



## Current Agreements

### **Dealdoc**

#### **Licensing agreement for subcutaneous Cinryze (C1 esterase inhibitor)**

Halozyme Therapeutics

Viropharma

May 11 2011

# Licensing agreement for subcutaneous Cinryze (C1 esterase inhibitor)

<b>Companies:</b>	<a href="#">Halozyme Therapeutics</a> <a href="#">Viropharma</a>
<b>Announcement date:</b>	May 11 2011
<b>Deal value, US\$m:</b>	83.0 : sum of upfront and milestone payments

- [Details](#)
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- [Termsheet](#)
- [Press Release](#)
- [Filing Data](#)
- [Contract](#)

## Details

<b>Announcement date:</b>	May 11 2011
<b>Start date:</b>	May 10 2011
<b>Industry sectors:</b>	Bigbiotech Biotech Drug delivery Pharmaceutical
<b>Brand name:</b>	Cinryze
<b>Exclusivity:</b>	Exclusive
<b>Asset type:</b>	Compound Dermatology Dermatology » Angioedema
<b>Therapy areas:</b>	Dermatology » Itching Genetic disorders » Hereditary angioedema Orphan disease Biological compounds
<b>Technology types:</b>	Drug delivery » Transdermal Small molecules
<b>Deal components:</b>	Licensing
<b>Stages of development:</b>	Phase I Formulation
<b>Geographic focus:</b>	Worldwide

## Financials

<b>Deal value, US\$m:</b>	83.0 : sum of upfront and milestone payments
<b>Upfront, US\$m:</b>	9.0 : upfront payment
<b>Milestones, US\$m:</b>	74.0 : upon the achievement of clinical and regulatory targets
<b>Royalty rates, %:</b>	10.0 : royalty on future sales of the combination of Cinryze with rHuPH20
<b>Semi-quant royalties:</b>	Double digit Low teens
<b>Funding, US\$m:</b>	n/d : ViroPharma will fund all development and commercialization expenses for the program

## Termsheet

11 May 2011

Worldwide exclusive licensing agreement for the use of rHuPH20 (recombinant human hyaluronidase) in the development of a subcutaneous formulation of Cinryze (C1 esterase inhibitor [human]).

Halozyme may receive up to \$83 million, commencing with an upfront payment of \$9 million and total potential future milestone payments of \$74 million dependent upon the achievement of clinical and regulatory targets, plus a 10% royalty on future sales of the combination of Cinryze with rHuPH20.

The license provides ViroPharma with exclusivity to C1 esterase inhibition and to the hereditary angioedema (HAE) indication, along with three additional orphan indications.

ViroPharma will fund all development and commercialization expenses for the program.

Additional terms of the transaction have not been disclosed.

## Press Release

6 December 2011

ViroPharma and Halozyme Therapeutics Announce Positive Data From Initial Phase 2 Assessment of Subcutaneous Cinryze® (C1 esterase inhibitor [human]) with Hyaluronidase (rHuPH20)

EXTON, Pa., Dec. 6, 2011 /PRNewswire/ -- ViroPharma Incorporated (Nasdaq: VPHM) and Halozyme Therapeutics (Nasdaq: HALO) today announced positive top line data from ViroPharma's open-label, multiple dose Phase 2 clinical trial designed to evaluate the safety, pharmacokinetics and pharmacodynamics of subcutaneous administration of Cinryze® (C1 esterase inhibitor [human]) in combination with Halozyme's Enhance™ technology, a proprietary drug delivery platform using Halozyme's recombinant human hyaluronidase enzyme (rHuPH20), in subjects with hereditary angioedema (HAE), a rare, debilitating and potentially fatal genetic disease.

In this study, the addition of rHuPH20 led to higher maximum levels and greater systemic exposure of functional and antigenic C1 inhibitor (C1 INH) for both Cinryze doses evaluated (1000 and 2000 units) as compared to subcutaneous administration of Cinryze alone. In addition, administration of Cinryze with rHuPH20 resulted in mean functional C1 INH levels that are clinically relevant and potentially associated with protection against HAE attacks. The most commonly reported adverse events are mild local injection site reactions such as erythema and pain.

Complete data are expected to be presented at a future international scientific meeting.

"We are very encouraged by these initial data from this Phase 2 study of subcutaneous delivery of Cinryze in combination with rHuPH20, which are informative for the trial design of the upcoming Phase 2 dose ranging combination study," commented Colin Broom, MD, ViroPharma's chief scientific officer. "These preliminary data suggest that rHuPH20 enhances the delivery and absorption of Cinryze, and increases systemic exposure to C1 inhibitor relative to subcutaneous Cinryze administered alone. We believe that utilization of this cutting edge technology sets the combination apart from subcutaneous delivery of Cinryze without rHuPH20, and increases the likelihood of successful clinical development. It could improve flexibility and convenience, and potentially allow prevention-minded patients living with HAE to self administer every three or four days, just as they do today with the current IV formulation, but with a single subcutaneous injection."

This open-label multiple-dose study was conducted in 12 subjects with HAE who previously participated in the ViroPharma Phase 2 trial evaluating the pharmacokinetics of subcutaneous injections of Cinryze when given alone relative to intravenous infusion. Qualified subjects participated in a single 18-day study period, followed by a 30-day post-treatment follow-up. A 1000 U or 2000 U dose of Cinryze in combination with rHuPH20 was administered as a single subcutaneous injection, two times weekly, allowing within-subject comparison across the different methods of administration. Additional information about this Phase 2 subcutaneous Cinryze clinical trial can be found at [clinicaltrials.gov](http://clinicaltrials.gov).

Halozyme's proprietary rHuPH20 enzyme facilitates the absorption and dispersion of drugs or fluids that are injected under the skin. When injected under the skin, rHuPH20 transiently generates channels in tissues underlying the outer layers of the skin to increase the absorption and spread of injected drugs.

### About Cinryze® (C1 esterase inhibitor [human])

Cinryze is a highly purified, pasteurized and nanofiltered plasma-derived C1 esterase inhibitor product. In the U.S., Cinryze is approved by the FDA for routine prophylaxis against angioedema attacks in adolescent and adult patients with HAE. In the E.U., the product is approved by the EMA for the treatment and pre-procedure prevention of angioedema attacks in adults and adolescents with hereditary angioedema (HAE), and routine prevention of angioedema attacks in adults and adolescents with severe and recurrent attacks of hereditary angioedema (HAE), who are intolerant to or insufficiently protected by oral prevention treatments or patients who are inadequately managed with repeated acute treatment. Cinryze is for intravenous use only.

Severe hypersensitivity reactions to Cinryze may occur. Thrombotic events have occurred in patients receiving Cinryze, and in patients receiving off-label high dose C1 inhibitor therapy. Monitor patients with known risk factors for thrombotic events. With any blood or plasma derived product, there may be a risk of transmission of infectious agents, e.g. viruses and, theoretically, the CJD agent. The risk has been reduced by screening donors for prior exposure to certain virus infections and by manufacturing steps to reduce the risk of viral transmission including

pasteurization and nanofiltration.

The most common adverse reactions in clinical trials associated with Cinryze were rash, headache, nausea, erythema, phlebitis and local reactions at the injection site. Adverse events of sinusitis and upper respiratory infection also were observed in clinical trials. No drug-related serious adverse events (SAEs) were reported in clinical trials.

Please visit <http://www.viopharma.com/products/cinryze.aspx> for the full U.S. Prescribing Information; the prescribing information for other countries can be found at [www.viopharma.com](http://www.viopharma.com).

#### About Enhance™ Technology

Enhance™ technology is a proprietary drug delivery platform using Halozyme's first approved enzyme, recombinant human hyaluronidase or rHuPH20. When formulated with other injectable drugs, Enhance technology can facilitate the subcutaneous dispersion and absorption of these drugs. Molecules as large as 200 nanometers may pass freely through the extracellular matrix, which recovers its normal density within approximately 24 hours, leading to a drug delivery platform which does not permanently alter the architecture of the skin. The principal focus of Halozyme's Enhance technology platform is the use of rHuPH20 to facilitate subcutaneous administration for large molecule biological therapeutics, some of which currently require intravenous administration.

#### About Hereditary Angioedema (HAE)

HAE is a rare, severely debilitating, life-threatening genetic disorder caused by a deficiency of C1 inhibitor, a human plasma protein. This condition is the result of a defect in the gene controlling the synthesis of C1 inhibitor. C1 inhibitor maintains the natural regulation of the contact, complement, and fibrinolytic systems, that when left unregulated, can initiate or perpetuate an attack by consuming the already low levels of endogenous C1 inhibitor in HAE patients. Patients with C1 inhibitor deficiency experience recurrent, unpredictable, debilitating, and potentially life threatening attacks of inflammation affecting the larynx, abdomen, face, extremities and urogenital tract. Patients with HAE experience approximately 20 to 100 days of incapacitation per year. There are estimated to be at least 6,500 people with HAE in the United States and at least 10,000 people in the European Union.

For more information on HAE, visit the HAEi's (International Patient Organization for C1 Inhibitor Deficiencies) website at [www.haei.org](http://www.haei.org) and the U.S. HAE Association's website at: [www.haea.org](http://www.haea.org).

#### About ViroPharma Incorporated

ViroPharma Incorporated is an international biopharmaceutical company committed to developing and commercializing novel solutions for physician specialists to address unmet medical needs of patients living with diseases that have few if any clinical therapeutic options, including C1 esterase inhibitor deficiency, treatment of seizures in children and adolescents, adrenal insufficiency (AI), and C. difficile infection (CDI). Our goal is to provide rewarding careers to employees, to create new standards of care in the way serious diseases are treated, and to build international partnerships with the patients, advocates, and health care professionals we serve. ViroPharma's commercial products address diseases including hereditary angioedema (HAE), seizures in children and adolescents, and CDI; for full U.S. prescribing information on our products, please download the package inserts at <http://www.viopharma.com/Products.aspx>; the prescribing information for other countries can be found at [www.viopharma.com](http://www.viopharma.com).

ViroPharma routinely posts information, including press releases, which may be important to investors in the investor relations and media sections of our company's web site, [www.viopharma.com](http://www.viopharma.com). The company encourages investors to consult these sections for more information on ViroPharma and our business.

#### About Halozyme

Halozyme Therapeutics is a biopharmaceutical company developing and commercializing products targeting the extracellular matrix for the diabetes, cancer, dermatology and drug delivery markets. The Company's product portfolio is based primarily on intellectual property covering the family of human enzymes known as hyaluronidases and additional enzymes that affect the extracellular matrix. Halozyme's ENHANZE™ Technology is a novel drug delivery platform designed to increase the absorption and dispersion of biologics. In addition to partnerships that use Halozyme's ENHANZE™ Technology, the Company has a number of product candidates in its pipeline that target multiple areas of significant unmet medical need. For more information visit [www.halozyme.com](http://www.halozyme.com).

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13 September 2011

ViroPharma and Halozyme Therapeutics Announce Initiation of Phase 2 Evaluation of Subcutaneous Delivery of Cinryze® (C1 Esterase Inhibitor [Human]) with Hyaluronidase (rHuPH20)

EXTON, Pa., Sept. 13, 2011 /PRNewswire/ -- ViroPharma Incorporated (Nasdaq: VPHM) and Halozyme Therapeutics (Nasdaq: HALO) announced today that ViroPharma has initiated an open-label, multi-dose Phase 2 study to evaluate the safety, and pharmacokinetics and pharmacodynamics of subcutaneous administration of Cinryze® (C1 esterase inhibitor [human]) in combination with Halozyme's Enhance™ technology, a proprietary drug delivery platform using Halozyme's recombinant human hyaluronidase enzyme (rHuPH20), in subjects with

hereditary angioedema (HAE). Initiation of the clinical trial has triggered a milestone payment of \$3 million to Halozyme.

"Routine prophylaxis with intravenous Cinryze has transformed the management of HAE for many patients who also have the option for self administration. The initiation of this first phase 2 study with a novel, subcutaneous combination product represents an exciting new development for patients and their physicians and is an important milestone for ViroPharma," commented Jennifer Schranz, MD, ViroPharma's vice president, clinical research. "Our goal is to optimize the overall convenience of self-administration therapy with a single subcutaneous injection. This is an important part of our efforts to continually enhance the Cinryze experience for both existing and future patients by providing them an alternative administration option."

"The start of this Phase 2 subcutaneous trial in patients with HAE marks a great achievement for our partnership with ViroPharma, and I congratulate the team on this important accomplishment," said Gregory Frost, Ph.D., Halozyme's president and CEO. "Cinryze is the only HAE therapy approved for both routine prophylaxis against attacks along with self administration, and we expect this subcutaneous alternative to provide an important administration option."

Halozyme's proprietary rHuPH20 enzyme facilitates the absorption and dispersion of drugs or fluids that are injected under the skin. When injected under the skin, rHuPH20 transiently generates channels in tissues underlying the outer layers of the skin to increase the absorption and spread of injected drugs.

This open-label multiple-dose study will be conducted in subjects with hereditary angioedema who previously participated in the ViroPharma Phase 2 trial evaluating subcutaneous Cinryze when given alone. Qualified subjects will participate in a single 18-day study period, followed by a 30-day post-treatment follow-up. Subcutaneous administration of Cinryze 1000U and 2000U in combination with rHuPH20 will be assessed. Additional information about this Phase 2 subcutaneous Cinryze clinical trial can be found at [clinicaltrials.gov](http://clinicaltrials.gov).

Cinryze is the first and only U.S. FDA-approved C1 esterase inhibitor therapy indicated for routine prophylaxis against angioedema attacks in adolescent and adult patients with hereditary angioedema, a rare, debilitating and potentially fatal disease. Cinryze is currently approved for intravenous administration. Cinryze is also approved by the EMA for the treatment and pre-procedure prevention of angioedema attacks in adults and adolescents with hereditary angioedema (HAE), and routine prevention of angioedema attacks in adults and adolescents with severe and recurrent attacks of hereditary angioedema (HAE), who are intolerant to or insufficiently protected by oral prevention treatments or patients who are inadequately managed with repeated acute treatment.

#### About Cinryze® (C1 esterase inhibitor [human])

Cinryze is a highly purified, pasteurized and nanofiltered plasma-derived C1 esterase inhibitor product. In the U.S., Cinryze is approved by the FDA for routine prophylaxis against angioedema attacks in adolescent and adult patients with HAE. In the E.U., the product is approved by the EMA for the treatment and pre-procedure prevention of angioedema attacks in adults and adolescents with hereditary angioedema (HAE), and routine prevention of angioedema attacks in adults and adolescents with severe and recurrent attacks of hereditary angioedema (HAE), who are intolerant to or insufficiently protected by oral prevention treatments or patients who are inadequately managed with repeated acute treatment. Cinryze is for intravenous use only.

Severe hypersensitivity reactions to Cinryze may occur. Thrombotic events have occurred in patients receiving Cinryze, and in patients receiving off-label high dose C1 inhibitor therapy. Monitor patients with known risk factors for thrombotic events. With any blood or plasma derived product, there may be a risk of transmission of infectious agents, e.g. viruses and, theoretically, the CJD agent. The risk has been reduced by screening donors for prior exposure to certain virus infections and by manufacturing steps to reduce the risk of viral transmission including pasteurization and nanofiltration.

The most common adverse reactions in clinical trials associated with Cinryze were rash, headache, nausea, erythema, phlebitis and local reactions at the injection site. Adverse events of sinusitis and upper respiratory infection also were observed in clinical trials. No drug-related serious adverse events (SAEs) were reported in clinical trials.

Please visit <http://www.viropharma.com/products/cinryze.aspx> for the full U.S. Prescribing Information; the prescribing information for other countries can be found at [www.viropharma.com](http://www.viropharma.com).

#### About Enhance™ Technology

Enhance™ technology is a proprietary drug delivery platform using Halozyme's first approved enzyme, recombinant human hyaluronidase or rHuPH20. When formulated with other injectable drugs, Enhance technology can facilitate the subcutaneous dispersion and absorption of these drugs. Molecules as large as 200 nanometers may pass freely through the extracellular matrix, which recovers its normal density within approximately 24 hours, leading to a drug delivery platform which does not permanently alter the architecture of the skin. The principal focus of Halozyme's Enhance technology platform is the use of rHuPH20 to facilitate subcutaneous administration for large molecule biological therapeutics, some of which currently require intravenous administration.

#### About Hereditary Angioedema (HAE)

HAE is a rare, severely debilitating, life-threatening genetic disorder caused by a deficiency of C1 inhibitor, a human plasma protein. This condition is the result of a defect in the gene controlling the synthesis of C1 inhibitor. C1 inhibitor maintains the natural regulation of the contact,

complement, and fibrinolytic systems, that when left unregulated, can initiate or perpetuate an attack by consuming the already low levels of endogenous C1 inhibitor in HAE patients. Patients with C1 inhibitor deficiency experience recurrent, unpredictable, debilitating, and potentially life threatening attacks of inflammation affecting the larynx, abdomen, face, extremities and urogenital tract. Patients with HAE experience approximately 20 to 100 days of incapacitation per year. There are estimated to be at least 6,500 people with HAE in the United States and at least 10,000 people in the European Union.

For more information on HAE, visit the HAEi's (International Patient Organization for C1 Inhibitor Deficiencies) website at [www.haei.org](http://www.haei.org) and the U.S. HAE Association's website at: [www.haea.org](http://www.haea.org).

#### About ViroPharma Incorporated

ViroPharma Incorporated is an international biopharmaceutical company committed to developing and commercializing novel solutions for physician specialists to address unmet medical needs of patients living with diseases that have few if any clinical therapeutic options, including C1 esterase inhibitor deficiency, pediatric epilepsy and C. difficile infection (CDI). Our goal is to provide rewarding careers to employees, to create new standards of care in the way serious diseases are treated, and to build international partnerships with the patients, advocates, and health care professionals we serve. ViroPharma's commercial products address diseases including hereditary angioedema (HAE) and CDI; for prescribing information on our products, please download the package inserts at <http://www.viopharma.com/Products.aspx>.

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#### About Halozyme

Halozyme Therapeutics is a biopharmaceutical company developing and commercializing products targeting the extracellular matrix for the insulin, cancer, dermatology and drug delivery markets. The company's product portfolio is based primarily on intellectual property covering the family of human enzymes known as hyaluronidases and additional enzymes that affect the extracellular matrix. Halozyme's Enhance(TM) technology is a novel drug delivery platform designed to increase the absorption and dispersion of biologics. The company has key partnerships with Roche, Baxter, ViroPharma and Intrexon to apply Enhance technology to therapeutic biologics including Herceptin®, MabThera®, immunoglobulin, Cinryze® and recombinant human alpha 1-antitrypsin. Halozyme's Ultrafast Insulin program combines its rHuPH20 enzyme with mealtime insulins, which may produce more rapid absorption, faster action, and improved glycemic control. The product candidates in Halozyme's pipeline target multiple areas of significant unmet medical need. For more information visit [www.halozyme.com](http://www.halozyme.com).

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11 May 2011

Halozyme Therapeutics and ViroPharma Announce \$83 Million Global Licensing Agreement to Develop Subcutaneous Cinryze (C1 esterase inhibitor)

SAN DIEGO, May 11, 2011 /PRNewswire/ — Halozyme Therapeutics, Inc. (Nasdaq: HALO) and ViroPharma Incorporated (Nasdaq: VPHM), today announced the signing of a worldwide exclusive licensing agreement for the use of rHuPH20 (recombinant human hyaluronidase) in the development of a subcutaneous formulation of Cinryze (C1 esterase inhibitor [human]). Under terms of the agreement, Halozyme may receive up to \$83 million, commencing with an upfront payment of \$9 million and total potential future milestone payments of \$74 million dependent upon the achievement of clinical and regulatory targets, plus a 10% royalty on future sales of the combination of Cinryze with rHuPH20. The license provides ViroPharma with exclusivity to C1 esterase inhibition and to the hereditary angioedema (HAE) indication, along with three additional orphan indications. ViroPharma will fund all development and commercialization expenses for the program. Additional terms of the transaction have not been disclosed.

Cinryze has received FDA approval for intravenous administration for routine prophylaxis against angioedema attacks in adolescent and adult patients with hereditary angioedema. A combination formulation of Cinryze with rHuPH20 for subcutaneous, or under the skin, administration is expected to enter clinical trials by the end of the year. The initial focus of the collaboration will be on the development of a novel subcutaneous formulation of Cinryze for routine prophylaxis against attacks of HAE.

"Halozyme's rHuPH20 enzyme may facilitate the subcutaneous administration and absorption of a broad range of pharmaceuticals and biologics, including plasma-derived proteins such as Cinryze," stated Gregory I. Frost, Ph.D., Halozyme's president and CEO. "The commercial success of Cinryze is notable, and we look forward to working with ViroPharma to simplify the self-administration of this important biologic that may ultimately provide a more convenient product for as many people as possible with HAE worldwide."

"This collaboration is consistent with our goals of continually providing innovative product enhancements, advancing long term solutions to meet the needs of our patients, and helping to maintain and build Cinryze brand loyalty for years to come," commented Colin Broom, M.D., ViroPharma's chief scientific officer. "The goal of our broad subcutaneous Cinryze program is to enable more patients with hereditary angioedema to benefit from access to convenient formulations of Cinryze to prevent their HAE attacks."

About Cinryze (C1 esterase inhibitor [human])

Cinryze is a highly purified, pasteurized and nanofiltered plasma-derived C1 esterase inhibitor product that has been approved by U.S. FDA for routine prophylaxis against angioedema attacks in adolescent and adult patients with HAE. C1 inhibitor therapy has been used acutely for more than 35 years in Europe to treat patients with C1 inhibitor deficiency.

Severe hypersensitivity reactions to Cinryze may occur. Thrombotic events have occurred in patients receiving Cinryze for routine prophylaxis, and in patients receiving off-label high dose C1 inhibitor therapy. Monitor patients with known risk factors for thrombotic events. With any blood or plasma derived product, there may be a risk of transmission of infectious agents, e.g. viruses and, theoretically, the CJD agent. The risk has been reduced by screening donors for prior exposure to certain virus infections and by manufacturing steps to reduce the risk of viral transmission including pasteurization and nanofiltration. The most common adverse reactions observed have been upper respiratory infection, sinusitis, rash and headache. No drug-related serious adverse events (SAEs) have been observed in clinical trials.

Cinryze is currently approved in the U.S. for intravenous use only. A dose of 1000 Units of Cinryze can be administered every 3 or 4 days for routine prophylaxis against angioedema attacks in HAE patients. Cinryze is administered at an injection rate of 1 mL per minute.

#### About Hereditary Angioedema (HAE)

HAE is a rare, severely debilitating, life-threatening genetic disorder caused by a deficiency of C1 inhibitor, a human plasma protein. This condition is the result of a defect in the gene controlling the synthesis of C1 inhibitor. C1 inhibitor maintains the natural regulation of the contact, complement, and fibrinolytic systems, that when left unregulated, can initiate or perpetuate an attack by consuming the already low levels of endogenous C1 inhibitor in HAE patients. Patients with C1 inhibitor deficiency experience recurrent, unpredictable, debilitating, and potentially life threatening attacks of inflammation affecting the larynx, abdomen, face, extremities and urogenital tract. Patients with HAE experience approximately 20 to 100 days of incapacitation per year. There are estimated to be at least 6,500 people with HAE in the United States.

For more information on HAE, visit the U.S. HAE Association's website at: [www.haea.org](http://www.haea.org) or the HAEi (International Patient Organization for C1 Inhibitor Deficiencies) at [www.haei.org](http://www.haei.org).

#### About Halozyme

Halozyme Therapeutics is a biopharmaceutical company developing and commercializing products targeting the extracellular matrix for the insulin, cancer, dermatology and drug delivery markets. The company's product portfolio is based primarily on intellectual property covering the family of human enzymes known as hyaluronidases and additional enzymes that affect the extracellular matrix. Halozyme's Enhanze™ technology is a novel drug delivery platform designed to increase the absorption and dispersion of biologics. The company has key partnerships with Roche, Baxter and ViroPharma to apply Enhanze technology to therapeutic biologics including Herceptin, MabThera, immunoglobulin and Cinryze. Halozyme's Ultrafast Insulin program combines its rHuPH20 enzyme with mealtime insulins, which may produce more rapid absorption, faster action, and improved glycemic control. The product candidates in Halozyme's pipeline target multiple areas of significant unmet medical need. For more information visit [www.halozyme.com](http://www.halozyme.com).

#### About ViroPharma Incorporated

ViroPharma Incorporated is an international biopharmaceutical company committed to developing and commercializing innovative products for physician specialists to enable the support of patients with serious diseases for which there is an unmet medical need, and providing rewarding careers to employees. ViroPharma commercializes Cinryze (C1 esterase inhibitor [human]) for routine prophylaxis against angioedema attacks in adolescent and adult patients with hereditary angioedema (HAE). ViroPharma commercializes Vancocin, approved for oral administration for treatment of antibiotic-associated pseudomembranous colitis caused by *Clostridium difficile* and enterocolitis caused by *Staphylococcus aureus*, including methicillin-resistant strains (for prescribing information on ViroPharma's commercial products, please download the package inserts at <http://www.viropharma.com/Products.aspx>). ViroPharma currently focuses its drug development activities in diseases including C1 esterase inhibitor deficiency and *C. difficile* infection. ViroPharma routinely posts information, including press releases, which may be important to investors in the investor relations and media sections of its company Web site, [www.viropharma.com](http://www.viropharma.com).

## Filing Data

### 10K abstract - 2013

In May 2011, Halozyme granted us an exclusive worldwide license to use Halozyme's proprietary Enhanze™ technology, a proprietary drug delivery platform using Halozyme's recombinant human hyaluronidase enzyme (rHuPH20) technology in combination with a C1 esterase inhibitor. Under the terms of the license agreement, we paid Halozyme an initial upfront payment of \$9 million. In the fourth quarter of 2011, we made a milestone payment of \$3 million related to the initiation of a Phase 2 study begun in September 2011 to evaluate the safety, and pharmacokinetics and pharmacodynamics of subcutaneous administration of Cinryze in combination with rHuPH20. Pending successful completion of an additional series of clinical and regulatory milestones, anticipated to begin during 2012, we may make further milestone payments to Halozyme, which could reach up to an additional \$41 million related to HAE and up to \$30 million of additional milestone payments for three additional indications. Additionally, we will pay an annual maintenance fee of \$1 million to Halozyme until specified events have occurred. Upon regulatory approval, Halozyme will receive up to a 10% royalty on net sales of the combination product utilizing Cinryze and rHuPH20, depending on the existence of a valid patent claim in the country of sale.

## Contract

### COLLABORATION AND LICENSE AGREEMENT

THIS COLLABORATION AND LICENSE AGREEMENT (this "Agreement"), effective as of May 10, 2011 (the "Effective Date") is entered into between HALOZYME, INC., a California corporation ("Halozyme") and VIROPHARMA SPRL, a Belgian limited liability company ("ViroPharma").

WHEREAS, Halozyme is the owner or exclusive licensee of certain patents, formulations and know-how related to the PH20 Drug (as defined below);

WHEREAS, ViroPharma is the owner or exclusive licensee of certain patents and know-how related to the ViroPharma Biologic (as defined below);

WHEREAS, ViroPharma has received regulatory approval in the United States for the ViroPharma Biologic for an orphan drug indication; and

WHEREAS, the parties desire to enter into a collaborative relationship in which the parties will collaboratively develop, and Halozyme will license to ViroPharma the right to commercialize, the Product in the Licensed Field in the Territory (each as defined below), all on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the parties hereby agree as follows:

#### 1. DEFINITIONS.

1.1 "Additional Indication" shall mean the disease states or conditions set forth on Schedule 1.1.

1.2 "Affiliate" shall mean, with respect to a party, any entity that controls or is controlled by such party, or is under common control with such party. For purposes of this definition, an entity shall be deemed to control another entity if it owns or controls, directly or indirectly, at least fifty percent (50%) of the voting equity of another entity (or other comparable interest for an entity other than a corporation).

1.3 "API" shall mean the bulk formulation of PH20 Drug \*\*\*.

1.4 "API Specifications" shall mean the specifications for the API set forth in Schedule 1.4.

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1.5 "BLA/MAA" shall mean a Biologics License Application ("BLA") submitted to the FDA or a Market Authorization Application ("MAA") submitted to the EMA or MHLW, or any supplemental filing to a BLA or MAA.

1.6 "cGMP" shall mean the principles detailed in the United States Current Good Manufacturing Practices (21 CFR 200, 211 and 600), the "Rules Governing Medicinal Product in The European Community - Volume IV Good Manufacturing Practice for Medicinal Products," and/or "Cooperative Manufacturing Arrangements for Licensed Biologics" FDA-CBER.

1.7 "CMO" shall mean contract manufacturing organization.

1.8 "Collaboration Invention" shall mean any invention or discovery, whether or not patentable (including a modification, improvement or new use), that is first conceived or reduced to practice pursuant to Halozyme's activities, ViroPharma's activities or both parties' joint activities, in each case during the term of this Agreement and in connection with work conducted under the Workplan.

1.9 "Collaboration Supported Patents" shall mean (a) all patent applications filed after the Effective Date which claim, and only to the extent it claims, a Collaboration Invention; (b) all patents that have issued or in the future issue from any of the foregoing patent applications, including without limitation utility models, design patents and certificates of invention; and (c) all divisionals, continuations, continuations-in-part, reissues, renewals, re-examinations, extensions or additions to any such patents and patent applications.

1.10 "Collaboration Supported PH20 Patents" shall mean all Collaboration Supported Patents to the extent claiming or covering PH20 Drug \*\*\* alone or in combination with any molecule or biologic, but excluding the Collaboration Supported Product Patents.

1.11 "Collaboration Supported Product Patents" shall mean all Collaboration Supported Patents to the extent claiming or covering a Collaboration Invention with respect to PH20 Drug \*\*\* combined with the ViroPharma Biologic.

1.12 "Collaboration Supported ViroPharma Biologic Patents" shall mean all Collaboration Supported Patents to the extent claiming or covering the ViroPharma Biologic, but excluding the Collaboration Supported Product Patents.

1.13 "Confidential Information" shall mean all information and data that (a) is provided by one party to the other party under this Agreement, and (b) if disclosed in writing or other tangible medium is marked or identified as confidential at the time of disclosure to the recipient, is acknowledged at the time of disclosure to be confidential, or otherwise should reasonably be deemed to be confidential. Notwithstanding the



foregoing, Confidential Information of a party shall not include that portion of such information and data which, and only to the extent, the recipient can establish by written documentation: (i) is known to the recipient as evidenced by its written records before receipt thereof from the disclosing party, (ii) is disclosed to the recipient free of confidentiality obligations by a third person who has the right to make such disclosure, (iii) is or becomes part of the public domain through no fault of the recipient, or (iv) the recipient can reasonably establish is independently developed by persons on behalf of recipient without use of the information disclosed by the disclosing party.

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1.14 "cover" or "covering" as used in relation to a patent or patent right shall include composition of matter claims as well as methods of manufacture or use.

1.15 "DMF" shall mean a Drug Master File filed with the FDA, EMA, MHLW or another foreign equivalent.

1.16 "EMA" shall mean the European Medicines Agency of the European Union, or the successor thereto.

1.17 "Exclusive Biologic" shall mean with respect to HAE or an Additional Indication: any molecule or biologic which (1) as of the Effective Date is currently in clinical development to evaluate such product's safety or efficacy in the treatment or prevention of HAE or the applicable Additional Indication, or is commercialized to treat or prevent HAE or the applicable Additional Indication, and (2) after the Effective Date may at any time during the term of this Agreement be the subject of a clinical study specifically designed to evaluate such product's safety or efficacy in the treatment or prevention of HAE or the applicable Additional Indication.

1.18 "Exclusive Field" shall mean the diagnosis, prevention, management or treatment of (a) hereditary angioedema ("HAE"), and (b) each of the Additional Indications.

1.19 "Expanded Indication" shall have the meaning ascribed to it in Section 5.2.2.

1.20 "Expanded Indication Criteria" shall have the meaning ascribed to it in Section 5.2.2.

1.21 "FDA" shall mean the United States Food and Drug Administration, or any successor entity thereto.

1.22 "First Commercial Sale" shall mean the first sale of the Product by ViroPharma, its sublicensee or their respective Affiliates to customers who are not Affiliates in any country after all applicable marketing approvals (if any) have been granted by the applicable governing health authority.

1.23 "FTE" shall mean a full time equivalent of an employee for one calendar year.

1.24 "Fully Burdened Manufacturing Cost" shall mean Halozyme's fully burdened cost to manufacture (or acquire from its third party manufacturer) and supply API, including without limitation costs for testing, packaging, shipping and an allocable share of corporate and overhead costs.

1.25 "Fully Burdened Workplan Cost" shall mean the cost to conduct the research and development activities to be conducted by Halozyme as set forth in the Workplan

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calculated on an FTE basis at a rate through the first \*\*\* (\*\*\*) years of the Agreement at \*\*\*dollars (\$\*\*\*) per FTE, subject to increase thereafter based on the Producer Price Index for Finished Goods Less Food and Energy (PPILFE), published by the United States Department of Labor in the monthly Labor Review.

1.26 "Grantback Patent" shall mean any issued patent owned or controlled by ViroPharma at any time during the term of this Agreement that claims or covers PH20 Drug \*\*\* alone or in combination with any other biologic or molecule, but not to the extent claiming or covering the ViroPharma Biologic.

1.27 "Halozyme In-License" shall mean a license, sublicense or other agreement under which Halozyme has acquired, or hereafter acquires, rights to the Licensed IP Rights. Schedule 1.27 sets forth a true and correct list as of the Effective Date of the Halozyme In-Licenses.

1.28 "IND" shall mean an Investigational New Drug application or similar application required to commence human clinical testing of a product submitted to the FDA, or its foreign equivalent.

1.29 "Licensed Field" shall mean the diagnosis, prevention, management or treatment of any disease state or condition in humans.

1.30 "Licensed IP Rights" shall mean, collectively, the Licensed Know-How Rights, Licensed Patent Rights and Licensed Marks.

1.31 "Licensed Know-How Rights" shall mean all of Halozyme's rights (including Halozyme's grantback rights from third parties to the extent sublicenseable) in all trade secret and other know-how relating to PH20 Drug \*\*\* that are necessary or useful to develop, obtain regulatory approval for, manufacture, commercialize or use Products in the Licensed Field.

1.32 "Licensed Marks" shall mean those certain trademarks, trade names, designs and markings owned or licensed by Halozyme and designated from time to time in writing by Halozyme for use by ViroPharma under this Agreement in connection with the packaging, labeling, promotion and marketing of Products in the Licensed Field.

1.33 "Licensed Patent Rights" shall mean all of Halozyme's rights in (a) all patent applications heretofore or hereafter filed that claim or cover PH20 Drug \*\*\* alone or in combination with any other composition, as necessary or useful to develop, obtain regulatory approval for, manufacture, commercialize or use Products in the Licensed Field, (b) all patents that have issued or in the future issue from any of the foregoing patent applications, including without limitation utility models, design patents and certificates of invention, and (c) all divisionals, continuations, continuations-in-part, reissues, renewals, extensions or additions to any such patents and patent applications. For clarity, Licensed Patents Rights include Collaboration Supported PH20 Patents.

1.34 "MHLW" shall mean the Ministry of Health, Labour and Welfare of Japan, or the successor thereto.

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1.35 "Net Sales" shall mean the gross sales price of the Product invoiced by ViroPharma, its sublicensee or their respective Affiliates to customers who are not Affiliates (or who are Affiliates but are the end users of the Product) less, to the extent actually paid or accrued by ViroPharma, its sublicensee or their respective Affiliates (as applicable): (a) credits, allowances, discounts and rebates to, and chargebacks from the account of, such customers for Product; (b) freight and insurance costs incurred by ViroPharma, its sublicensee or their respective Affiliates (as applicable) in transporting Product to such customers; (c) cash, quantity and trade discounts, rebates, assessments and other price reductions for Product given to such customers under price reduction programs that are consistent with price reductions given for similar products by ViroPharma, its sublicensee or their respective Affiliates (as applicable); (d) sales, use, value-added and other direct taxes incurred on the sale of Product to such customers; (e) customs duties, surcharges and other governmental charges incurred in exporting or importing Product to such customers; (f) the amount of any \*\*\* up to a maximum of \*\*\* less \*\*\*; and (g) any adjustments substantially similar to any of the foregoing.

1.36 "PH20 Drug" shall mean the active compound, recombinant human PH20 hyaluronidase (i.e. a truncated form of native human PH20 hyaluronidase consisting of residues 36-482, inclusive, of the native human PH20 hyaluronidase).

1.37 \*\*\* shall mean a \*\*\* that consists of any improvement or enhancement to\*\*\* and intended to\*\*\*

1.38 "Phase I Clinical Trial" shall mean a human clinical trial in any country that is intended to initially evaluate the safety and/or pharmacological effect of a Product in subjects or that would otherwise satisfy requirements of 21 CFR 312.21(a), or its foreign equivalent.

1.39 "Phase II Clinical Trial" shall mean a human clinical trial in any country that is intended to initially evaluate the effectiveness of a Product for a particular indication or indications in patients with the disease or indication under study or that would otherwise satisfy requirements of 21 CFR 312.21(b), or its foreign equivalent.

1.40 "Phase III Clinical Trial" shall mean a pivotal human clinical trial in any country the results of which could be used to establish safety and efficacy of a Product as a basis for a BLA/MAA or that would otherwise satisfy requirements of 21 CFR 312.21(c), or its foreign equivalent.

1.41 "Prior Collaborations" shall have the meaning ascribed to it in Section 2.2.1.

1.42 "Product" shall mean a product that consists of (a) the ViroPharma Biologic (and, except as otherwise set forth below, no other active pharmaceutical ingredients), and (b) PH20 Drug supplied by Halozyme \*\*\* to ViroPharma pursuant to this Agreement \*\*\* as an active ingredient/excipient for enhancing the dispersion and/or absorption of the ViroPharma Biologic, in any liquid injectable formulation, and/or any lyophilized formulation, which product is promoted, marketed and sold in a co-formulation (e.g., pre-formulated together in a single solution in a single container, in a single package with a single label at a single price).

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1.43 "Regulatory Approval Date" shall mean the date on which ViroPharma receives written approval from the FDA for a BLA for the Product in the first indication in the Exclusive Field.

1.44 "Royalty Term" shall mean, with respect to each country, the period equal to the longer of (a) if, at the time of the First Commercial Sale of Product in such country, the use, offer for sale, sale or import of Product in such country would infringe a Valid Claim, the term for which such Valid Claim remains in effect and would be infringed, and (b) ten (10) years following the date of the First Commercial Sale of Product in such

country.

1.45 "Sanquin" shall mean Stichting Sanquin Bloedvoorziening (Sanquin Blood Supply Foundation).

1.46 "Sanquin Agreement" shall mean that certain Manufacturing and Distribution Agreement (Europe and ROW) dated January 8, 2010 between ViroPharma and Sanquin.

1.47 "SEC" shall have the meaning ascribed to it in Section 2.1.1.

1.48 "Valid Claim" shall mean a claim of an issued and unexpired patent included within the Licensed Patent Rights or the Collaboration Supported Product Patents, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise.

1.49 "ViroPharma Biologic" shall mean that certain C1 esterase inhibitor commercialized as of the Effective Date as Cinryze® and all other C1 esterase inhibitors with the amino acid sequence set forth on Schedule 1.49, including any \*\*\* and provided in each case that \*\*\* as measured by \*\*\* or such other \*\*\* as demonstrated by \*\*\* to \*\*\* in each case in accordance with the instructions provided with \*\*\*.

1.50 "ViroPharma Subcutaneous Product" shall mean the ViroPharma Biologic administered through a subcutaneous mode of administration for the treatment of an indication in the Licensed Field, but excluding the Product.

1.51 "Workplan" shall have the meaning set forth in Section 5.1.2.

## 2. REPRESENTATIONS, WARRANTIES AND COVENANTS.

2.1 By Each Party. Each party represents and warrants to the other party as follows:

2.1.1 Organization. Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized.

2.1.2 Authorization and Enforcement of Obligations. Such party (a) has the requisite power and authority and the legal right to enter into this Agreement and to

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perform its obligations hereunder; and (b) has taken all requisite action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

2.1.3 Consents. All necessary consents, approvals and authorizations of all governmental authorities and other persons or entities required to be obtained by such party in connection with this Agreement have been obtained.

2.1.4 No Conflict. The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws, regulations or orders of governmental bodies; and (b) do not conflict with, or constitute a default under, any contractual obligation of such party.

2.1.5 No Debarment. In the course of the development of the Product, neither party shall use, during the Term, any employee or consultant who has been debarred by any regulatory authority, or, to the best of such party's knowledge, is the subject of debarment proceedings by a regulatory authority.

2.2 By Halozyme. Halozyme further represents and warrants to ViroPharma as follows:

2.2.1 Licensed Patent Rights; Licensed IP Rights. As of the Effective Date, the Licensed Patent Rights have not been held by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part. As of the Effective Date, except as set forth under the heading "Risks Related To Our Industry" in Halozyme's Form 10-K for the year ending December 31, 2010 filled with the Securities and Exchange Commission ("SEC"), Halozyme has not received written notice of any claim or litigation by any third party alleging that any of the Licensed Patent Rights are invalid or unenforceable. Halozyme has the right to grant the licenses under the Licensed IP Rights pursuant to this Agreement.

(a) Schedule 2.2.1(a) sets forth a true and complete list of all Licensed Patent Rights as of the Effective Date, and indicates the current status, date and country of filing and issuance.

(b) \*\*\*.

(c) Neither Halozyme nor any of its Affiliates has received any written notice from any person that the use or practice of the Licensed Patent Rights or Licensed Know-How Rights infringes or misappropriates the intellectual property rights of a third party.

(d) \*\*\*

(e) All current and former employees and consultants of Halozyme and its Affiliates who are or have been substantively involved in the design, review, evaluation or development of the Licensed Patent Rights or Licensed Know-How Rights have executed written contracts or are otherwise obligated to protect the confidential status and value thereof and to vest in Halozyme or its Affiliates exclusive ownership of the Licensed Patent Rights and Licensed Know-How Rights.

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(f) The Halozyme In-Licenses, as set forth on Schedule 1.27, sets forth a true and complete list of all agreements to which Halozyme is a party that are necessary or useful for the manufacture, use, sale or importation of PH20 Drug, copies of which have been provided by Halozyme to ViroPharma, subject to redaction of confidential or proprietary information provided, however, that such redaction does not unreasonably interfere with ViroPharma's understanding of the relevant sections of such agreements. Halozyme has fulfilled all of its obligations and is not in breach or default under such agreements and has not waived or allowed to lapse or terminate any of its rights thereunder.

2.2.2 Halozyme In-Licenses. Halozyme has not received notice of breach or termination of the Halozyme In-Licenses.

2.2.3 SEC Reports. To Halozyme's knowledge, neither Halozyme's Report on Form 10-K for the year ended December 31, 2010, nor any other document filed by Halozyme with the SEC since March 11, 2011, contained a misstatement of a material fact, or failed to state a material fact required to be stated therein or necessary to make the statements made therein not misleading, as of the date such filing was made, in each case relating to the Licensed Patent Rights and Licensed Know-How Rights.

2.3 DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH ABOVE OR IN SECTION 7.7, HALOZYME MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE LICENSED IP RIGHTS, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY REGARDING VALIDITY, ENFORCEABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT.

### 3. LICENSE.

#### 3.1 License Grant to ViroPharma.

3.1.1 On the terms and conditions of this Agreement, Halozyme hereby grants to ViroPharma an exclusive worldwide license under the Licensed IP Rights (with the limited right to sublicense pursuant to Section 3.1.2) to develop, make, have made, use, offer for sale, sell and import Products for use in the Licensed Field. Except as expressly set forth in this Agreement, ViroPharma shall not use the Licensed IP Rights for any other use.

3.1.2 ViroPharma shall have the right to grant sublicenses to (a) third parties solely for the purpose of developing, manufacturing or commercializing such Product in each case jointly with, or for the benefit of, ViroPharma and (b) Affiliates. ViroPharma shall provide Halozyme with a copy of each sublicense referenced in clause (a) and prompt notice of each sublicense referenced in clause (b), subject to redaction of confidential or proprietary information provided, however, that such redaction does not unreasonably interfere with Halozyme's understanding of the relevant sections of such sublicenses. Any such sublicense shall be subject and subordinate to the terms and conditions of this Agreement. ViroPharma hereby represents that it has the power to bind its Affiliates to the terms and conditions set forth

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in this Agreement and any Affiliate that receives a sublicense shall be bound by the terms and conditions of this Agreement as if such Affiliate was an original signatory to this Agreement. Notwithstanding the foregoing, ViroPharma shall remain liable for a breach of this Agreement by its Affiliate and shall remain responsible for all payments due to Halozyme hereunder.

3.2 No Implied Licenses. Only licenses and rights expressly granted herein shall be of legal force and effect. No license or other right shall be created hereunder by implication, estoppel or otherwise.

#### 3.3 Exclusivity.

3.3.1 Commencing on the Effective Date, neither Halozyme nor any of its Affiliates shall grant to any third party any right to develop, make, have made, use, offer for sale, sell or import any product that consists of PH20 Drug \*\*\* together with an Exclusive Biologic for use in the Exclusive Field.

3.3.2 Neither Halozyme nor its Affiliates shall sell or enter into any agreement with any third party to sell PH20 Drug \*\*\* with an Exclusive Biologic in a kit (i.e., the PH20 Drug \*\*\* and the biologic or molecule are in separate containers, but packaged together and at a single price) for use in the Exclusive Field.

3.3.3 Halozyme shall include in any future agreements with a third party to develop, make, have made, use, offer for sale, sell or import any product that consists of PH20 Drug \*\*\* (including products sold as a kit with PH20 Drug \*\*\*) a covenant prohibiting such third party from using such product in the Exclusive Field.

3.3.4 For the avoidance of doubt, nothing in this Agreement shall restrict Halozyme from granting rights to a Third Party for PH20 Drug \*\*\* combined with an Exclusive Biologic (except for the ViroPharma Biologic) outside the Exclusive Field.

#### 4. FINANCIAL TERMS.

4.1 License Fee. Within \*\*\* (\*\*\*) business days of the Effective Date, ViroPharma shall pay to Halozyme the nonrefundable and noncreditable initial license fee of nine million dollars (\$9,000,000).

4.2 Exclusivity Fee. Commencing with the first anniversary of the Effective Date, and continuing until the earlier of (a) the \*\*\* or (b) the \*\*\* of the \*\*\* for the \*\*\* (if as of the \*\*\* of \*\*\* has\*\*\* provided written notice to \*\*\* that \*\*\* will \*\*\* the \*\*\* or \*\*\* of any \*\*\*), on each anniversary of the Effective Date, ViroPharma shall pay to Halozyme the non-refundable and non-creditable exclusivity fee of one million dollars (\$1,000,000).

#### 4.3 Milestone Payments.

4.3.1 Within \*\*\* (\*\*\*) days following the achievement of each of the following development milestones, ViroPharma shall give written notice to Halozyme and shall pay to Halozyme the corresponding non-refundable and non-creditable milestone payments:

(i) \$3,000,000 Enrollment of the first patient in a Phase II Clinical Trial for a Product for treatment of HAE;

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(ii) \$\*\*\* of the \*\*\* in a \*\*\* for a \*\*\* for \*\*\* of \*\*\*;

(iii) \$\*\*\* for \*\*\* of a \*\*\* in the \*\*\* for a \*\*\* for \*\*\* of \*\*\*;

(iv) \$\*\*\* for\*\*\* of a \*\*\* in \*\*\* other than the \*\*\* for a \*\*\*for\*\*\*of\*\*\*;

(v) \$\*\*\* Upon \*\*\* of\*\*\* of a \*\*\* for a \*\*\* for\*\*\* of \*\*\*;

(vi) \$\*\*\* Upon \*\*\* of \*\*\* of a \*\*\* for a \*\*\* for \*\*\* of \*\*\*;

(vii) \$\*\*\* Upon \*\*\* of \*\*\* of a \*\*\* for a \*\*\* for \*\*\* of \*\*\*;

(viii) \$\*\*\* of the \*\*\* in a \*\*\* for a \*\*\* for \*\*\* of \*\*\*;

(ix) \$\*\*\* for \*\*\* of a \*\*\* in the \*\*\* for a \*\*\* for \*\*\* of \*\*\*;

(x) \$\*\*\* for \*\*\* in \*\*\* than the \*\*\* for a \*\*\*for\*\*\*of\*\*\*;

(xi) \$\*\*\* Upon \*\*\* of \*\*\* of a \*\*\* for a \*\*\* for \*\*\* of \*\*\*; and

(xii) \$\*\*\* Upon \*\*\* of \*\*\* of a \*\*\* for a \*\*\* for \*\*\* of \*\*\*.

If for whatever reason (other than due to a breach by ViroPharma) a milestone payment set forth above is not paid for a Product and the subsequent development event that corresponds to the same indication and to the same country or jurisdiction is achieved for such Product (for example, doing a \*\*\*), then both the then-achieved milestone payment and the prior unpaid milestone payment shall be payable at the time the then-achieved milestone payment is made. Except for those milestone payments that are due for each separate Additional Indication, each milestone payment shall be payable only one (1) time, regardless of the number of times that the corresponding event is achieved. If the development of a Product is terminated under this Agreement ("Terminated Product") for any reason and another Product is developed under this Agreement and then achieves an event giving rise to a milestone payment, such milestone payment shall not be made if it had previously been made with respect to the Terminated Product.

#### 4.4 Royalties.

4.4.1 During the applicable Royalty Term, ViroPharma shall pay to Halozyme royalties equal to (a) in each country where there is a Valid Claim that would be infringed by the making, using, selling, offering for sale or importation of the Product, ten

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percent (10%) of Net Sales by ViroPharma, its sublicensees and their respective Affiliates of Products in such country, and (b) in all other countries, \*\*\* percent (\*\*\*\*%) of Net Sales by ViroPharma, its sublicensees and their respective Affiliates of Products in such country. For clarity, such Valid Claim may be included in the Licensed Patent Rights or the Collaboration Supported Product Patents, so long as it would be infringed by the making, using, selling, offering for sale or importation of the Product in such country.

4.4.2 If ViroPharma, its sublicensees or their respective Affiliates sells a Product to a third party who also purchases other products or services from ViroPharma, its sublicensees or their respective Affiliates, and ViroPharma, its sublicensees or their respective Affiliates discounts the purchase price of such Product to a greater degree than it generally discounts the price of its other products or services to such customer, then in such case the Net Sales for the sale of such Product to such third party shall equal the arm's length price that third parties would generally pay for the Product alone when not purchasing any other product or service from ViroPharma, its sublicensee or their respective Affiliates. For purposes of this provision, "discounting" includes establishing a price for a Product at a discount of \*\*\* percent (\*\*\*\*%) or more from the average sales price.

4.5 API Price. For all API supplied by Halozyme under Article 7, ViroPharma shall pay to Halozyme a price equal to \*\*\* percent (\*\*\*\*%) of the Fully Burdened Manufacturing Cost to Halozyme to manufacture (or have manufactured), store and supply API. Halozyme shall invoice ViroPharma for all API upon shipment in accordance with Article 7, and ViroPharma shall pay each such invoice within \*\*\* (\*\*\*\*) days after receipt.

#### 4.6 Royalty Reports.

4.6.1 Within \*\*\* (\*\*\*\*) days after the end of the first, second and third calendar quarters of each calendar year and within \*\*\* (\*\*\*\*) days after the end of the fourth quarter during each calendar year, commencing with the calendar quarter in which there is a first commercial sale of a Product, to the extent such information is reasonably available, ViroPharma shall furnish to Halozyme a written report showing in reasonably specific detail, on a country-by-country basis, (a) the quantity, average sales price and aggregate gross sales of all Products sold by ViroPharma, its sublicensees and their respective Affiliates during such calendar quarter and the calculation of Net Sales from such gross sales; (b) the calculation of the royalties, if any, which shall have accrued based upon such Net Sales; (c) the withholding taxes, if any, required by law to be deducted with respect to such sales; and (d) the exchange rates, if any, used in determining the amount of United States dollars.

4.6.2 With respect to sales of Products invoiced in United States dollars, all such amounts shall be expressed in United States dollars. With respect to sales of Products invoiced in a currency other than United States dollars, all such amounts shall be expressed both in the currency in which the sale is invoiced and in the United States dollar equivalent. The United States dollar equivalent shall be calculated using the average of the exchange rates (local currency per US\$1) published in The Wall Street Journal, Western Edition, under the heading "Currency Trading" on the last business day of each month in the applicable calendar quarter. All royalties payable hereunder shall be calculated based on Net Sales expressed in United States dollars.

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4.6.3 ViroPharma shall keep, to the extent such information is reasonably available, complete and accurate records in sufficient detail to properly reflect all gross sales and Net Sales and to enable the royalties payable to be determined.

4.6.4 All royalties shown to have accrued by each royalty report provided under this Section 4.6 shall be payable on the date such royalty report is due. Payment of royalties in whole or in part may be made in advance of such due date.

#### 4.7 Audits.

4.7.1 Upon the written request of Halozyme and not more than once in each calendar year, ViroPharma shall permit an independent certified public accounting firm of nationally recognized standing, selected by Halozyme and reasonably acceptable to ViroPharma, to have access during normal business hours to such records of ViroPharma as may be reasonably necessary to verify the accuracy of the royalty reports hereunder for any year ending not more than \*\*\* (\*\*\*\*) months prior to the date of such request and which have not previously been audited. The accounting firm shall disclose to Halozyme only whether the reports are correct and the specific details of any discrepancy, but no other information shall be shared. If such accounting firm concludes that additional royalties were owed during the audited period, or that excess royalties were paid during the audited period, ViroPharma shall pay such additional royalties, or Halozyme shall provide ViroPharma with a credit for such excess royalties, as the case may be, within \*\*\* (\*\*\*\*) days of the date Halozyme delivers to ViroPharma such accounting firm's written report so concluding; provided, that, in the case of a credit, if ViroPharma is unable to use the full amount of such credit within \*\*\* (\*\*\*\*) months from the date of such report, then Halozyme shall promptly pay to ViroPharma the unused amount of such credit. The fees charged by such accounting firm shall be paid by Halozyme; provided, however, if the audit discloses that the royalties payable by ViroPharma for such period are more than \*\*\* percent (\*\*\*\*%) of the royalties actually paid for such period, then ViroPharma shall pay the reasonable fees and expenses charged by such accounting firm. Halozyme shall treat all financial information subject to review under this Section 4.7.1 as confidential, and shall cause its accounting firm to retain all such financial information in confidence.

4.7.2 Upon the written request of ViroPharma and not more than once in each calendar year, Halozyme shall permit an independent certified public accounting firm of nationally recognized standing, selected by ViroPharma and reasonably acceptable to Halozyme, to have access during normal business hours to such records of Halozyme as may be reasonably necessary to verify the accuracy of each of the API transfer

price and the Workplan costs hereunder for any year ending not more than \*\*\* (\*\*\*) months prior to the date of such request and which have not previously been audited. The accounting firm shall disclose to ViroPharma only whether the API transfer price and/or the Workplan cost was correct and the specific details of any discrepancy, but no other information shall be shared. If such accounting firm concludes that Halozyme overcharged for the API transfer price and/or the Workplan cost during the audited period, or that Halozyme undercharged for the API transfer price and/or the Workplan cost during the audited period, Halozyme shall provide ViroPharma with a credit for such overcharge, or ViroPharma shall make an additional payment in respect of such undercharge, within \*\*\* (\*\*\*) days of the date ViroPharma delivers to Halozyme such

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accounting firm's written report so concluding; provided, that, in the case of a credit, if ViroPharma is unable to use the full amount of such credit within \*\*\* (\*\*\*) months from the date of such report, then Halozyme shall promptly pay to ViroPharma the unused amount of such credit. The fees charged by such accounting firm shall be paid by ViroPharma; provided, however, if the audit discloses that the API transfer price and/or the Workplan cost charged by Halozyme for such period was more than \*\*\* percent (\*\*\*) of the API transfer price and/or the Workplan cost, as the case may be, actually due for such period, then Halozyme shall pay the reasonable fees and expenses charged by such accounting firm. ViroPharma shall treat all financial information subject to review under this Section 4.7.2 as confidential, and shall cause its accounting firm to retain all such financial information in confidence.

4.8 Withholding Taxes. ViroPharma shall be entitled to deduct from the royalty payments otherwise due to Halozyme hereunder the amount of any withholding taxes, value-added taxes or other taxes, levies or charges with respect to such royalty payments that are required to be withheld by ViroPharma. ViroPharma shall pay to the appropriate governmental authority on behalf of Halozyme such taxes, levies or charges that are withheld. ViroPharma shall use reasonable efforts to take such action as may be reasonably requested by Halozyme, and at Halozyme's cost, to minimize any such taxes, levies or charges required to be withheld on behalf of Halozyme by ViroPharma, provided that such actions do not, or could not reasonably be expected to, adversely affect or impact ViroPharma or any of its Affiliates. ViroPharma promptly shall deliver to Halozyme proof of payment of all such taxes, levies and other charges, together with copies of all communications from or with such governmental authority with respect directly related thereto.

4.9 Payment Method. All payments by ViroPharma to Halozyme hereunder shall be in United States Dollars in immediately available funds (or funds that will be available on or prior to the date such payment is due) and shall be made by wire transfer to such bank account as designated from time to time by Halozyme to ViroPharma. Except with respect to any amounts disputed in good faith, any late payments due hereunder shall bear interest at the rate of \*\*\*% per month, or the maximum allowable by law if less.

## 5. PRODUCT DEVELOPMENT AND COMMERCIALIZATION.

### 5.1 Responsibility.

5.1.1 Except as otherwise set forth in this Section 5.1, ViroPharma shall be solely responsible, at its sole cost, for conducting the development, manufacture, regulatory approval and commercialization of Products, and shall own all clinical data, regulatory applications, filings, approvals and licenses for each Product.

5.1.2 ViroPharma shall engage Halozyme to conduct development and regulatory work for the PH20 Drug component of each Product and for providing technical assistance regarding the development of each Product. All such activities by Halozyme shall be conducted at the reasonable request of ViroPharma pursuant to a mutually acceptable written workplan that is customary in the industry (the "Workplan"). Following the end of each calendar quarter, Halozyme shall invoice ViroPharma for the Fully Burdened Workplan Cost to Halozyme to conduct such activities, and ViroPharma shall pay each such invoice within \*\*\* (\*\*\*) days after receipt.

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5.1.3 Halozyme shall provide ViroPharma with a full dossier for the PH20 Drug for ViroPharma's use in BLA/MAA filings. Such dossier will include chemistry manufacturing and controls sections and pre-clinical pharmacology and toxicology sections. After the Regulatory Approval Date, upon written request from ViroPharma, Halozyme will file a DMF for the PH20 Drug as promptly as practicable. Halozyme shall own the DMF for the PH20 Drug component of each Product. ViroPharma shall have the right to cross-reference such DMF. In countries where this is not feasible, Halozyme shall provide ViroPharma, at ViroPharma's cost, with such information in Halozyme's control regarding the PH20 Drug component of each Product as is reasonably necessary for ViroPharma to include in the applicable regulatory applications for such Product. Halozyme shall promptly notify ViroPharma of any changes to the dossier or DMF for the PH20 Drug.

5.1.4 Promptly following the Effective Date, each party shall appoint a person to act as its alliance manager to coordinate its business activities under this Agreement, and a technical leader to coordinate its technical activities under this Agreement. Each party shall notify in writing the other party as soon as practicable upon making, and changing, any of these appointments. The alliance managers shall be the primary business contacts, and the technical leaders shall be the primary technical contacts, between the parties with respect to their respective activities under this Agreement. Each party shall maintain an alliance project team, with an equal number of representatives as mutually agreed upon by the parties, that consists of at least the alliance manager and technical leader. The purpose of the alliance project team shall be to exchange

information and oversee the strategic, technical and operation aspects of the alliance. The alliance project team will have monthly meetings (which will be in person at least once per quarter), unless otherwise agreed to. Among its other responsibilities, the alliance project team shall approve the Workplan, and all amendments thereto. Notwithstanding the foregoing, but subject to Article 6, ViroPharma shall have final decision-making authority with respect to the development, manufacturing, regulatory approval and commercialization of the Product. Each party shall be responsible for its own costs in connection with the meetings of the alliance project team. Within \*\*\* (\*\*) weeks after each meeting of the alliance project team, one party (alternating from meeting to meeting) shall prepare and provide the other party with written minutes of the discussions, decisions and action items from such meeting which shall be subject to the reasonable approval and comment of the other party.

5.1.5 In addition to Section 5.1.3, ViroPharma may request Halozyme to provide authorization for regulatory agencies cross-reference appropriate regulatory filings previously made by Halozyme or its Affiliates regarding PH20 Drug which is necessary with respect to obtaining regulatory approval for any Product. Halozyme will not unreasonably withhold letters of authorization.

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## 5.2 Diligence Efforts.

5.2.1 ViroPharma shall \*\*\* to \*\*\* and following such approval \*\*\* to \*\*\*. Subject to Section 5.2.2, ViroPharma shall satisfy the foregoing obligation by \*\*\* and to \*\*\*.

5.2.2 If, during the term of this Agreement, Halozyme determines in good faith that there exists sufficiently supported, published scientific literature that demonstrates a reasonable scientific basis for application of the ViroPharma Biologic (as it exists as of the Effective Date) for use in an indication other than HAE (an "Expanded Indication"), then it may notify ViroPharma of such Expanded Indication and include a reference to the supporting scientific literature. Within \*\*\* (\*\*) days of receipt of such notice, ViroPharma shall determine whether (i) there is reasonable scientific basis for the Expanded Indication, (ii) administration of the Product in such Expanded Indication would be commercially viable as a subcutaneous administration and (iii) pre-clinical and clinical development, manufacturing, seeking regulatory approval and commercialization of the Product for such Expanded Indication would be commercially reasonable when the Product development, manufacturing, regulatory and commercialization strategy is taken as a whole (collectively with (i) and (ii), the "Expanded Indication Criteria"). If the Expanded Indication Criteria are satisfied, ViroPharma shall \*\*\* and, following receipt \*\*\*. If ViroPharma determines that the Expanded Indication for the Product does not satisfy the Expanded Indication Criteria, then the parties shall attempt to resolve the issue through good faith discussions. If a mutually acceptable resolution is not reached after \*\*\* (\*\*) days, then Halozyme shall have the right to seek a declaratory judgment under this Agreement that the Expanded Indication for the Product satisfies the Expanded Indication Criteria. If (a) Halozyme receives a final, non-appealable judgment (or if such judgment is not appealed by ViroPharma within the allotted time) that the Expanded Indication for the Product satisfies the Expanded Indication Criteria and (b) ViroPharma does not commence development or regulatory activities for the Expanded Indication within \*\*\* (\*\*) days of such final, non-appealable judgment, as Halozyme's sole and exclusive remedy therefor, the Expanded Indication shall be automatically removed from the Licensed Field; provided however, that in the event that the foregoing clause (a) is met and ViroPharma notifies Halozyme that it intends to use commercially reasonable efforts to commence development or regulatory activities for the Expanded Indication within \*\*\* (\*\*) days of such final, non-appealable judgment, and ViroPharma does so commence such activities, then ViroPharma shall reimburse Halozyme for its reasonable attorneys' fees in connection with seeking such declaratory judgment. If Halozyme does not receive such judgment, then no amendment or change shall be made to the Licensed Field.

5.2.3 For purposes of this Section 5.2, \*\*\* shall mean those \*\*\* as applied to other \*\*\*.

5.2.4 If ViroPharma has not notified Halozyme prior to the \*\*\* (\*\*) business day following the Regulatory Approval Date that ViroPharma is terminating this Agreement, then, commencing on such \*\*\* (\*\*) business day, and except as provided below, neither ViroPharma nor any of its Affiliates shall develop itself, or obtain a license from or otherwise collaborate with a third party to develop a ViroPharma Subcutaneous Product. If, at the time of the Regulatory Approval Date, ViroPharma has received regulatory approval from the applicable regulatory authority in a country outside of the United States for the marketing and sale of a ViroPharma Subcutaneous Product, but ViroPharma has not yet obtained

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regulatory approval from the applicable regulatory authority in such country for the marketing and sale of the Product, then ViroPharma shall have the right to continue to market and sell such ViroPharma Subcutaneous Product in such country until such time as ViroPharma obtains such regulatory approval for the Product in such country. Following (a) the Regulatory Approval Date with respect to the United States, and (b) receipt of regulatory approval from the applicable regulatory authority for the marketing and sale of the Product in a country outside of the United States on or after the Regulatory Approval Date, then ViroPharma shall commercialize the Product in such country and shall use commercially reasonable efforts to cease the continued development, use or commercialization of any ViroPharma Subcutaneous Product in such country, provided however, that if in such country ViroPharma (i) is then conducting any clinical studies of the ViroPharma Subcutaneous Product, then ViroPharma shall take into account appropriate clinical practices and related regulations and guidelines in winding down or completing any such studies or (ii) received regulatory approval for, and commenced the commercialization of, a ViroPharma Subcutaneous Product prior to the Regulatory Approval Date (with respect to the United States) or the date of such regulatory approval on or after the Regulatory Approval Date (with respect to a country outside of the United States), then ViroPharma shall have the right to take into account appropriate standards of



patient care in phasing out the commercialization of such ViroPharma Subcutaneous Product.

5.2.5 If ViroPharma has not initiated a clinical study of an Additional Indication within \*\*\* (\*\*\* ) year after the date on which ViroPharma receives written approval from the FDA for a BLA for the Product for HAE in the United States, then Halozyme may remove such Additional Indication from the definition of Exclusive Field.

5.2.6 If (a) ViroPharma permanently abandons, or permanently ceases, development, use or commercialization of, the Product in any Additional Indication, then ViroPharma shall promptly deliver written notice to Halozyme of its decision therefore, or (b) if at any time after the expiration of the \*\*\* (\*\*\* ) year period described in Section 5.2.5 ViroPharma unreasonably delays the development or commercialization of the Product in any Additional Indication, then in each case Halozyme shall have the right, at its sole discretion, to remove such Additional Indication from the Exclusive Field, in which case such Additional Indication shall remain in the Licensed Field.

### 5.3 Research and Development Reports.

5.3.1 ViroPharma shall keep complete and accurate records of its activities conducted under Section 5.1.1 of this Agreement and the results thereof. Within \*\*\* (\*\*\* ) days after the end of each calendar year until the First Commercial Sale in the United States of a Product, ViroPharma shall prepare and provide Halozyme with a reasonably detailed written report of the activities conducted under this Agreement, and the results thereof, through such date of such report, to develop and obtain regulatory approvals to market Products.

5.3.2 Halozyme shall keep complete and accurate records of its activities conducted under Section 5.1.2 of this Agreement and the results thereof. Within \*\*\* (\*\*\* ) days after the end of each calendar year until the First Commercial Sale in the United States of a Product, Halozyme shall prepare and provide ViroPharma with a reasonably detailed written report of the activities conducted under this Agreement, and the results thereof, through such date of such report, to develop and obtain regulatory approvals to market Products.

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### 5.4 Trademarks.

5.4.1 To the extent allowed under applicable law, ViroPharma, its sublicensee or their respective Affiliates shall have the right to determine the names and trademarks to use in connection with the promotion, marketing and sale of Products, and shall own and maintain such trademarks for use in connection with the promotion, marketing and sale of Products; provided, however, that, to the extent legally permissible, ViroPharma shall include on all packaging, labeling and marketing and promotional materials regarding any Product the name HALOZYME, and the mark ENHANZE (or such other mark reasonably requested by Halozyme) as a secondary mark, reasonably identifying that such product incorporates technology of Halozyme. Nothing in this Agreement shall create an obligation on Halozyme to register or otherwise maintain in force any marks.

5.4.2 Except as otherwise set forth above, ViroPharma, its sublicensees and their respective Affiliates shall not (a) use any of Halozyme's trademarks, or any mark or name confusingly similar thereto, as part of a corporate or business name or in any other manner, or (b) register any trade mark or trade name (including any company name) which is identical to or confusingly similar to or incorporates any trade mark or trade name which Halozyme or any associated company owns or claims rights in. Any goodwill associated with any of Halozyme's names or marks affixed or applied or used in connection with Products shall accrue to the sole benefit of Halozyme.

## 6. REGULATORY MATTERS.

6.1 Notices. Except as otherwise set forth in this Agreement, ViroPharma shall not communicate with the FDA or the governing health authorities of any country solely regarding the PH20 Drug incorporated into the Product without the prior consent of Halozyme. If the FDA or the governing health authorities of any country initiates any oral communication with ViroPharma solely regarding the PH20 Drug incorporated into the Product, ViroPharma shall have the right to respond to such communication to the extent reasonably necessary or appropriate under the circumstances; provided, however, that (a) ViroPharma shall use reasonable efforts to limit the communications solely regarding the PH20 Drug incorporated into the Product that are conducted without the participation of Halozyme; (b) promptly thereafter, ViroPharma shall provide Halozyme with written notice thereof in reasonably specific detail describing the communications solely regarding the PH20 Drug incorporated into the Product; and (c) ViroPharma promptly shall provide Halozyme with copies of all minutes and other materials resulting therefrom. ViroPharma promptly shall provide Halozyme with copies of all written communications from the FDA or the governing health authorities of any country solely regarding the PH20 Drug incorporated into the Product. With respect to any filing, communication or other submission with the FDA or the governing health authorities of any country solely regarding the PH20 Drug incorporated into the Product, (a) ViroPharma shall provide Halozyme with an advance copy of the reasonably complete draft thereof; (b) Halozyme shall have a reasonable opportunity to review, comment and consult on such draft; (c) the parties shall discuss Halozyme's comments solely regarding the PH20 Drug incorporated into such Product; and (d)

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ViroPharma shall in good faith consider the reasonable comments of Halozyme solely regarding the PH20 Drug incorporated into such Product. Halozyme shall keep ViroPharma updated with respect to the regulatory strategy for the PH20 Drug incorporated into each Product and the consistency thereof with, or any differences from, Halozyme's regulatory strategy for Halozyme's proprietary recombinant human PH20 hyaluronidase technology. Notwithstanding the foregoing, ViroPharma shall have the sole right to communicate with the FDA or the governing health authorities of any country regarding the ViroPharma Biologic.

6.2 Results. ViroPharma shall promptly inform Halozyme in writing, in reasonably specific detail, of any material data, results or other information from each preclinical study or human clinical trial of a Product related to the PH20 Drug component of such Product. Halozyme shall promptly inform ViroPharma in writing of any regulatory communication that is received, or of any data, results or other information of which it becomes aware, relating to the PH20 Drug alone or as a component of a Product that may impact the safety or efficacy of a Product; provided, however, that neither party will be required to disclose any data, results or other information (other than safety information) that will result in a breach of any confidentiality obligations with a third party.

6.3 Adverse Event Reporting. Each party shall promptly notify the other party immediately of any information that comes to such party's attention concerning any serious or unexpected adverse event, injury, toxicity or sensitivity reaction, or any unexpected incidence, and the severity thereof, associated with the clinical uses, studies, investigations, tests and marketing of PH20 Drug, the ViroPharma Biologic or the Product. For purposes of this Section 6.3, "serious" shall mean an experience which (a) results in the death, a persistent or significant incapacity or substantial disruption of the ability to conduct normal life functions, in-patient hospitalization or prolongation of hospitalization, or (b) is a congenital anomaly, the result of an overdose or life threatening (only if unrelated to primary disease); and "unexpected" shall mean (x) for a nonmarketed Product, an experience that is not identified in nature, severity or frequency in the current clinical investigator's confidential information brochure, and (y) for a marketed product, an event which is not listed in the current labeling for such product, and includes an event that may be symptomatically and pathophysiologically related to an experience listed in the labeling but differs from the event because of increased frequency or greater severity or specificity. Each party further shall immediately notify the other party of any information received regarding any threatened or pending action by an agency that may affect the safety and efficacy claims of the Product. Upon receipt of any such information, the parties shall consult with each other in an effort to arrive at a mutually acceptable procedure for taking appropriate action; provided, however, that nothing contained herein shall restrict either party's right to make a timely report of such matter to any government agency or take other action that it deems to be appropriate or required by applicable law, regulation or court order.

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## 7. SUPPLY OF API.

7.1 Manufacture and Sale. On the terms and conditions of this Article 7, Halozyme shall manufacture (or have manufactured), sell and deliver to ViroPharma all API required by ViroPharma, its sublicensees and their respective Affiliates for use in the preclinical development, clinical development and commercialization of the Products, and ViroPharma shall purchase from Halozyme all quantities of API required by ViroPharma, its sublicensees and their respective Affiliates for use in the preclinical development, clinical development and commercialization of the Products. ViroPharma, its sublicensees and their respective Affiliates shall use such API supplied by Halozyme solely for the development, manufacture and commercialization of Products pursuant to this Agreement.

### 7.2 Manufacturing Practices.

7.2.1 Halozyme shall manufacture, or have manufactured, API under this Article 7 in conformity with the API Specifications and in accordance with all applicable laws and regulations. The API Specifications shall not be amended without the prior written consent of both parties.

7.2.2 Unless the parties otherwise mutually agree or except as otherwise contemplated by this Agreement, Halozyme shall manufacture, or have manufactured, API under this Article 7 in accordance with cGMP.

7.2.3 Subject to Section 7.2.1, Halozyme shall \*\*\*.

7.2.4 ViroPharma shall have the right, at its sole expense, to audit Halozyme and its CMO of PH20 Drug for compliance with applicable laws and regulations and GMP on reasonable notice during normal business hours and not more than once in each calendar year, subject to reasonable confidentiality obligations.

7.2.5 Halozyme shall provide ViroPharma with certificates of analysis for all API supplied hereunder based upon a reference standard established by Halozyme and reasonably acceptable to ViroPharma.

7.2.6 Upon the reasonable request of ViroPharma, Halozyme shall provide ViroPharma with such information, including analytical and manufacturing documentation, batch records for API and stability data, in each case requested by ViroPharma regarding quality control of API supplied under this Article 7.

7.2.7 All information disclosed or obtained pursuant to this Article 7 shall be Confidential Information of Halozyme.

### 7.3 Forecasts and Orders.

7.3.1 Not less than \*\*\* (\*\*\*) days prior to the first day of each calendar quarter (commencing with the first calendar quarter in which ViroPharma, its sublicensees or their respective Affiliates order API from Halozyme hereunder), ViroPharma shall prepare and provide Halozyme with a written forecast of its good faith estimated requirements for API under

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this Section 7.3 for each of the subsequent \*\*\* (\*\*\*) calendar quarters. ViroPharma shall not (a) increase or decrease the quantity estimated for the \*\*\* quarterly period of each forecast from the quantity estimated for the \*\*\* quarterly period of the previous forecast, (b) increase or decrease the quantity estimated for the \*\*\* quarterly periods of each forecast by more than \*\*\* percent (\*\*\*) of the quantity estimated for the \*\*\* quarterly periods of the previous forecast, respectively, without the prior express written consent of Halozyme. The quantities estimated for the \*\*\* quarterly periods of each forecast shall be non-binding, and for planning purposes only.

7.3.2 ViroPharma shall be required to purchase \*\*\* (\*\*\*) of the quantity forecasted for each API under this Section 7.3 for the first and second quarterly periods of each forecast under Section 7.3.1.

7.3.3 Halozyme shall be required to supply the quantity of API ordered by ViroPharma under this Section 7.3 in any calendar quarter up to \*\*\* percent (\*\*\*) of the quantity forecasted for the \*\*\* quarterly period of the most recent forecast. If ViroPharma's orders in any calendar quarter exceed \*\*\* percent (\*\*\*) of the quantity forecasted for the \*\*\* quarterly period of the most recent forecast, Halozyme shall use commercially reasonable efforts to supply such excess. Halozyme shall use commercially reasonable efforts to meet ViroPharma's delivery requirements specified in accordance with Section 7.3.4. In the event of a shortfall to forecast, Halozyme shall use commercially reasonable efforts to apportion API among ViroPharma and its other customers on a pro rata basis according to their respective forecasts.

7.3.4 ViroPharma shall make all purchases under this Section 7.3 by submitting firm purchase orders to Halozyme. Each such purchase order shall be in writing in a form reasonably acceptable to Halozyme, and shall specify the quantity of API ordered, the place of delivery and the required delivery date therefor, which shall not be less than \*\*\* (\*\*\*) days after the date of such purchase order. No additional terms of any such purchase order shall be binding on Halozyme and are expressly rejected hereby. In the event of a conflict between the terms and conditions of any purchase order and this Agreement, the terms and conditions of this Agreement shall prevail.

#### 7.4 Delivery and Acceptance.

7.4.1 All API supplied under this Agreement shall be shipped \*\*\* (Incoterms 2010) \*\*\* to such location as designated by ViroPharma. Any change in the location of manufacture or distribution shall require the consent of ViroPharma, such consent not to be unreasonably withheld or delayed. Title and risk of loss and damages to the API purchased by ViroPharma hereunder shall pass to ViroPharma upon \*\*\*.

7.4.2 ViroPharma shall pay all \*\*\* and \*\*\* and \*\*\* applicable to the sale and transport of API purchased by ViroPharma under this Section 7.3.4.

7.4.3 If a shipment of API or any portion thereof is not in conformance with the API Specifications, then ViroPharma shall have the right to reject such shipment of API if the entire shipment is nonconforming, or the portion thereof that fails to so conform, as

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the case may be. ViroPharma shall give written notice to Halozyme of its rejection hereunder, within \*\*\* (\*\*\*) days after ViroPharma's receipt of such shipment, specifying the grounds for such rejection. Notwithstanding the above, if the nonconformity of the API could not have been ascertained by ViroPharma upon reasonable inspection and analysis of the API, then the \*\*\* (\*\*\*) day period referred to herein shall not apply, provided that ViroPharma notifies Halozyme promptly upon discovery of such nonconformity (but in no event later than \*\*\* (\*\*\*) days from the date of the discovery). All or any part of any shipment may be held for Halozyme's disposition, at Halozyme's expense if found to be not in conformance with the API Specifications. Halozyme shall use its commercially reasonable efforts to cure such rejection or replace such nonconforming shipment of API, or portion thereof, within \*\*\* (\*\*\*) days after receipt of notice of rejection thereof.

7.4.4 ViroPharma's grounds for rejection shall be conclusive unless Halozyme notifies ViroPharma, within \*\*\* (\*\*\*) days of receipt by Halozyme of the notice of rejection, that it disagrees with such grounds. In the event of such a notice by Halozyme, representative samples of the batch of API in question shall be submitted to a mutually acceptable independent laboratory or consultant (if not a laboratory analysis issue) for analysis or review, the costs of which shall be paid by the party that is determined by the independent laboratory or consultant to have been incorrect in its determination of whether the applicable API should be rejected.

7.5 \*\*\* If (a) Halozyme \*\*\* (b) Halozyme \*\*\* then ViroPharma may \*\*\*. Within sixty (60) days after the Effective Date, Halozyme will \*\*\*. In addition, Halozyme will \*\*\*. Notwithstanding the foregoing, (i) regardless of whether \*\*\* , ViroPharma shall \*\*\* Halozyme can demonstrate to ViroPharma's reasonable satisfaction that Halozyme \*\*\*.

7.6 LIMITATION OF LIABILITY. HALOZYME'S LIABILITY TO VIROPHARMA, AND VIROPHARMA'S REMEDY, UNDER SECTION 7.4.3 SHALL BE THE REJECTION AND REPLACEMENT OF NON-CONFORMING API WITH API THAT CONFORMS WITH THE TERMS AND

CONDITIONS OF THIS AGREEMENT WITHIN A COMMERCIALY REASONABLE TIME. NOTHING IN THIS SECTION 7.6 IS INTENDED TO LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF EITHER PARTY UNDER ARTICLE 10.

7.7 Warranty. Halozyme warrants that all API delivered to ViroPharma pursuant to this Agreement shall conform with the API Specifications and the certificate of analysis, shall be free from defects in manufacturing, handling, material and workmanship, and shall be manufactured in accordance with cGMP (unless the parties otherwise mutually agree) and in compliance with applicable laws and regulations. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, HALOZYME MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO API. HALOZYME DISCLAIMS ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. NOTHING IN THIS SECTION 7.7 IS INTENDED TO LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF EITHER PARTY UNDER ARTICLE 10.

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7.8 Supply Strategy. Commencing not later than the \*\*\* anniversary of the Effective Date, Halozyme shall be responsible for implementing a commercially reasonable supply strategy for API to meet ViroPharma's reasonably anticipated forecasts provided pursuant to Section 7.3. Halozyme shall review such supply strategy with ViroPharma at least \*\*\*, and prior to implementing any material change required by a CBE-30, a Prior Approval Supplement or equivalent regulatory filing. Halozyme shall notify ViroPharma of any annual reportable changes within \*\*\* (\*\*\*) days after their submission to FDA.

7.9 Quality Agreement. The parties agree to negotiate and enter into a mutually acceptable quality agreement relating to the supply of API hereunder. Such quality agreement shall be entered into within \*\*\* (\*\*\*) days of the Effective Date.

7.10 Supply of API After Expiration of this Agreement. During the \*\*\* (\*\*\*) month period before the anticipated expiration of this Agreement, and upon the written request of ViroPharma, the parties shall negotiate in good faith the terms and conditions regarding the continued supply of API by Halozyme to ViroPharma.

## 8. INTELLECTUAL PROPERTY RIGHTS.

8.1 Ownership of Intellectual Property. The intellectual property rights and ownership outlined in this Article 8 shall supersede the intellectual property rights and ownership terms of the Material Transfer Agreement, dated April 14, 2011 between Halozyme and ViroPharma. Each party shall assist the other party in any reasonable manner to obtain, perfect and enforce the other party's rights in any and all countries, in and to all intellectual property as set forth below. In addition, the Parties agree to assign, or cause to be assigned, intellectual property rights in and to all intellectual property as set forth below. The Parties agree that:

8.1.1 ViroPharma shall solely own the Collaboration Supported ViroPharma Biologic Patents and any unpatentable Collaboration Inventions solely relating to the ViroPharma Biologic;

8.1.2 Halozyme shall solely own the Collaboration Supported PH20 Patents and any unpatentable Collaboration Inventions solely relating to the PH20 Drug; and

8.1.3 ViroPharma and Halozyme shall jointly own the Collaboration Supported Product Patents and any Collaboration Invention that is not a Collaboration Supported ViroPharma Biologic Patent or Collaboration Supported PH20 Patent, or if unpatentable does not solely relate to the ViroPharma Biologic or does not solely relate to the PH20 Drug.

### 8.2 Prosecution, Maintenance and Enforcement.

8.2.1 ViroPharma shall have the first right, at its sole expense, to prepare, file, prosecute and maintain the Collaboration Supported Product Patents. ViroPharma shall give Halozyme an opportunity to review and comment on the text of each patent application included within the Collaboration Supported Product Patents before filing, shall supply Halozyme with a copy of such patent application as filed, together with notice of its filing date and serial number, and shall give Halozyme an opportunity to review and comment

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on the text of all correspondence received from any patent office. ViroPharma shall consider in good faith the interests of Halozyme in the prosecution of the Collaboration Supported Product Patents. Halozyme shall assist ViroPharma, upon request and at ViroPharma's sole expense, and to the extent commercially reasonable, in connection therewith. If ViroPharma elects not to file any patent application included in the Collaboration Supported Product Patents in any country, or decides to abandon any such pending application or issued patent in any country, then ViroPharma shall provide written notice to Halozyme, and Halozyme shall have the right at its sole expense to assume control of the preparation, filing, prosecution and maintenance of such patent application or patent at its own expense.

8.2.2 ViroPharma shall have the first right to enforce the Collaboration Supported Product Patents against third party infringers. With respect to any infringement of the Collaboration Supported Product Patents by a third party, if ViroPharma fails to abate such infringement or to file an action to abate such infringement within ninety (90) days after a written request from Halozyme to do so, or if ViroPharma discontinues the prosecution of any such action after filing without abating such infringement, then Halozyme shall have the right to enforce the Collaboration Supported Product Patents against such third party infringer. With respect any action to enforce the Collaboration Supported Product Patents to abate any infringement by a third party, all monies recovered upon the final judgment or settlement of any such action shall (a) first, be used to reimburse the costs and expenses (including reasonable attorneys' fees and costs) of Halozyme and ViroPharma; and (b) second, (i) if ViroPharma brings such enforcement action, be treated as Net Sales, except for recovered punitive damages which are to be shared equally between the parties and (ii) if Halozyme brings such enforcement action, be shared equally between the parties.

8.2.3 ViroPharma shall have the sole right, at its sole expense, to prepare, file, prosecute, maintain and enforce the Collaboration Supported ViroPharma Biologic Patents. ViroPharma shall consider in good faith the interests of Halozyme in so doing. Halozyme shall assist ViroPharma, upon request and at ViroPharma's sole expense, and to the extent commercially reasonable, in connection therewith. Nothing in this Agreement grants any ownership right in the Collaboration Supported ViroPharma Biologic Patents to Halozyme, and ViroPharma shall remain the sole owner of the Collaboration Supported ViroPharma Biologic Patents.

8.2.4 Halozyme shall have the sole right, at its sole expense, to prepare, file, prosecute, maintain and enforce the Collaboration Supported PH20 Patents and Licensed Patent Rights. Halozyme shall consider in good faith the interests of ViroPharma in so doing. ViroPharma shall assist Halozyme, upon request and at Halozyme's sole expense, and to the extent commercially reasonable, in connection therewith. Nothing in this Agreement grants any ownership right in the Collaboration Supported PH20 Patents or the Licensed Patent Rights to ViroPharma, and Halozyme shall remain the sole owner of the Collaboration Supported PH20 Patents and the Licensed Patent Rights.

8.2.5 With respect to any substantial and continuing infringement of the Licensed Patent Rights by a third party making, using, offering for sale, selling or importing a product that consists of an Exclusive Biologic combined with PH20 Drug \*\*\* that is directed to the Exclusive Field in a country, on a country-by-country basis, if Halozyme fails to abate such

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infringement or to file an action to abate such infringement within \*\*\* (\*\*) days (or \*\*\* (\*\*) days in the case of a paragraph IV certification) after a written request from ViroPharma to do so, or if Halozyme discontinues the prosecution of any such action after filing without abating such infringement, then until such time as such infringement is abated, the royalty rate for the Product in such country shall be reduced by \*\*\* (\*\*) of the royalty rate set forth in Section 4.4.

8.2.6 With respect any action to enforce the Licensed Patent Rights to abate any infringement of the Licensed Patent Rights by a third party making, using, offering for sale, selling or importing a product that consists of an Exclusive Biologic combined with PH20 Drug \*\*\* that is directed to the Exclusive Field in a country, all monies recovered upon the final judgment or settlement of any such action shall be used (a) first, to reimburse the costs and expenses (including reasonable attorneys' fees and costs) of Halozyme and ViroPharma; and (b) the remainder to be shared equally between the parties.

8.3 Grantback License. ViroPharma hereby grants to Halozyme a perpetual, royalty-free, fully paid up, nonexclusive, worldwide license under any Grantback Patents for the purpose of developing, making, using, selling, offering for sale or importing PH20 Drug \*\*\* alone or combined with any biologic or molecule, in each case other than (i) Products in the Licensed Field, or (ii) products that consist of an Exclusive Biologic combined with PH20 Drug \*\*\* that is directed to the Exclusive Field. Halozyme shall have the right to grant sublicenses under such rights to any third party provided that such third party has similarly granted to Halozyme a grantback license (with the right to sublicense to ViroPharma). If Halozyme is unable to obtain such a grantback license from any such third party, then Halozyme shall not grant a sublicense to such third party under the foregoing license grant from ViroPharma, and any such sublicense granted by Halozyme to such third party shall be void.

## 9. CONFIDENTIALITY.

9.1 Confidentiality. During the term of this Agreement and for a period of \*\*\* (\*\*) years following the expiration or earlier termination hereof, each party shall maintain in confidence the Confidential Information of the other party, shall not use or grant the use of the Confidential Information of the other party except as expressly permitted hereby, and shall not disclose the Confidential Information of the other party except on a need-to-know basis to such party's directors, officers, employees and consultants, to the extent such disclosure is reasonably necessary in connection with such party's activities as expressly authorized by this Agreement. To the extent that disclosure to any person is authorized by this Agreement, prior to disclosure, a party shall obtain written agreement of such person to hold in confidence and not disclose, use or grant the use of the Confidential Information of the other party except as expressly permitted under this Agreement. Each party shall notify the other party promptly upon discovery of any unauthorized use or disclosure of the other party's Confidential Information. Notwithstanding the foregoing, Halozyme acknowledges and agrees that: (a) ViroPharma will, from time to time, disclose to Sanquin certain Confidential Information of Halozyme to the extent required under, and subject to the limitations of, the Sanquin Agreement (and which disclosure shall be subject to customary confidentiality terms), and (b) all information that Halozyme may receive from Sanquin related to the activities conducted hereunder shall be treated by Halozyme as ViroPharma's Confidential Information of ViroPharma.

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9.2 Terms of Agreement. Neither party shall disclose any terms or conditions of this Agreement to any third party without the prior consent of the other party; provided, however, that a party may disclose the terms or conditions of this Agreement (a) on a need-to-know basis to its legal and financial advisors to the extent such disclosure is reasonably necessary or (b) to a third party in connection with (i) an equity investment in such party, (ii) a merger, consolidation or similar transaction by such party, (iii) the sale of all or substantially all of the assets of such party or (iv) a collaboration or strategic alliance relating to the subject matter of this Agreement.

9.3 Permitted Disclosures. The confidentiality obligations under this Article 9 shall not apply to the extent that a party is required to disclose information by applicable law, regulation, stock exchange listing or order of a governmental agency or a court of competent jurisdiction; provided, however, that such party shall provide written notice thereof to the other party, consult with the other party with respect to such disclosure and provide the other party sufficient opportunity to object to any such disclosure or to request confidential treatment thereof.

#### 9.4 Publications.

9.4.1 Prior to the Regulatory Approval Date, either party may publish the results of its research and/or development under this Agreement in order to obtain recognition within the scientific community and to advance the state of scientific knowledge, and such publication shall be subject to the following procedures. If a party desires to make any such publication (including any oral disclosure made without obligation of confidentiality), such party shall provide the other party with a copy of the proposed written publication at least thirty (30) days prior to submission for publication, or an outline of such oral disclosure at least fifteen (15) days prior to presentation. At the reasonable request of the other party, the publishing party shall remove any Confidential Information of the other party therefrom. The other party additionally shall have the right (a) to propose modifications to the publication for patent reasons, and (b) to request a reasonable delay in publication in order to protect patentable information. If the other party requests such a delay, the publishing party shall delay submission or presentation of the publication and shall not proceed with the written publication or the presentation without the prior written consent of the other party, such consent not to be unreasonably withheld (provided that it would be unreasonable (x) for ViroPharma to withhold consent if ViroPharma's primary reason for doing so is marketing concerns due to the Product performing better than a ViroPharma Subcutaneous Product or (y) for Halozyme to withhold consent if Halozyme's primary reason for doing so is marketing concerns due to the Product performing worse than a ViroPharma Subcutaneous Product).

9.4.2 After the Regulatory Approval Date, ViroPharma may publish the results of its research and/or development under this Agreement in order to obtain recognition within the scientific community and to advance the state of scientific knowledge, and such publication shall be subject to the following procedures. If ViroPharma desires to make any such publication (including any oral disclosure made without obligation of confidentiality), ViroPharma shall provide Halozyme with a copy of the proposed written publication at least \*\*\* (\*\*\* days prior to submission for publication, or an outline of such oral disclosure at least \*\*\* (\*\*\* days prior to presentation. At the reasonable request of Halozyme, ViroPharma shall remove any Confidential Information of Halozyme therefrom.

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Halozyme additionally shall have the right (a) to propose modifications to the publication for patent reasons, and (b) to request a reasonable delay in publication in order to protect patentable information. If Halozyme requests such a delay, ViroPharma shall delay submission or presentation of the publication for a period of up to \*\*\* (\*\*\* days to enable Halozyme to prepare and file applicable patent applications. Upon the expiration of such \*\*\* (\*\*\* day period (in the case of proposed written disclosures) or \*\*\* (\*\*\* day period (in the case of proposed oral disclosures) from receipt by Halozyme, subject to the requirement to remove any Confidential Information of Halozyme, ViroPharma shall be free to proceed with the written publication or the presentation, respectively, unless Halozyme has requested the delay described above.

9.4.3 Halozyme shall not publish any studies, clinical trials or results thereof regarding a Product or the ViroPharma Biologic, and ViroPharma shall not publish any studies, clinical trials or results thereof regarding PH20 Drug other than as a component of a Product.

9.5 Clinical Trial Registry. ViroPharma, in accordance with ClinicalTrials.gov or equivalent regulatory agency policies and procedures, shall have the right to publish all studies, clinical trials and results thereof regarding Product (but not PH20 Drug alone) on the clinical trial registries which are maintained by or on behalf of ViroPharma.

#### 10. INDEMNIFICATION AND INSURANCE.

10.1 By ViroPharma. ViroPharma shall indemnify and hold harmless Halozyme, and its directors, officers, employees and agents, from and against all losses, liabilities, damages and expenses, including reasonable attorneys' fees and costs (collectively, "Liabilities"), resulting from any claims, demands, actions or other proceedings by any third party to the extent resulting from (a) the breach of any representation, warranty or covenant by ViroPharma under this Agreement; (b) the use by ViroPharma, its sublicensees or their respective Affiliates of the Licensed IP Rights beyond the scope of the licenses granted herein; (c) the manufacture, use, sale, handling or storage of Products by ViroPharma, its sublicensees or their respective Affiliates, customers or end-users; or (d) the use by ViroPharma, its sublicensees or their respective Affiliates of the Confidential Information of Halozyme.

10.2 By Halozyme. Halozyme shall indemnify and hold harmless ViroPharma, and its directors, officers, employees and agents, from and against all Liabilities resulting from any claims, demands, actions or other proceedings by any third party to the extent resulting from (a) the breach of any representation, warranty or covenant by Halozyme under this Agreement; (b) the use by Halozyme, its sublicensees or their respective Affiliates of the Grantback Patents beyond the scope of the licenses granted herein; (c) the manufacture, use, sale, handling or storage of API by Halozyme or its CMOs or other suppliers; or (d) the use by Halozyme, its sublicensees or their respective Affiliates of the Confidential Information of ViroPharma.

10.3 Procedure. If a party (the "Indemnitee") intends to claim indemnification under this Section 10.3, it shall promptly notify the other party (the "Indemnitor") in writing of any claim, demand, action or other proceeding for which the Indemnitee intends to claim such indemnification, and the Indemnitor shall have the right to participate in, and, to the extent the

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Indemnitor so desires, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an Indemnitee shall have the right to retain its own counsel, with the fees and expenses to be paid by the Indemnitor, if representation of such Indemnitee by the counsel retained by the Indemnitor would be inappropriate due to actual or potential differing interests between the Indemnitee and any other party represented by such counsel in such proceeding. The obligations of this Section 10.3 shall not apply to amounts paid in settlement of any claim, demand, action or other proceeding if such settlement is effected without the consent of the Indemnitor, which consent shall not be withheld or delayed unreasonably. The failure to deliver written notice to the Indemnitor within a reasonable time after the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve the Indemnitor of any obligation to the Indemnitee under this Section 10.3. The Indemnitee, its employees and agents, shall reasonably cooperate with the Indemnitor and its legal representatives in the investigation of any claim, demand, action or other proceeding covered by this Section 10.3.

10.4 Insurance. Each party shall maintain insurance, including Commercial General Liability, Product and Clinical Trials Liability, Workers Compensation and Employer's Liability and Errors and Omissions Liability insurance, with respect to its activities under this Agreement regarding Products in such amount as such party customarily maintains with respect to similar activities for its other products, but not less than the greater of (i) \$\*\*\* each occurrence and aggregate for Commercial General Liability, Product and Clinical Trials Liability and Errors and Omissions Liability insurance and \$\*\*\* limit per accident /disease and a \$\*\*\* disease policy limit Workers Compensation and Employer's Liability or (ii) such amount as is reasonable and customary in the industry. Each party shall maintain such insurance for so long as it continues its activities under this Agreement, and thereafter for \*\*\* (\*\*) years. Each party retains the right to insure or self-insure at its sole discretion, the above coverage. Each party shall provide the other party \*\*\* (\*\*) days notice of any material change, cancellation or non-renewal of any required insurance under this Agreement. In the event of a material change, cancellation, or non-renewal in coverage, each party shall replace such coverage to comply with this Agreement so that there is no lapse of coverage for any time period.

## 11. TERM AND TERMINATION.

11.1 Term. This Agreement shall commence on the Effective Date and, unless earlier terminated pursuant to this Article 11, shall continue in effect until the later of (a) expiration of the last to expire of the Valid Claims, and (b) expiration of the last to expire Royalty Term. Upon the expiration (but not termination) of this Agreement, ViroPharma shall have a perpetual, fully paid-up, non-exclusive license under the Licensed Know-How Rights to make, have made, use, sell, offer for sale and import Products for use in the Licensed Field.

11.2 Termination for Breach. If a party has materially breached this Agreement and such material breach shall continue for \*\*\* (\*\*) days after written notice of such breach was provided to the breaching party by the nonbreaching party, the nonbreaching party shall have the right at its option to terminate this Agreement effective at the end of such \*\*\* (\*\*) day period.

11.3 Termination by ViroPharma. ViroPharma may terminate this Agreement in whole or on a Product-by-Product basis at any time upon \*\*\* (\*\*) days prior written notice to Halozyme.

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### 11.4 Effect of Expiration or Termination.

11.4.1 Expiration or termination of this Agreement shall be without prejudice to any rights which shall have accrued to the benefit of a party prior to such expiration or termination. Without limiting the foregoing, Sections 2.3, 4.7, 6, 7.6, 8, 9, 10, 11.4 and 12 shall survive any expiration or termination of this Agreement.

11.4.2 Except as otherwise expressly set forth in this Agreement, promptly upon the expiration or earlier termination of this Agreement, each party shall return to the other party all tangible items regarding the Confidential Information of the other party and all copies thereof; provided, however, that each party shall have the right to retain one (1) copy for its legal files for the sole purpose of determining its obligations hereunder.

11.5 Section 365(n) of the Bankruptcy Code. All rights and licenses granted under or pursuant to any section of this Agreement are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(35A) of the Bankruptcy Code. The Parties shall retain and may fully exercise all of their respective rights and elections under section 365(n) of the Bankruptcy Code.

## 12. MISCELLANEOUS.

12.1 Governing Law. This Agreement shall be governed by, interpreted and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law principles thereof.

12.2 Waiver. No waiver by a party hereto of any breach or default of any of the covenants or agreements herein set forth shall be deemed a waiver as to any subsequent and/or similar breach or default.

12.3 Assignment. Neither this Agreement nor any right or obligation hereunder may be assigned or delegated, in whole or part, by either party without the prior express written consent of the other; provided, however, that either party may, without the written consent of the other, assign this Agreement and its rights and delegate its obligations hereunder to an Affiliate, or in connection with the transfer or sale of all or substantially all of its business related to this Agreement, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any purported assignment in violation of this Section 12.3 shall be void.

12.4 Independent Contractors. The relationship of the parties hereto is that of independent contractors. The parties hereto are not deemed to be agents, partners or joint venturers of the others for any purpose as a result of this Agreement or the transactions contemplated thereby.

12.5 Further Actions. Each party shall execute, acknowledge and deliver such further documents and instruments and to perform all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

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12.6 Notices. All requests and notices required or permitted to be given to the parties hereto shall be given in writing, shall expressly reference the section(s) of this Agreement to which they pertain, and shall be delivered to the other party, effective on receipt, at the appropriate address as set forth below or to such other addresses as may be designated in writing by the parties from time to time during the term of this Agreement.

If to Halozyme: Halozyme, Inc.

11388 Sorrento Valley Road

San Diego, California 92121

Attn: Chief Executive Officer

If to ViroPharma: ViroPharma Incorporated

730 Stockton Drive

Exton, Pennsylvania 19341

Attn: Chief Executive Officer

12.7 Force Majeure. Nonperformance of a party (other than for the payment of money) shall be excused to the extent that performance is rendered impossible by strike, fire, earthquake, flood, governmental acts or orders or restrictions, failure of suppliers, or any other reason where failure to perform is beyond the reasonable control and not caused by the negligence, intentional conduct or misconduct of the nonperforming party; provided, however, that the nonperforming party shall use commercially reasonable efforts to resume performance as soon as reasonably practicable.

12.8 No Consequential Damages. IN NO EVENT SHALL A PARTY BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT OR THE EXERCISE OF ITS RIGHTS HEREUNDER, INCLUDING WITHOUT LIMITATION LOST PROFITS ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES. NOTHING IN THIS SECTION 12.8 IS INTENDED TO LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF EITHER PARTY UNDER ARTICLE 10.

12.9 Halozyme In-Licenses. Notwithstanding anything to the contrary in this Agreement, the grant of rights by Halozyme under this Agreement shall be subject to and limited in all respects by the terms of the applicable Halozyme In-Licenses pursuant to which Halozyme acquired any Licensed IP Rights, and all rights or sublicenses granted under this Agreement shall be limited to the extent that Halozyme may grant such rights and sublicenses under such Halozyme In-Licenses, in each case to the extent specifically identified on Schedule 1.27. Halozyme shall keep the



Halozyme In-Licenses in full force and effect throughout the term of this Agreement.

12.10 Complete Agreement. This Agreement, together with the Schedules hereto, constitutes the entire agreement between the parties regarding the subject matter hereof, and all prior representations, understandings and agreements regarding the subject matter hereof, either written or oral, expressed or implied, are superseded and shall be of no effect.

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12.11 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and together shall be deemed to be one and the same agreement.

12.12 Headings. The captions to the several sections hereof are not a part of this Agreement, but are included merely for convenience of reference only and shall not affect its meaning or interpretation.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly-authorized representatives as of the Effective Date.

HALOZYME, INC.

By:

Name:

Title:

VIROPHARMA SPRL

By:

Name:

Title:

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#### SCHEDULE 1.1

Additional Indications

CONFIDENTIAL

1. \*\*\*

2. \*\*\*

3. \*\*\*

#### SCHEDULE 1.4

API Specifications

CONFIDENTIAL

Description: \*\*\*.

Attribute

Product Control Specification (regulatory)

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SCHEDULE 1.27

Halozyme In-Licenses

CONFIDENTIAL

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SCHEDULE 1.49

ViroPharma Biologic

CONFIDENTIAL

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SCHEDULE 2.2.1(a)

Licensed Patent Rights

CONFIDENTIAL

Country

Title

Serial No.

(Patent No.)

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