entire unpaid principal amount of this Note and all interest then accrued and unpaid thereon shall be immediately due and payable without presentment, demand, protest or notice of any kind, all of which Maker expressly waives, and Holder may thereafter exercise from time to time any rights, powers and remedies available to Holder under all applicable laws or in equity. If an Event of Default under Section 3(a) or (b) above shall occur and be continuing, then Holder may, at Holder's option, exercise any one or more of the following rights and remedies:

(a) Holder may declare the entire unpaid principal amount of this Note and all interest then accrued and unpaid thereon to be immediately due and payable without presentment, demand, protest or notice of any kind, all of which Maker expressly waives; and

(b) Holder may exercise from time to time any rights, powers and remedies available to Holder under all applicable laws or in equity.

Maker agrees to pay all costs of collection, including reasonable attorneys' fees, in case the principal of this Note or any payment on the principal or any interest thereon is not paid on or before the respective dates required herein.

The rights and remedies of Holder stated herein are cumulative to and not exclusive of any rights or remedies otherwise available to Holder.

5. Waiver by Holder. No delay or omission on the part of Holder in the exercise of any right or remedy under this Note shall operate as a waiver thereof and no waiver of any obligation of Maker under this Note shall be effective unless it is in a writing signed by Holder. A waiver by Holder of any right or remedy under this Note on any occasion shall not be a bar to exercise of the same right or remedy on any subsequent occasion or of any other right or remedy at any time. Further, no single or partial exercise by Holder of any right or remedy under this Note shall preclude other or further exercise thereof or of any other right or remedy.

6. Waiver by Maker. Maker hereby expressly waives presentment, demand and protest, notice of demand, dishonor and nonpayment of this Note, and all other notices or demands of any kind in connection with the delivery, acceptance, performance, default or enforcement hereof, and hereby consents to any delays, extensions of time, renewals, waivers or modifications that may be granted or consented to by Holder with respect to the time of payment or any other provision hereof.

7. Severability. In the event any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then and in any such event, such provision(s) only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect and in no way shall be affected, prejudiced, or disturbed thereby.

8. Notices. Any notice required or permitted under this Note shall be in writing and shall be deemed to have been given on the date of delivery, if personally delivered or delivered by reputable overnight courier to the party to whom notice is to be given, or on the third business day after mailing, if mailed to the party to whom notice is to be given, by certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to Holder:

Indiana Twenty-First Century Research and Technology Fund
c/o Indiana Economic Development Corporation
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204-2043
Attention: General Counsel

If to Maker:

ImmuneWorks, Inc.
351 West 10th Street, Suite 251
Indianapolis, Indiana 46202
Attention: [REDACTED]

or, in each case, to the most recent address, specified by written notice, given to the sender pursuant to this paragraph.

9. Miscellaneous.

- (a) Any amendment hereto must be in writing and signed by Maker and Holder.
- (b) Whenever used herein, the singular includes the plural and the plural includes the singular.
- (c) The internal laws of the State of Indiana shall govern the interpretation, construction, and enforcement of this Note and all transactions contemplated hereby, notwithstanding any state's choice of law rules to the contrary.
- (d) Wherever in this Note reference is made to Maker or Holder, such reference shall be deemed to include, as applicable, a reference to their respective successors and assigns, as applicable, and, in the case of Holder, any future holder of this Note, in any case as permitted by this Note.
- (e) The captions of the sections of this Note are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision of this Note.
- (f) The person executing this Note for and on behalf of Maker hereby certifies that he is duly empowered by Maker and has been duly authorized by all necessary action on the part of Maker to execute and deliver this Note for and on behalf of Maker.

(g) This Note and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that Maker may not assign this Note or any rights or duties hereunder without the prior written consent of Holder.

[Signature Page Follows]

IN WITNESS WHEREOF, Maker has executed and delivered this Note as of the date first set forth above.

"MAKER"

IMMUNEWORX, INC.

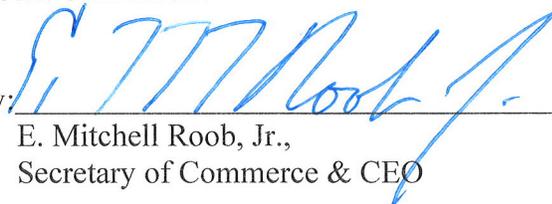
By:  **COPY** 
Wade A. Lange, President & CEO

ACCEPTED AND AGREED TO BY:

"HOLDER"

INDIANA TWENTY-FIRST CENTURY
RESEARCH AND TECHNOLOGY FUND

INDIANA ECONOMIC DEVELOPMENT
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