

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___ to

Commission file number **1-12830**

BioTime, Inc.

(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of incorporation or organization)

94-3127919

(IRS Employer Identification No.)

1301 Harbor Bay Parkway, Suite 100
Alameda, California 94502

(Address of principal executive offices)

(510) 521-3390

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. T Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o

Accelerated filer o

Non-accelerated filer o (Do not check if a smaller reporting company)

Smaller reporting company T

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). o Yes T No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 40,919,101 common shares, no par value, as of August 5, 2010.

PART 1--FINANCIAL INFORMATION

Statements made in this Report that are not historical facts may constitute forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those discussed. Such risks and uncertainties include but are not limited to those discussed in this report under Item 1 of the Notes to Financial Statements, and in BioTime's Annual Report on Form 10-K filed with the Securities and Exchange Commission. Words such as "expects," "may," "will," "anticipates," "intends," "plans," "believes," "seeks," "estimates," and similar expressions identify forward-looking statements.

Item 1. Financial Statements

**BIOTIME, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS**

	June 30, 2010 (unaudited)	December 31, 2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 18,056,089	\$ 12,189,081
Inventory	49,478	38,384
Prepaid expenses and other current assets	880,571	138,547
Total current assets	18,986,138	12,366,012
Equipment, net of accumulated depreciation of \$85,496 and \$54,291, respectively	339,418	131,133
Deferred license and consulting fees	2,165,700	880,000
Deposits	51,900	55,926
Intangible assets, net	12,603,756	-
TOTAL ASSETS	\$ 34,146,912	\$ 13,433,071
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 795,505	\$ 530,958
Deferred grant income	263,397	263,397
Deferred license revenue, current portion	323,581	367,904
Total current liabilities	1,382,483	1,162,259
LONG-TERM LIABILITIES:		
Deferred license revenue, net of current portion	1,121,693	1,223,823
EQUITY		
Preferred Shares, no par value, authorized 1,000,000 shares; none issued	-	-
Common shares, no par value, authorized 75,000,000 shares; issued and outstanding shares: 39,980,703 and 33,667,659 at June 30, 2010 and December 31, 2009, respectively	83,989,113	59,722,318
Contributed capital	93,972	93,972
Accumulated other comprehensive loss	(5,910)	-
Accumulated deficit	(56,315,757)	(52,769,891)
Total shareholders' equity	27,761,418	7,046,399
Noncontrolling interest	3,881,318	4,000,590
Total equity	31,642,736	11,046,989
TOTAL LIABILITIES AND EQUITY	\$ 34,146,912	\$ 13,433,071

See accompanying notes to the condensed consolidated interim financial statements.

BIOTIME, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)

	Three Months Ended		Six Months Ended	
	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2009</u>
REVENUES:				
License fees	\$ 58,216	\$ 73,226	\$ 131,442	\$ 146,452
Royalties from product sales	215,293	351,724	512,294	574,391
Grant income	395,095	6,800	790,191	6,800
Other revenue	11,674	340	13,479	1,190
Total revenues	<u>680,278</u>	<u>432,090</u>	<u>1,447,406</u>	<u>728,833</u>
EXPENSES:				
Research and development	(1,429,027)	(639,594)	(2,588,978)	(1,165,418)
General and administrative	(1,566,675)	(900,146)	(2,499,973)	(1,582,320)
Total expenses	<u>(2,995,702)</u>	<u>(1,539,740)</u>	<u>(5,088,951)</u>	<u>(2,747,738)</u>
Loss from operations	<u>(2,315,424)</u>	<u>(1,107,650)</u>	<u>(3,641,545)</u>	<u>(2,018,905)</u>
OTHER INCOME/(EXPENSES):				
Interest expense	(99)	(365,539)	(157)	(973,566)
Other income/(loss)	<u>(38,263)</u>	<u>1,819</u>	<u>(24,108)</u>	<u>2,887</u>
Total other income/(expenses), net	(38,362)	(363,720)	(24,265)	(970,679)
NET LOSS	<u>(2,353,786)</u>	<u>(1,471,370)</u>	<u>(3,665,810)</u>	<u>(2,989,584)</u>
Less: Net loss attributable to the noncontrolling interest	\$ 94,011	\$ -	\$ 119,272	\$ -
Net loss attributable to BioTime, Inc.	\$ (2,259,775)	\$ (1,471,370)	\$ (3,546,538)	\$ (2,989,584)
Foreign currency translation loss	<u>(5,910)</u>	<u>-</u>	<u>(5,910)</u>	<u>-</u>
COMPREHENSIVE NET LOSS	<u>\$ (2,265,685)</u>	<u>\$ (1,471,370)</u>	<u>\$ (3,552,448)</u>	<u>\$ (2,989,584)</u>
BASIC AND DILUTED LOSS PER COMMON SHARE	<u>\$ (0.06)</u>	<u>\$ (0.05)</u>	<u>\$ (0.10)</u>	<u>\$ (0.11)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:				
BASIC AND DILUTED	<u>37,562,372</u>	<u>27,085,454</u>	<u>35,651,404</u>	<u>26,199,630</u>

See accompanying notes to the condensed consolidated interim financial statements.

BIOTIME, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended	
	June 30, 2010	June 30, 2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (3,546,538)	\$ (2,989,584)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization of capital leased assets	31,221	16,416
Amortization of deferred license revenues	(146,453)	(146,452)
Amortization of deferred finance cost on lines of credit	-	773,645
Amortization of deferred consulting fees	-	65,766
Amortization of deferred rent	(1,894)	-
Amortization of intangible asset	128,333	-
Stock-based compensation	284,130	69,025
Options issued as independent director compensation	171,634	-
Warrants issued as compensation for consulting services	132,090	-
Foreign currency translation adjustment	5,910	-
Share in net loss from investment in nonconsolidated company	51,881	-
Net loss allocable to noncontrolling interest	(119,272)	-
Changes in operating assets and liabilities:		
Accounts receivable, net	32,607	1,956
Inventory	(11,094)	-
Prepaid expenses and other current assets	65,445	(2,192)
Accounts payable and accrued liabilities	(34,881)	(320,942)
Interest on lines of credit	-	78,113
Stock appreciation rights compensation liability	-	504,719
Deferred grant income	-	(6,800)
Deferred rent	-	(183)
Net cash used in operating activities	<u>(2,956,881)</u>	<u>(1,956,513)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(144,780)	(9,039)
Payment of license fees	(215,000)	-
Cash paid as part of acquisition of ESI	(80,000)	-
Security deposit received (paid)	3,997	(5,926)
Net cash used in investing activities	<u>(435,783)</u>	<u>(14,965)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Employee options exercised	48,400	-
Director options exercised	19,672	-
Outside consultant options exercised	82,350	-
Warrants exercised	8,890,981	-
Repayment of line of credit	-	(263,825)
Borrowings under lines of credit	-	2,310,000
Deferred finance cost on lines of credit	-	(28,000)
Proceeds from issuance of common shares for cash	-	4,000,000
Proceeds from exercise of stock options	-	633,750
Net cash provided by financing activities	<u>9,041,403</u>	<u>6,651,925</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS:		
Cash and cash equivalents at beginning of period	5,648,739	4,680,447
Cash and cash equivalents at end of period	<u>12,407,350</u>	<u>12,279</u>
	<u>\$ 18,056,089</u>	<u>\$ 4,692,726</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	\$ 137	\$ 127,650
SUPPLEMENTAL SCHEDULE OF NON-CASH FINANCING AND INVESTING ACTIVITIES:		
Common shares issued as part of acquisition of ESI	\$ 11,011,864	\$ -
Common shares issued for accounts payable	-	229,500
Common shares issued for deferred license fees	-	120,000
Common shares issued for line of credit conversion	-	625,315
Common shares issued for line of credit extension	-	160,157
Issuance of warrants related to line of credit agreement	-	207,703
Warrants issued as part of acquisition of ESI	1,778,727	-
Warrants issued for services	1,846,948	14,719
Right to exchange promissory notes for stock feature on notes payable	-	304,400

See accompanying notes to the condensed consolidated interim financial statements.

BIOTIME, INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)

1. Organization, Basis of Presentation, and Summary of Select Significant Accounting Policies

General - BioTime is a biotechnology company engaged in two areas of biomedical research and product development. BioTime has historically developed blood plasma volume expanders and related technology for use in surgery, emergency trauma treatment, and other applications. Beginning in 2007, BioTime entered the regenerative medicine business, focused on human embryonic stem (“hES”) cell and induced pluripotent stem (“iPS”) cell technology. Products for the research market are being developed and marketed through BioTime’s wholly-owned subsidiary, Embryome Sciences, Inc. BioTime plans to develop stem cell products for therapeutic use to treat cancer through its new subsidiary, OncoCyte Corporation, to develop therapies to treat cancer and other diseases through BioTime Asia, Limited, a subsidiary formed as a Hong Kong corporation, and to develop therapeutic applications of stem cells to treat orthopedic diseases and injuries through its newly formed subsidiary OrthoCyte Corporation. On May 3, 2010, BioTime also acquired ES Cell International Pte. Ltd. (“ESI”), a Singapore private limited company. Established in 2000, ESI focuses on hES technology, and is a distributor of hES cell lines to the research community. ESI holds over 49% of the shares of Cell Cure Neurosciences Ltd. (“Cell Cure”), an Israel-based biotechnology company focused on developing stem cell-based therapies for retinal and neurological disorders, including the development of retinal pigment epithelial cells for the treatment of macular degeneration, and treatments for multiple sclerosis. See Note 5 for additional information about this acquisition.

Regenerative medicine refers to therapies based on stem cell technology that are designed to rebuild cell and tissue function lost due to degenerative disease or injury. The novel stem cells involved provide a means of manufacturing every cell type in the human body, and therefore show considerable promise for the development of a number of new therapeutic products. Embryome Sciences is focusing its current efforts in the regenerative medicine field on the development and sale of advanced human stem cell products and technologies that can be used by researchers at universities and other institutions, by companies in the bioscience and biopharmaceutical industries, and by other companies that provide research products to companies in those industries. Selling to these research-only markets generally does not require regulatory (FDA) approval, and therefore offers relatively near-term business opportunities when compared to developing and selling therapeutic products. In July 2009, Embryome Sciences, Inc. entered into an agreement under which Millipore Corporation became a worldwide distributor of ACTCellerate™ human progenitor cell lines. Millipore’s initial offering of Embryome Sciences’ products consists of six novel progenitor cell lines and optimized ESpan™ growth media for the *in vitro* propagation of each progenitor cell line, which are being marketed and distributed on a worldwide basis. The companies anticipate jointly launching 29 additional cell lines and associated ESpan™ growth media within the coming 12 months.

BioTime’s operating revenues have been derived almost exclusively from royalties and licensing fees related to the sale of its plasma volume expander products, primarily Hextend®. BioTime began to make its first stem cell research products available during 2008 but has not yet generated significant revenues from sales of those products. BioTime’s ability to generate substantial operating revenue depends upon its success in developing and marketing or licensing its plasma volume expanders and stem cell products and technology for medical and research use. On April 29, 2009, the California Institute of Regenerative Medicine (“CIRM”) awarded BioTime a \$4,721,706 grant for a stem cell research project related to its ACTCellerate™ technology. The CIRM grant covers the period of September 1, 2009 through August 31, 2012, and BioTime receives quarterly payments from CIRM in the amount of \$395,096 each.

The unaudited condensed consolidated interim balance sheet as of June 30, 2010, the unaudited condensed consolidated interim statements of comprehensive loss for the three and six months ended June 30, 2010 and 2009, and the unaudited condensed consolidated interim statements of cash flows for the six months ended June 30, 2010 and 2009 have been prepared by BioTime's management in accordance with the instructions from the Form 10-Q and Article 8-03 of Regulation S-X. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at June 30, 2010 and for all interim periods presented have been made. The consolidated balance sheet as of December 31, 2009 is derived from the Company's annual audited financial statements as of that date. The results of operations for the three and six months ended June 30, 2010 are not necessarily indicative of the operating results anticipated for the full year of 2010. See also Note 5 for additional discussion regarding consolidation.

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted as permitted by regulations of the Securities and Exchange Commission ("SEC") except for the condensed consolidated balance sheet as of December 31, 2009, which was derived from audited financial statements. Certain previously furnished amounts have been reclassified to conform with presentations made during the current periods. It is suggested that these condensed consolidated interim financial statements be read in conjunction with the annual audited consolidated financial statements and notes thereto included in BioTime's Form 10-K for the year ended December 31, 2009.

Deferred License and Consulting Fees – Deferred license and consulting fees consist of \$1,979,036 attributable to the value of warrants issued to third parties for services and to the minority shareholder in BioTime Asia for its participation in the organization of that company, and \$1,095,000 in deferred license fees paid to acquire rights to use the proprietary technologies of third parties. The value of the warrants is being amortized over the lives of the warrants, and BioTime plans to amortize deferred license fees over the estimated revenue periods of any products sold that rely on the licensed proprietary technologies rather than based on the actual terms of the licenses. Deferred license fees have not yet been amortized because BioTime is in the process of launching its first stem cell research products and has not yet received significant revenues from stem cell product sales.

Principles of Consolidation - The accompanying condensed consolidated interim financial statements include the accounts of Embryome Sciences, Inc., OrthoCyte Corporation, and ES Cell International Pte Ltd, all wholly owned subsidiaries of BioTime; the accounts of OncoCyte Corporation, a subsidiary of which BioTime owned approximately 74% of the outstanding shares of common stock as of June 30, 2010; and the accounts of BioTime Asia, a subsidiary of which BioTime owned approximately 81% of the outstanding shares as of June 30, 2010. Due to ESI's approximately 49% ownership interest in Cell Cure, a proportionate share of Cell Cure's net loss is reflected in the condensed consolidated interim financial statements. All material intercompany accounts and transactions have been eliminated in consolidation. The condensed consolidated interim financial statements are presented in accordance with accounting principles generally accepted in the United States and with the accounting and reporting requirements of Regulation S-X of the SEC. See also Note 5.

Certain Significant Risks and Uncertainties - BioTime's operations are subject to a number of factors that can affect its operating results and financial condition. Such factors include but are not limited to the following: the results of clinical trials of BioTime's pharmaceutical products; BioTime's ability to obtain United States Food and Drug Administration and foreign regulatory approval to market its pharmaceutical products; BioTime's ability to develop new stem cell research products and technologies; competition from products manufactured and sold or being developed by other companies; the price and demand for BioTime products; BioTime's ability to obtain additional financing and the terms of any such financing that may be obtained; BioTime's ability to negotiate favorable licensing or other manufacturing and marketing agreements for its products; the availability of ingredients used in BioTime's products; and the availability of reimbursement for the cost of BioTime's pharmaceutical products (and related treatment) from government health administration authorities, private health coverage insurers, and other organizations.

Use of Estimates - The preparation of unaudited condensed consolidated interim financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed consolidated interim financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Effect of recently issued and recently adopted accounting pronouncements – In April 2010, the FASB issued an Accounting Standards Update which provides guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research or development transactions. Research or development arrangements frequently include payment provisions whereby a portion or all of the consideration is contingent upon milestone events such as successful completion of phases in a study or achieving a specific result from the research or development efforts. The amendments in this standard provide guidance on the criteria that should be met for determining whether the milestone method of revenue recognition is appropriate. This standard is effective for fiscal years and interim periods within those years beginning on or after June 15, 2010, with early adoption permitted. This standard becomes effective for BioTime on January 1, 2011. BioTime's management is currently evaluating the impact that the adoption of this standard will have on BioTime's consolidated financial condition, results of operations, and disclosures.

2. Inventory

At June 30, 2010 and December 31, 2009, BioTime's wholly-owned subsidiary, Embryome Sciences, held \$31,599 and \$23,031, respectively, of inventory of all finished products on-site at its corporate headquarters in Alameda, California. At June 30, 2010 and December 31, 2009, \$17,879 and \$15,353, respectively, of inventory of all finished products was held by a third party on consignment.

3. Equity

Warrants

BioTime, as part of rights offerings and other agreements, has issued warrants to purchase its common shares. At June 30, 2010, 8,075,403 warrants to purchase common shares with a weighted average exercise price of \$2.37 and a weighted average remaining contractual life of 1.97 years were outstanding. Most of these warrants carry an exercise price of \$2.00 per share and will expire on October 31, 2010. In order to provide the holders of the warrants expiring on October 31, 2010 with an incentive to exercise their warrants prior to that date, BioTime has offered them the opportunity to exercise their warrants at a price of \$1.818 per share. This warrant discount offer commenced on June 18, 2010, and will expire at 5:00 p.m., New York time, on August 18, 2010.

Preferred Shares

BioTime is authorized to issue 1,000,000 preferred shares of stock. The preferred shares may be issued in one or more series as the board of directors may by resolution determine. The board of directors is authorized to fix the number of shares of any series of preferred shares and to determine or alter the rights, references, privileges, and restrictions granted to or imposed on the preferred shares as a class, or upon any wholly unissued series of any preferred shares. The board of directors may, by resolution, increase or decrease (but not below the number of shares of such series then outstanding) the number of shares of any series of preferred shares subsequent to the issue of shares of that series.

As of June 30, 2010, BioTime had no issued and outstanding preferred shares.

Common shares

BioTime is authorized to issue 75,000,000 common shares with no par value. As of June 30, 2010, BioTime had issued and outstanding 39,980,703 common shares.

During the three months ended June 30, 2010, BioTime received total cash of \$32,022 for the exercise of 15,702 options, and \$8,553,093 for the exercise of 4,669,998 warrants. Average cash receipts were \$2.04 for options and \$1.83 for warrants.

During the six months ended June 30, 2010, BioTime received total cash of \$150,422 for the exercise of 90,702 options, and \$8,890,981 for the exercise of 4,838,942 warrants. Average cash receipts were \$1.66 for options and \$1.84 for warrants.

During the six months ended June 30, 2010 and 2009, BioTime recognized stock-based compensation expense of \$455,764 and \$69,025, respectively, due to stock-based compensation granted to employees and directors. During the six months ended June 30, 2010, BioTime granted 1,325,000 options under its various Option Plans; no options were granted during the six months ended June 30, 2009. During the six months ended June 30, 2010, BioTime also recognized \$132,090 of expense due to warrants granted as compensation for consulting services.

4. Loss per Share

Basic loss per share excludes dilution and is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution from securities and other contracts which are exercisable or convertible into common shares. For the three and six month periods ended June 30, 2010 and the three and six month periods ended June 30, 2009, options to purchase 3,536,298 and 3,106,332 common shares, respectively, and warrants to purchase 8,075,403 and 10,722,034 common shares, respectively, were excluded from the computation of loss per share as their inclusion would be antidilutive. As a result, there is no difference between basic and diluted calculations of loss per share for all periods presented.

5. Acquisition of ES Cell International Pte Ltd

On May 3, 2010, BioTime completed the acquisition of all of the issued preferred shares and ordinary shares of ES Cell International Pte Ltd (“ESI”), a Singapore private limited company, and the secured promissory notes (the “Notes”) issued by ESI to a former ESI shareholder (the “Acquisition”). BioTime issued, in the aggregate, 1,383,400 common shares, and warrants to purchase an additional 300,000 common shares at an exercise price of \$10 per share, to acquire all of the ESI shares and the Notes in the Acquisition. BioTime did not incur or assume any indebtedness when it acquired ESI.

The Acquisition is being accounted for under the purchase method of accounting, after giving effect to certain pro forma adjustments. The pro forma adjustments are preliminary and are based on BioTime management’s estimates of the fair values and useful lives of the assets acquired and liabilities assumed, and were prepared to illustrate the estimated effect of the Acquisition. In accordance with Accounting Standards Codification 805, *Business Combinations* (“ASC 805”), the total purchase consideration is allocated to the net tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values as of May 3, 2010. BioTime amortizes intangibles over their estimated useful lives. In accordance with ASC 805, BioTime does not amortize goodwill. The purchase price was allocated using the information currently available, and may be adjusted after obtaining more information regarding, among other things, asset valuations, liabilities assumed, and revisions of preliminary estimates.

The total purchase price for the Acquisition is \$12,870,591. It is being allocated as indicated:

Components of the purchase price:

BioTime common shares	\$ 11,011,864
BioTime warrants	1,778,727
Cash	80,000
Total purchase price	<u>\$ 12,870,591</u>

Preliminary allocation of purchase price:

Assets acquired and Liabilities assumed:

Cash	\$ 222,766
Prepaid and other current assets	65,005
Property and equipment	96,661
Intangible assets, net	12,783,970
Current liabilities	(297,811)
Net assets acquired	<u>\$ 12,870,591</u>

The fair value of the shares issued was based on the closing price per BioTime common share on the NYSE Amex on May 3, 2010, which was \$7.96. The fair value of the warrants issued was computed using a Black Scholes Merton option pricing model, which utilized the following assumptions: expected term of four years, which is equal to the contractual life of the warrants; risk-free rate of 2.015%; 0% expected dividend yield; 118.20% expected volatility; a stock price of \$7.96; and an exercise price of \$10.

6. Unaudited Pro Forma Interim Financial Information – Six and Three Months Ended June 30, 2010 and 2009

The following unaudited pro forma information gives effect to the acquisition of ES Cell International Pte Ltd. as if the acquisition took place on January 1, 2009. The pro forma information does not necessarily reflect the results of operations that would have occurred had the entities been a single company during the periods presented.

	(Unaudited) Six Months Ended June 30, 2010	(Unaudited) Six Months Ended June 30, 2009
Revenues	\$ 1,778,765	\$ 965,101
Net income (loss) available to common shareholders	\$ (4,938,584)	\$ (4,439,261)
Net income (loss) per common share - basic	\$ (0.13)	\$ (0.16)
Net income (loss) per common share - diluted	\$ (0.13)	\$ (0.16)
	(Unaudited) Three Months Ended June 30, 2010	(Unaudited) Three Months Ended June 30, 2009
Revenues	\$ 853,462	\$ 550,224
Net income (loss) available to common shareholders	\$ (2,791,507)	\$ (2,196,208)
Net income (loss) per common share - basic	\$ (0.07)	\$ (0.08)
Net income (loss) per common share - diluted	\$ (0.07)	\$ (0.08)

7. Subsequent Events

In July 2010, BioTime received royalties in the amount of \$25,772 from CJ CheilJedang Corp. (“CJ”), and in August 2010, it received royalties in the amount of \$189,323 from Hospira. These amounts are based on sales of Hextend made by Hospira and CJ in the second quarter of 2010, and will be reflected in BioTime’s condensed consolidated interim financial statements for the third quarter of 2010.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are a biotechnology company engaged in two areas of biomedical research and product development. The first products we developed consist of blood plasma volume expanders and related technology for use in surgery, emergency trauma treatment, and other applications. Our lead blood plasma expander product, Hextend[®], is a physiologically balanced intravenous solution used in the treatment of hypovolemia. Hypovolemia is a condition caused by low blood volume, often from blood loss during surgery or from injury. Hextend maintains circulatory system fluid volume and blood pressure and keeps vital organs perfused during surgery and trauma care.

We are now primarily focusing our business on regenerative medicine. Regenerative medicine refers to therapies based on human embryonic stem (“hES”) cell and induced pluripotent stem (“iPS”) cell technology designed to rebuild cell and tissue function lost due to degenerative disease or injury. These novel stem cells provide a means of manufacturing every cell type in the human body and therefore show considerable promise for the development of a number of new therapeutic products.

The initial focus of our efforts in the regenerative medicine field has been the development and sale of advanced human stem cell products and technology that can be used by researchers at universities and other institutions, by companies in the bioscience and biopharmaceutical industries, and by other companies that provide research products to companies in those industries. Research-only products generally can be marketed without approval by regulatory agencies such as the United States Food and Drug Administration (“FDA”), and are therefore relatively near-term business opportunities when compared to therapeutic products. These products are currently being marketed through our subsidiaries, Embryome Sciences, Inc., BioTime Asia, Limited, and our recently acquired subsidiary, ES Cell International Pte. Ltd (“ESI”).

We have also initiated development programs for human therapeutic applications of hES and iPS cells, focused primarily on the treatment of cancer, ophthalmologic, skin, musculo-skeletal system, and hematologic diseases. Cancer research and development programs will be conducted in the United States by our subsidiary OncoCyte Corporation. Our newly formed subsidiary OrthoCyte Corporation will work to develop therapeutic applications of stem cells to treat orthopedic diseases and injuries. BioTime Asia, Limited, a subsidiary formed as a Hong Kong corporation, will conduct research and development programs in the People’s Republic of China for the treatment of cancer and other diseases.

On May 3, 2010, we acquired ESI. Established in 2000, ESI has been at the forefront of advances in hES technology, being one of the earliest distributors of hES cell lines to the research community. ESI has also produced six clinical-grade human embryonic stem cell lines that were derived following principles of current Good Manufacturing Practice (“cGMP”) and currently offers them for potential use in therapeutic product development. ESI holds over 49% of the shares of Cell Cure Neurosciences Ltd. (“Cell Cure”), an Israel-based biotechnology company focused on developing stem cell-based therapies for retinal and neurological disorders, including the development of retinal pigment epithelial cells for the treatment of macular degeneration, and treatments for multiple sclerosis.

During 2009, we were awarded a \$4,721,706 grant from the California Institute of Regenerative Medicine (“CIRM”) for a stem cell research project related to our ACTCellerate™ embryonic stem cell technology that will address the need for industrial scale production of purified therapeutic cells for human therapeutic uses.

Human embryonic stem cell technology is approximately 10 years old and evolving rapidly. As a result, we cannot accurately forecast the amount of revenue that the new products we offer might generate.

Hextend® and PentaLyte® are registered trademarks of BioTime, Inc., and ESpan™, ReCyte™, and Espy™ are trademarks of Embryome Sciences, Inc. ACTCellerate™ is a trademark licensed to Embryome Sciences, Inc. by Advanced Cell Technology, Inc.

Stem Cells and Products for Regenerative Medicine Research

We are developing products and technology for use in the emerging field of regenerative medicine. Regenerative medicine refers to therapies based on hES cell and iPS cell technology. Because these cells have the ability to transform into all of the cells of the human body (a property called *pluripotency*), they may provide a means of producing a host of new products of interest to medical researchers. For example, it may be possible to use hES and iPS cells to develop new cell lines designed to rebuild cell and tissue function lost due to degenerative disease or injury, and new cell lines for basic research and discovery of new drugs. Since embryonic stem cells can now be derived in a noncontroversial manner, including through the use of iPS technology, they are increasingly likely to be utilized in a wide array of future research programs in the attempt to restore the function of organs and tissues damaged by degenerative diseases such as heart failure, stroke, Parkinson’s disease, macular degeneration, and diabetes, as well as many others.

In March 2010, we announced the publication of a scientific paper titled “Spontaneous Reversal of Developmental Aging in Normal Human Cells Following Transcriptional Reprogramming,” which was published in the peer-reviewed journal *Regenerative Medicine*. The paper explains the use of iPS technology to reverse the developmental aging of normal human cells. Using precise genetic modifications, normal human cells were induced to reverse both the “clock” of differentiation (the process by which an embryonic stem cell becomes the many specialized differentiated cell types of the body), and the “clock” of cellular aging (telomere length). As a result, aged differentiated cells became young stem cells capable of regeneration. These findings may have significant implications for the development of new classes of cell-based therapies targeting age-related degenerative disease.

On April 29, 2009, CIRM awarded us a \$4,721,706 grant for a stem cell research project related to our ACTCellerate™ embryonic stem cell technology. Our grant project is titled “Addressing the Cell Purity and Identity Bottleneck through Generation and Expansion of Clonal Human Embryonic Progenitor Cell Lines.” In our CIRM-funded research project we will work with human embryonic progenitor cells (“hEPCs”) generated using our ACTCellerate™ technology. These hEPCs are intermediate in the developmental process between embryonic stem cells and fully differentiated cells. The hEPCs may possess the ability to become a wide array of cell types with potential applications in research, drug discovery, and human regenerative stem cell therapy. The hEPCs are relatively easy to manufacture on a large scale and in a purified state, which may make it advantageous to work with these cells compared to the direct use of hES cells. We will work on identifying antibodies and other cell purification reagents that may be useful in the production of hEPCs that can be used to develop pure therapeutic cells such as nerve, blood vessel, heart muscle, and cartilage, as well as other cell types.

In addition to acquiring and developing hES cell, iPS cell, and hEPC technology, we have already commenced marketing our first stem cell products for research use through our subsidiaries, Embryome Sciences, Inc. and BioTime Asia, Limited. We are presently offering for sale 17 novel ACTCellerate™ hEPC lines and optimized ESpan™ growth media for the *in vitro* propagation of those hEPC lines. Embryome Sciences has entered into an agreement under which Millipore Corporation became a worldwide distributor of ACTCellerate™ hEPC lines. Millipore’s initial offering of Embryome Sciences’ products consists of six novel hEPC lines and optimized ESpan™ growth media for the *in vitro* propagation of each hEPC line. The companies anticipate jointly launching 29 additional hEPC lines and associated ESpan™ growth media within the coming 12 months. The Embryome Sciences products distributed by Millipore may also be purchased directly from Embryome Sciences at *Embryome.com*.

Embryome Sciences is also developing a relational database that will permit researchers to chart the cell lineages of human development, the genes expressed in those cell types, and antigens present on the cell surface of those cells that can be used in purification. This database will provide the first detailed map of the embryo and will aid researchers in navigating the complexities of human development and in identifying the many hundreds of cell types coming from embryonic stem cells. Our embryo map data base is now available at our website, *Embryome.com*.

Embryome Sciences also plans to offer for sale an array of hES cell lines carrying inherited genetic diseases such as cystic fibrosis and muscular dystrophy. Study of these cell lines will enable researchers to better understand the mechanisms involved in causing the disease states, which may in turn expedite the search for potential treatments. We intend to offer these hES cell lines for sale online at *Embryome.com* during 2010. Additional new products that we have targeted for development are ESpy™ cell lines, which will be derivatives of hES cells and will emit beacons of light. The ability of the ESpy cells to emit light will allow researchers to track the location and distribution of the cells in both *in vitro* and *in vivo* studies.

Embryome Sciences also plans to bring to market other new stem cell growth and differentiation factors that will permit researchers to manufacture specific cell types from hES cells, and purification tools useful to researchers in quality control of products for regenerative medicine. As new products are developed, they will become available for purchase on *Embryome.com*.

Our initial efforts to develop therapeutic stem cell products are being conducted through three subsidiaries: BioTime Asia, Limited, OncoCyte Corporation, and OrthoCyte Corporation. We organized BioTime Asia for the purpose of clinically developing and marketing therapeutic stem cell products in the People's Republic of China, and marketing stem cell research products in China and other countries in Asia. BioTime Asia will initially seek to develop the therapeutic products for the treatment of ophthalmologic, skin, musculo-skeletal system, and hematologic diseases, including the targeting of genetically modified stem cells to tumors as a novel means of treating currently incurable forms of cancer.

We have engaged the services of Dr. Daopei Lu to aid BioTime Asia in arranging and managing clinical trials of therapeutic stem cell products. Dr. Lu is a world-renowned hematologist and expert in the field of hematopoietic stem cell transplants who pioneered the first successful syngeneic bone marrow stem cell transplant in the People's Republic of China to treat aplastic anemia and the first allogeneic peripheral blood stem cell transplant to treat acute leukemia. Nanshan Memorial Medical Institute Limited ("NMMI"), a private Hong Kong company, has entered into an agreement with us under which NMMI has become a minority shareholder in BioTime Asia and will provide BioTime Asia with its initial laboratory facilities and an agreed number of research personnel, and will arrange financing for clinical trials.

We organized OncoCyte Corporation for the purpose of developing novel therapeutics for the treatment of cancer based on stem cell technology. We and Embryome Sciences will license certain technology to OncoCyte restricted to the field of cell-based cancer therapies, including early patent filings on targeting stem cells to malignant tumors. OncoCyte's new therapeutic strategy and goal will be to utilize human embryonic stem cell technology to create genetically modified stem cells capable of homing to specific malignant tumors while carrying genes that can cause the destruction of the cancer cells.

We recently organized a new subsidiary, OrthoCyte Corporation, for the purpose of developing novel therapeutics based on stem cell technology for the treatment of injuries and disorders affecting the musculoskeletal system, including therapeutics that would regenerate bone, cartilage, tendons, and ligaments. BioTime may transfer or license certain patents and technology to OrthoCyte for use in the field of orthopedic therapies. OrthoCyte will initially work with ACTCellerate™ hEPC lines that show large concentrations of genetic markers associated with the production of cartilage.

Our acquisition of ESI will allow us to use ESI's clinical-grade hES cell lines with our ACTCellerate™ hES technologies and ReCyte™ iPS technologies that allow the derivation of hEPC lines with high levels of purity and scalability. Our goal will be to generate clonal clinical-grade hEPC lines for potential use in research products and therapeutic products with a level of purity and quality unsurpassed in the industry.

We also have an investment in Cell Cure, an Israel-based biotechnology company focused on developing stem cell-based therapies for retinal and neurological disorders, including the development of retinal pigment epithelial cells for the treatment of macular degeneration, and treatments for multiple sclerosis.

There is no assurance that we or any of our subsidiaries will be successful in developing any new technology or stem cell products, or that any technology or products that they may develop will be proven safe and effective in treating cancer or other diseases in humans, or will be successfully commercialized. Our potential therapeutic products are at a very early stage of preclinical development. Before any clinical trials can be conducted by us or any of our subsidiaries, the company seeking to conduct the trials would have to compile sufficient laboratory test data substantiating the characteristics and purity of the stem cells, conduct animal studies, and then obtain all necessary regulatory and clinical trial site approvals, and assemble a team of physicians and statisticians for the trials.

Plasma Volume Expander Products

We develop blood plasma volume expanders, blood replacement solutions for hypothermic (low temperature) surgery, organ preservation solutions, and technology for use in surgery, emergency trauma treatment, and other applications. Our first product, Hextend[®], is a physiologically balanced blood plasma volume expander used for the treatment of hypovolemia. Hypovolemia is a condition caused by low blood volume, often from blood loss during surgery or from injury. Hextend maintains circulatory system fluid volume and blood pressure and helps sustain vital organs during surgery. Hextend, approved for use in major surgery, is the only blood plasma volume expander that contains lactate, multiple electrolytes, glucose, and a medically approved form of starch called hetastarch. Hextend is sterile, so its use avoids the risk of infection. Health insurance reimbursements and HMO coverage now include the cost of Hextend used in surgical procedures.

Hextend has become the standard plasma volume expander at a number of prominent teaching hospitals and leading medical centers, and is part of the United States Armed Forces Tactical Combat Casualty Care protocol. We believe that as Hextend use proliferates within leading U.S. hospitals, other smaller hospitals will follow their lead, contributing to sales growth.

We are also developing another blood volume replacement product, PentaLyte. It, like Hextend, has been formulated to maintain the patient's tissue and organ function by sustaining the patient's fluid volume and physiological balance. We have completed a Phase II clinical trial of PentaLyte in which PentaLyte was used to treat hypovolemia in cardiac surgery. Our ability to commence and complete additional clinical studies of PentaLyte depends on our cash resources, the costs involved, and licensing arrangements with a pharmaceutical company capable of manufacturing and marketing PentaLyte. We are currently seeking a licensee or co-developer to advance the commercialization of PentaLyte.

Hextend is manufactured and distributed in the United States by Hospira, Inc., and in South Korea by CJ CheilJedang Corp. ("CJ"), under license from us. Summit Pharmaceuticals International Corporation ("Summit") has a license to develop Hextend and PentaLyte in Japan, the People's Republic of China, and Taiwan.

Results of Operations

Revenues

Under our license agreements with Hospira and CJ, our licensees report sales of Hextend and pay us the royalties and license fees due on account of such sales within 90 days after the end of each calendar quarter. We recognize such revenues in the quarter in which the sales report is received, rather than the quarter in which the sales took place, as we do not have sufficient sales history to accurately predict quarterly sales. For example, royalties on sales made during the first quarter of 2010 were not recognized until the second quarter of fiscal year 2010. Our royalty revenues for the three months ended June 30, 2010 consist of royalties on sales of Hextend made by Hospira and CJ during the period beginning January 1, 2010 and ending March 31, 2010. Royalty revenues recognized for that three-month period were \$215,293, a 39% decrease from the \$351,724 of royalty revenue during the same period last year. The decrease in royalties reflects a decrease in sales to the United States Armed Forces, which was partially offset by an increase in sales to hospitals. Purchases by the Armed Forces generally take the form of intermittent, large volume orders, and cannot be predicted with certainty. Hospira has reported that the Armed Forces have shifted primary point of use of Hextend from the field to the hospital level, which may account for some decrease in overall sales. This change was made due to the fact that too much of the product was being distributed to ground troops for inclusion in field packs and was going unused beyond the expiration date, so a different pattern of distribution was deemed advisable.

In an effort to improve overall product sales, Hospira has recently realigned its sales force. Previously, all Hospira hospital sales personnel managed nearly all products in the Hospira portfolio. This included the medication management systems, as well as pharmacy products. Following the realignment, all hospital sales personnel are now assigned to either the medication management systems products or the pharmacy products, allowing them to become more focused and more consultative for the end customers.

We recognized \$58,216 and \$73,226 of license fees from CJ and Summit during the three months ended June 30, 2010 and June 30, 2009, respectively. Full recognition of license fees has been deferred, and is being recognized over the life of the contract, which has been estimated to last until approximately 2019 based on the current expected life of the governing patent covering our products in Korea and Japan.

We received royalties of \$25,772 from CJ during July 2010, and we received royalties of \$189,323 from Hospira during August 2010 based on sales of Hextend made during the three months ended June 30, 2010. This revenue will be reflected in our financial statements for the third quarter of 2010. For the same period last year, we received royalties of \$17,168 from CJ and \$208,350 from Hospira.

We also commenced sales of stem cell lines and associated growth media to researchers in Asia, and recognized \$12,300 from those sales for the three and six months ended June 30, 2010.

Operating Expenses

Research and development expenses were \$1,429,027 for the three months ended June 30, 2010, compared to \$639,594 for the three months ended June 30, 2009. This increase is primarily attributable to an increase of \$229,435 in employee compensation and related costs allocated to research and development expense, an increase of \$43,447 in scientific consulting fees, an increase of \$104,295 in stock-based compensation allocated to research and development expense, an increase of \$141,627 in outside research and laboratory costs, and an increase of \$155,325 in expenditures made to cover laboratory expenses and supplies.

Research and development expenses were \$2,588,978 for the six months ended June 30, 2010, compared to \$1,165,418 for the six months ended June 30, 2009. This increase is primarily attributable to an increase of \$457,453 in employee compensation and related costs allocated to research and development expense, an increase of \$127,336 in scientific consulting fees, an increase of \$192,047 in stock-based compensation allocated to research and development expense, an increase of \$45,000 in license and patent fees, an increase of \$281,610 in outside research and laboratory costs, and an increase of \$225,987 in expenditures made to cover laboratory expenses and supplies. These increases were offset to some extent by a decrease of \$40,853 in rent allocated to research and development expense.

Research and development expenses include laboratory expenses, employee compensation, rent, insurance, and consultants' fees.

General and administrative expenses increased to \$1,566,675 for the three months ended June 30, 2010, from \$900,146 for the three months ended June 30, 2009. This increase is primarily attributable to an increase of \$64,629 in investor and public relations expenses, an increase of \$124,498 in employee compensation and related costs allocated to general and administrative expense, an increase of \$164,817 in cash and stock-based compensation paid to our independent directors, an increase of \$50,368 in Annual Report and Meeting expenses, an increase of \$30,784 in travel expenses, an increase of \$104,517 in legal fees and general and administrative patent expenses, and an increase of \$175,662 in accounting fees. These increases were offset in part by a decrease of \$286,252 in stock appreciation rights compensation liability.

General and administrative expenses increased to \$2,499,973 for the six months ended June 30, 2010, from \$1,582,320 for the six months ended June 30, 2009. This increase is primarily attributable to an increase of \$100,458 in investor and public relations expenses, an increase of \$201,657 in employee compensation and related costs allocated to general and administrative expense, an increase of \$25,687 in employee bonuses allocated to general and administrative expense, an increase of \$320,930 in cash and stock-based compensation paid to our independent directors, an increase of \$28,242 in stock exchange and transfer agent fees, an increase of \$50,443 in Annual Report and Meeting expenses, an increase of \$32,104 in travel expenses, an increase of \$282,168 in legal fees and general and administrative patent expenses, and an increase of \$189,441 in accounting fees. These increases were offset in part by a decrease of \$504,719 in stock appreciation rights compensation liability and a decrease of \$47,291 in outside services.

For both the three and six month periods ended June 30, 2010, our condensed consolidated interim financial statements also included \$87,188 of research and development expense, \$51,367 of general and administrative expense, and \$128,333 of amortization of patent technology due to the inclusion of ESI's financial results upon consolidation.

Interest and Other Income (Expense)

For the three months ended June 30, 2010, we incurred a total of \$99 of interest expense, compared to interest expense of \$365,539 for the three months ended June 30, 2009. For the six months ended June 30, 2010, we incurred a total of \$157 of interest expense, compared to interest expense of \$973,566 for the six months ended June 30, 2009. These decreases were due to the payment in full in 2009 of our borrowings under various lines of credit.

Income Taxes

During the three months ended June 30, 2010 and 2009, we had no Federal and state income tax obligations because we have substantial net operating loss carryovers and have provided a 100% valuation allowance for any deferred taxes.

Liquidity and Capital Resources

At June 30, 2010, we had \$18,056,089 of cash and cash equivalents on hand. We may need to obtain additional debt or equity capital in order to finance our operations. Since inception, we have primarily financed our operations through the sale of equity securities, licensing fees, royalties on product sales by our licensees, and borrowings. The amount of license fees and royalties that may be earned through the licensing and sale of our products and technology, the timing of the receipt of license fee payments, and the future availability and terms of equity financing, are uncertain. Although we have recently been awarded a research grant from CIRM for a particular project, we must finance our other research and operations with funding from other sources.

At June 30, 2010, we had issued and outstanding 8,075,403 common share purchase warrants, most of which are exercisable at a price of \$2.00 per share, and most of which expire on October 31, 2010. In order to provide warrant holders with an incentive to exercise their warrants prior to the October 31, 2010 warrant expiration date of the vast majority of the warrants outstanding, we have offered holders of those warrants the opportunity to exercise their warrants at a price of \$1.818 per share, representing a discount of \$0.182 per share from the regular warrant exercise price of \$2.00 per share. The warrant discount offer commenced on June 18, 2010, and will expire at 5:00 p.m., New York time, on August 18, 2010. We plan to use proceeds from the exercise of those warrants to fund our operations and a planned additional investment of \$2,250,000 in OncoCyte.

The unavailability or inadequacy of financing or revenues to meet future capital needs could force us to modify, curtail, delay, or suspend some or all aspects of our planned operations. Sales of additional equity securities could result in the dilution of the interests of present shareholders.

Cash generated by operations

During the three months ended June 30, 2010, we received \$610,389 of cash in our operations. Our sources of that cash were \$189,985 of royalty revenues from Hospira, \$25,308 of royalty revenues from CJ, and a \$395,096 research grant payment from CIRM.

Cash used in operations

During the six months ended June 30, 2010, our total research and development expenditures were \$2,588,978, and our general and administrative expenditures were \$2,499,973. Net loss for the six months ended June 30, 2010, amounted to \$3,546,538. Net cash used in operating activities during this period amounted to \$2,956,881. The difference between the net loss and net cash used in operating activities during the six months ended June 30, 2010, was primarily attributable to an increase of \$587,854 in stock-based compensation paid to employees, consultants, and independent directors; depreciation and amortization of \$31,221 of assets and equipment; amortization of \$128,333 in intangible assets; an increase of \$65,445 in prepaid expenses and other assets; a \$51,881 share in the net loss of Cell Cure; and \$32,607 in accounts receivables. This overall change was offset to some extent by amortization of \$146,453 in deferred license revenues, net loss of \$119,272 allocable to the noncontrolling interest in our OncoCyte Corporation subsidiary, and a decrease of \$34,881 in accounts payable and accrued expenses.

Cash flows from investing activities

During the six months ended June 30, 2010, \$435,783 was used for investing activities. The primary components of this cash were \$144,780 used in the purchase of equipment, \$215,000 used to pay license fees, and \$80,000 used in the acquisition of ESI.

Cash generated by financing activities

During the six months ended June 30, 2010, \$9,041,403 in net cash was provided from our financing activities. During this period, we received \$150,422 in connection with the exercises of 90,702 options and \$8,890,981 in connection with the exercises of 4,838,942 warrants.

Contractual obligations

We had no contractual obligations as of June 30, 2010, with the exception of a fixed, non-cancelable operating lease on our office and laboratory facility in Alameda, California (the "Alameda lease") and fixed, non-cancelable operating leases on ESI's office and laboratory facilities in Singapore. The Alameda lease expires on November 30, 2010. Base monthly rent was \$22,600 during 2009, and will be \$23,340 during 2010. In addition to base rent, we pay a pro rata share of real property taxes and certain costs related to the operation and maintenance of the building in which the leased premises are located. The Singapore lease of office space expires on January 11, 2011; base monthly rent is S\$2,600 (Singapore dollars). The Singapore lease of laboratory space expires on October 31, 2010; base monthly rent is S\$8,300 (Singapore dollars).

Future capital needs

We will depend upon royalties from the sale of Hextend by Hospira and CJ and upon our research grant from CIRM as our principal sources of revenues for the near future. Our royalty revenues from Hospira and CJ will be supplemented by any revenues that we may receive from our stem cell research products, and by license fees if we enter into new commercial license agreements for our products. Also, Millipore recently began marketing six hEPC lines for Embryome Sciences, but it is too early to predict future revenues from the sale of our stem cell research products by Millipore.

The amount and pace of research and development work that we can do or sponsor, and our ability to commence and complete the clinical trials that are required in order for us to obtain FDA and foreign regulatory approval of products, depend upon the amount of money we have. We curtailed the pace and scope of our plasma volume expander development efforts due to the limited amount of funds available. Future research and clinical study costs are not presently determinable due to many factors, including the inherent uncertainty of these costs and the uncertainty as to timing, source, and amount of capital that will become available for these projects.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We did not hold any market risk sensitive instruments as of June 30, 2010, December 31, 2009, or June 30, 2009.

Item 4T. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

It is management's responsibility to establish and maintain adequate internal control over all financial reporting pursuant to Rule 13a-15 under the Securities Exchange Act of 1934 (the "Exchange Act"). Our management, including our principal executive officer, our principal operations officer, and our principal financial officer, have reviewed and evaluated the effectiveness of our disclosure controls and procedures as of a date within ninety (90) days of the filing date of this Form 10-Q quarterly report. Following this review and evaluation, management collectively determined that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act (i) is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to management, including our chief executive officer, our chief operations officer, and our chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls

There were no changes in our internal control over financial reporting that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 2. Unregistered Sale of Equity Securities and Use of Proceeds

In April 2010, we issued 50,000 stock purchase warrants to a third party in return for investor relations and publicity services. The warrants have an exercise price of \$10.00 per share and an expiration date of April 12, 2014.

In May 2010, we issued 300,000 stock purchase warrants with an exercise price of \$10.00 per share and an expiration date of May 2, 2014 as part of our acquisition of ESI. Also in May 2010, we issued an additional 300,000 stock purchase warrants with an exercise price of \$3.00 per share and an expiration date of September 23, 2012 in connection with the formation of our subsidiary, BioTime Asia. In June 2010, we issued 18,000 common shares for \$54,000 upon the exercise of a portion of those warrants.

The shares and warrants described above were issued without registration under the Securities Act of 1933, as amended, in reliance upon an exemption from registration under Section 4(2).

Item 6. Exhibits

Exhibit Numbers	Description
3.1	Articles of Incorporation with all amendments. ²⁴
3.2	By-Laws, As Amended. ²
4.1	Specimen of Common Share Certificate. ¹
4.2	Form of Warrant Agreement between BioTime, Inc. and American Stock Transfer & Trust Company. ³
4.3	Form of Amendment to Warrant Agreement between BioTime, Inc. and American Stock Transfer & Trust Company. ⁴
4.4	Form of Warrant. ⁴
4.5	Warrant Agreement between BioTime, Inc., Broadwood Partners, L.P., and George Karfunkel. ²²
4.6	Form of Warrant. ²²
4.7	Warrant Agreement between BioTime, Inc. and Biomedical Sciences Investment Fund Pte Ltd. ²⁵

10.1	Intellectual Property Agreement between BioTime, Inc. and Hal Sternberg. ¹
10.2	Intellectual Property Agreement between BioTime, Inc. and Harold Waitz. ¹
10.3	Intellectual Property Agreement between BioTime, Inc. and Judith Segall. ¹
10.4	Intellectual Property Agreement between BioTime, Inc. and Steven Seinberg. ⁷
10.5	Agreement between CMSI and BioTime Officers Releasing Employment Agreements, Selling Shares, and Transferring Non-Exclusive License. ¹
10.6	Agreement for Trans Time, Inc. to Exchange CMSI Common Stock for BioTime, Inc. Common Shares. ¹
10.7	2002 Stock Option Plan, as amended. ²⁴
10.8	Exclusive License Agreement between Abbott Laboratories and BioTime, Inc. (Portions of this exhibit have been omitted pursuant to a request for confidential treatment). ⁵
10.9	Modification of Exclusive License Agreement between Abbott Laboratories and BioTime, Inc. (Portions of this exhibit have been omitted pursuant to a request for confidential treatment). ⁶
10.10	Exclusive License Agreement between BioTime, Inc. and CJ Corp. ⁸
10.11	Hextend and PentaLyte Collaboration Agreement between BioTime, Inc. and Summit Pharmaceuticals International Corporation. ⁹
10.12	Lease dated as of May 4, 2005 between BioTime, Inc. and Hollis R& D Associates. ¹⁰
10.13	Addendum to Hextend and PentaLyte Collaboration Agreement Between BioTime Inc. and Summit Pharmaceuticals International Corporation. ¹¹
10.14	Amendment to Exclusive License Agreement Between BioTime, Inc. and Hospira, Inc. ¹²
10.15	Hextend and PentaLyte China License Agreement Between BioTime, Inc. and Summit Pharmaceuticals International Corporation. ¹³
10.16	Employment Agreement, dated October 10, 2007, between BioTime, Inc. and Michael D. West. ¹⁷
10.17	Commercial License and Option Agreement between BioTime and Wisconsin Alumni Research Foundation. ¹⁴
10.18	Form of Amended and Restated Revolving Credit Note. ¹⁵

10.19	Third Amended and Restated Revolving Line of Credit Agreement, March 31, 2008. ¹⁶
10.20	Third Amended and Restated Security Agreement, dated March 31, 2008. ¹⁶
10.21	Sublease Agreement between BioTime, Inc. and Avigen, Inc. ¹⁷
10.22	License, Product Production, and Distribution Agreement, dated June 19, 2008, among Lifeline Cell Technology, LLC, BioTime, Inc., and Embryome Sciences, Inc. ¹⁸
10.23	License Agreement, dated July 10, 2008, between Embryome Sciences, Inc. and Advanced Cell Technology, Inc. ¹⁸
10.24	License Agreement, dated August 15, 2008 between Embryome Sciences, Inc. and Advanced Cell Technology, Inc. ¹⁹
10.25	Sublicense Agreement, dated August 15, 2008 between Embryome Sciences, Inc. and Advanced Cell Technology, Inc. ¹⁹
10.26	Fourth Amendment of Revolving Line of Credit Agreement. ¹⁹
10.27	Fourth Amendment of Security Agreement. ¹⁹
10.28	Stem Cell Agreement, dated February 23, 2009, between Embryome Sciences, Inc. and Reproductive Genetics Institute. ²⁰
10.29	First Amendment of Commercial License and Option Agreement, dated March 11, 2009, between BioTime and Wisconsin Alumni Research Foundation. ²⁰
10.30	Employment Agreement, dated October 10, 2007, between BioTime, Inc. and Robert Peabody. ²⁰
10.31	Fifth Amendment of Revolving Line of Credit Agreement, dated April 15, 2009. ²¹
10.32	Form of Amendment of Revolving Credit Note. ²¹
10.33	Fifth Amendment of Security Agreement, dated April 15, 2009. ²¹
10.34	Stock and Warrant Purchase Agreement between BioTime, Inc. and George Karfunkel. ²²
10.35	Stock and Warrant Purchase Agreement between BioTime, Inc. and Broadwood Partners, L.P. ²²
10.36	Registration Rights Agreement between BioTime, Inc., Broadwood Partners, L.P. and George Karfunkel. ²²

10.37	Co-Exclusive OEM Supply Agreement, date July 7, 2009, between Embryome Sciences, Inc. and Millipore Corporation (Portions of this exhibit have been omitted pursuant to a request for confidential treatment). ²³
10.38	Stock Purchase Agreement between OncoCyte Corporation and George Karfunkel. ²⁴
10.39	Registration Rights Agreement between OncoCyte Corporation and George Karfunkel. ²⁴
10.40	Employment Agreement, dated August 3, 2009, between BioTime, Inc. and Walter Funk. ²⁵
10.41	Equity and Note Purchase Agreement entered into as of April 28, 2010 by and between ES Cell Australia Limited, Pharmbio Growth Fund Pte Ltd., and Biomedical Sciences Investment Fund Pte Ltd. ²⁵
10.42	Registration Rights Agreement, dated May 3, 2010, between BioTime, Inc. and the security holders named therein ²⁵
10.43	Transfer Agreement dated May 3, 2010 between BioTime, Inc. and certain shareholders of ES Cell International Pte Ltd ²⁵
10.44	Escrow Agreement dated May 3, 2010 among BioTime, Inc., ES Cell Australia Limited, Pharmbio Growth Fund Pte Ltd., Biomedical Sciences Investment Fund Pte Ltd., and Wells Fargo Bank, National Association. ²⁵
10.45	Sublease Agreement for 20 Biopolis #05-05/06 Centros, Singapore between Bioprocessing Technology Institute, Biomedical Sciences Institutes and ES Cell International Pte Ltd. ²⁶
10.46	Memorandum of Tenancy of Biopolis office space, and letters of offer, amendment, and acceptance dated January 2010 between ES Cell International Pte Ltd and JTC Corporation. ²⁶
10.47	OrthoCyte Corporation 2010 Stock Option Plan. ²⁶
31	Rule 13a-14(a)/15d-14(a) Certification. ²⁶
32	Section 1350 Certification. ²⁶
¹	Incorporated by reference to Registration Statement on Form S-1, File Number 33-44549 filed with the Securities and Exchange Commission on December 18, 1991, and Amendment No. 1 and Amendment No. 2 thereto filed with the Securities and Exchange Commission on February 6, 1992 and March 7, 1992, respectively.
²	Incorporated by reference to Registration Statement on Form S-1, File Number 33-48717 and Post-Effective Amendment No. 1 thereto filed with the Securities and Exchange Commission on June 22, 1992, and August 27, 1992, respectively.

- 3 Incorporated by reference to Registration Statement on Form S-2, File Number 333-109442, filed with the Securities and Exchange Commission on October 3, 2003, and Amendment No.1 thereto filed with the Securities and Exchange Commission on November 13, 2003.
- 4 Incorporated by reference to Registration Statement on Form S-2, File Number 333-128083, filed with the Securities and Exchange Commission on September 2, 2005.
- 5 Incorporated by reference to BioTime's Form 8-K, filed April 24, 1997.
- 6 Incorporated by reference to BioTime's Form 10-Q for the quarter ended June 30, 1999.
- 7 Incorporated by reference to BioTime's Form 10-K for the year ended December 31, 2001.
- 8 Incorporated by reference to BioTime's Form 10-K/A-1 for the year ended December 31, 2002.
- 9 Incorporated by reference to BioTime's Form 8-K, filed December 30, 2004.
- 10 Incorporated by reference to Post-Effective Amendment No. 3 to Registration Statement on Form S-2 File Number 333-109442, filed with the Securities and Exchange Commission on May 24, 2005.
- 11 Incorporated by reference to BioTime's Form 8-K, filed December 20, 2005.
- 12 Incorporated by reference to BioTime's Form 8-K, filed January 13, 2006.
- 13 Incorporated by reference to BioTime's Form 8-K, filed March 30, 2006.
- 14 Incorporated by reference to BioTime's Form 8-K, filed January 9, 2008.
- 15 Incorporated by reference to BioTime's Form 8-K, filed March 10, 2008.
- 16 Incorporated by reference to BioTime's Form 8-K filed April 4, 2008.
- 17 Incorporated by reference to BioTime's Form 10-KSB for the year ended December 31, 2007.
- 18 Incorporated by reference to BioTime's Form 10-Q for the quarter ended June 30, 2008.
- 19 Incorporated by reference to BioTime's Form 10-Q for the quarter ended September 30, 2008.
- 20 Incorporated by reference to BioTime's Form 10-K for the year ended December 31, 2008.

- 21 Incorporated by reference to BioTime's Form 8-K filed April 17, 2009.
- 22 Incorporated by reference to BioTime's Form 10-Q for the quarter ended March 31, 2009.
- 23 Incorporated by reference to BioTime's Form 10-Q for the quarter ended June 30, 2009.
- 24 Incorporated by reference to BioTime's Form 10-Q for the quarter ended September 30, 2009.
- 25 Incorporated by reference to BioTime's Form 10-Q for the quarter ended March 31, 2010.
- 26 Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BIOTIME, INC.

Date: August 16, 2010

/s/ Michael D. West

Michael D. West
Chief Executive Officer

Date: August 16, 2010

/s/ Steven A. Seinberg

Steven A. Seinberg
Chief Financial Officer

DATED THE 1st DAY OF OCTOBER 2009

BIOPROCESSING TECHNOLOGY INSTITUTE,
BIOMEDICAL SCIENCES INSTITUTES

and

ES CELL INTERNATIONAL PTE LTD

SUBLEASE AGREEMENT

for

20 BIOPOLIS #05-05/06 CENTROS, SINGAPORE 138668

SUBLEASE AGREEMENT

THIS AGREEMENT is made the 1st day of October 2009

BETWEEN:-

- 1 **BIOPROCESSING TECHNOLOGY INSTITUTE, BIOMEDICAL SCIENCES INSTITUTES (Co. Reg. No. 199702109N)**, a company incorporated in Singapore and having its registered office at 20 Biopolis Way #02-01 Centros, Singapore 138668 (hereinafter referred to as "the Landlord") and
2. **ES CELL INTERNATIONAL PTE LTD (Co. Reg. No. 200005647N)**, a company incorporated in Singapore and having its registered office at 60 Biopolis Street, #01-03 Genome, Singapore 138672 (hereinafter referred to as "the Tenant").

RECITALS

- A. Jurong Town Corporation ("JTC") has granted to the Landlord a tenancy of certain premises at Centros Building in Biopolis ("the JTC Lease").
- B. The Landlord has agreed, at the Tenant's request, to grant the Tenant a sub-tenancy of part of the Premises (being the Subleased Area (as defined herein)), upon the terms and conditions of this Agreement.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATIONS

In this Agreement, the following expressions shall have the following meanings:

Agreement	this Sub-lease Agreement
Biopolis	the estate developed by JTC on Government lot nos. 3087Tpt & 98702Mpt Mukim No. 3 including but not limited to the Carpark, compounds, grounds, gardens, bin centres, structures, other buildings and drains, cables and pipes above or below ground in the estate
Building	the Centros Building in Biopolis including but not limited to the common parts and other premises in the Building
Carpark	all parking lots, driveways, roads, ramps and loading bays, whether within or outside any building, in Biopolis
Commencement Date	1 st November 2009
Furniture and Fittings	the furniture and fittings set out in Appendix 2
JTC's installations	the fixtures, fittings, structures, machinery, equipment for the chilled water, mechanical ventilation and deionised water systems, belonging to or otherwise installed on behalf of JTC
Landlord's Assets/Fittings	the equipment, facilities, furniture, fittings and other assets belonging to or otherwise installed by or on behalf of the Landlord including without limitation the Furniture and Fittings
Premises	the premises leased to the Landlord by JTC under the JTC Lease

Rent	<p>SS\$8,300.00 [Eight Thousand Three Hundred Dollars Only] excluding GST, per month comprising:-</p> <p>(a) rental;</p> <p>(b) service charge;</p> <p>(c) the fee for the provision of Support Services and rental of Furniture and Fittings; and</p> <p>(d) supply of water and electricity to the Subleased Area.</p>
Subleased Area	the area(s) within the Premises shown for the purpose of identification only edged in red on the plan annexed
Support Services	the Support Services specified in Appendix 1
Term	subject to clause 5(1), the period of twelve (12) months from the Commencement Date

2. **GRANT**

- (1) Subject always to the terms of the JTC Lease and in consideration of the Rent and the terms and conditions hereinafter reserved and contained, the Landlord hereby agrees to:-
- (a) sub-let and the Tenant agrees to take the Subleased Area for the Term;
 - (b) grant the Tenant the right to use for the Term:-
 - (i) such common areas and facilities within the Premises as the Landlord may from time to time allow;
 - (ii) such access ways which are necessary for obtaining access and egress to and from the Subleased Area: and
 - (iii) the Furniture and Fittings listed in Appendix 2;
 - (c) provide the Support Services on the terms and conditions specified therein;

the Tenant PAYING THEREFOR unto the Landlord the Rent in respect of the Subleased Area in advance and without deduction on the 1st of every month (and proportionately for any part of a month), the first of such payments of Rent to be paid on or before the signing of this Agreement or the delivery of possession of the Subleased Area to the Tenant, whichever shall be the earlier.

- (2) (a) The Landlord shall be entitled to engage, hire, licence or sub-contract such person(s) as it considers necessary or desirable to enable it to fulfil its obligations under clauses 2(1)(b)(iii) and 2(1)(c) above.
- (b) Where any of the Support Services are provided by a sub-contractor, the Tenant shall comply with and shall procure that each of its employees, servants and agents will comply with any and all terms and conditions that may be imposed by such subcontractor provided that the Landlord shall give prior notice to the Tenant before the imposition of such terms and conditions. Where any of the terms and conditions are not acceptable to the Tenant, both parties agree to discuss and negotiate in good faith a resolution to the same within fourteen (14) days' notice by the Tenant failing which the Landlord shall have no further obligation to provide the affected Support Services to the Tenant.

- (c) The Tenant accepts and acknowledges that the Landlord makes no warranties, express or implied, in respect of any matter whatsoever in respect of the Support Services including the performance and/or provision of the same by any sub-contractor of the Landlord (where applicable).
- (d) The express terms of this Agreement are in lieu of all warranties, conditions, terms, undertakings and obligations implied by statute, common law, custom, trade usage, course of dealing or otherwise, all of which are hereby excluded to the fullest extent permitted by law.

(3) Exceptions and Reservations

BUT RESERVING unto JTC, the Landlord and all others to whom JTC or the Landlord has granted or may grant:

- (a) The easements, rights, wayleaves and privileges over, along and through the common passageways, landings and stairways within the Subleased Area (if any).
- (b) All other easements, ancillary rights and obligations as are or may be implied by the Land Titles Act.
- (c) The free and uninterrupted passage and running of telecommunication facilities from, through and to the Subleased Area.
- (d) The right of support and protection for the benefit of the other premises and all other parts of the Building as is now enjoyed from the Subleased Area.
- (e) The right to develop, redevelop, erect, alter or in any way deal with or use or let other parts of the Building or any other part of Biopolis in such manner as JTC or the Landlord shall deem fit notwithstanding that the access of light or air or any easement granted or appertaining to or enjoyed with the Subleased Area may be obstructed or interfered with or that the Tenant might otherwise be entitled to object.

3. TENANT'S COVENANTS

The Tenant hereby covenants with the Landlord as follows:-

(1) Rent

- (a) To pay the Rent on the days and in the manner aforesaid without any set-off demand or deduction whatsoever.
- (b) In the event that the rent payable by the Landlord to JTC is increased in accordance with the terms of the JTC Lease and/or JTC increases the amount of service charge payable under the JTC Lease, the Landlord shall be entitled to increase the Rent payable by the Tenant by giving to the Tenant written notice thereof and the revised Rent shall be payable from the date specified in the said notice.

(2) Security Deposit

- (a) To pay a security deposit (the "Security Deposit") equivalent to one (1) month's Rent as security against any breach of the covenants, terms and conditions in this Agreement on or before the date of this Agreement.
- (b) The Security Deposit shall be maintained at the same sum throughout the Term and shall be repayable to the Tenant without interest or returned to the Tenant for cancellation within a reasonable time after the termination of the Term (by expiry or otherwise), subject to appropriate deductions or payment to the Landlord for damages or other sums due under the Agreement.

- (c) If the Rent is increased or any deductions are made from the Security Deposit, the Tenant shall immediately pay the amount of such increase or make good the deductions so that the Security Deposit shall at all times be equal to one (1) month's Rent.

(3) Utilities

Unless otherwise agreed, charges for basic utilities (power and water) supplied to the Subleased Area (but not including charges for any installation, maintenance or repairs carried out in relation thereto) shall not be separately charged but shall be computed and charged together with the Rent payable under this Agreement.

(4) Authorised use and approvals and clearances

- (a) To use the Subleased Area for the purpose of establishing BSL2 research laboratories for the purposes of undertaking research and development activities involving the culture, expansion and banking of IRB approved human embryonic stem cells and their differentiated progeny, such purposes to be within the confine of Business Park use (as defined by URA) only and for no other purpose whatsoever ('Authorised Use').
- (b) To apply for all relevant approvals and clearances from relevant governmental or statutory authorities as may be required for the Tenant's installation works in and operations on the Subleased Area, and not to commence its operations on the Subleased Area unless and until all such approvals and clearances have been obtained.

(5) Systems Installations

Not to carry out any electrical or water systems installations or connection unless prior written approval has been granted by JTC, the Landlord and the relevant governmental or statutory authorities.

(6) Infrastructure

- (a) Without prejudice to the generality of this clause, the Tenant shall not use any equipment, device, software or routine which interferes or may interfere with the operations of the Landlord's infrastructure or undermine the security or integrity of the Landlord's infrastructure (including the Landlord's computer systems or networks).
- (b) The Tenant shall not take any action which imposes an unreasonable or disproportionate load on the Landlord's infrastructure (including the Landlord's computer system or networks).
- (c) The Tenant shall take all necessary steps and precautions to ensure that its own computer systems do not cause computer viruses, system, server or connection failures, errors, omissions, interruptions or delays to the Landlord's IT Infrastructure.

(7) Uniform external appearance

Not to alter in any way the external appearance of the Subleased Area including but not limited to the colour and type of all external parts such as doors, windows, grilles and walls.

(8) Modifications

Not to do, permit or suffer to be done any of the following without JTC's and the Landlord's prior written consent:

- (a) installation of air-conditioning system, ventilation system, air exhaust system, fume hoods, electrical system, telecommunication equipment, plant, machinery, fixtures, fittings or other installations ("Tenant's installations") in the Subleased Area; and
- (b) alter, remove, disconnect, add or in any way hinder, interfere or tamper with fixtures, fittings and installations including the Tenant's Installations in the Subleased Area, including but not limited to any existing fire alarm and extinguishing system, ventilation system, air-conditioning system, chilled water supply system, walls or floor finishes (including any tilings), pipes, wirings, equipment, power and light points and outlets.

(9) Power Surge and Vibration

- (a) Not to install or use any electrical, mechanical or telecommunication equipment, plant, machinery, fixtures, fittings, appliance or installations ("Equipment") that causes heavy power surge, high frequency voltage and current, noise, vibration or any electrical or mechanical interference or disturbance whatsoever which;
 - (i) may prevent or prevents in any way the service or use of any communication system of JTC, the Landlord, other lessees, tenants or occupiers; or
 - (ii) interrupts or interferes with in whatever manner the operation of equipment, plant, machinery, fixtures, fittings, appliances or installations of JTC, the Landlord, its agents or contractors, other lessees, tenants or occupiers all within Biopolis,

("Interference").
- (b) To allow the Landlord or any authorised person to inspect at all reasonable times, the Equipment in the Subleased Area to determine the source of the Interference.
- (c) To take suitable measures to eliminate or reduce the Interference to JTC's and the Landlord's satisfaction, if it is found by JTC or the Landlord or such authorised person that the Equipment is causing or contributing to the Interference.

(10) Safety of Building

- (a) Not to do, permit or suffer to be done anything which affects the structure or safety of the Building.
- (b) Not to do, permit or suffer to be done nor omit to do anything which may delay or prevent the issuance of the Certificate of Statutory Completion in respect of the Building.

(11) Thermal Insulation

Subject to clauses 3(8), 3(9) and 3(10) and JTC's and the Landlord's prior written consent, to provide thermal insulation to the floor, ceiling and the walls of the Premises and heat extract systems if the Tenant's activities results or may result in;

- (a) moisture condensation on the floors, ceilings or walls of adjoining premises or common parts of the Building; or
- (b) the generation of excessive heat or heat which causes or may cause undue discomfort to JTC, the Landlord and their lessees or tenants or the occupiers of any adjoining or neighbouring premises.

(12) Loading

- (a) Not to place or cause or permit or suffer to be placed any article, machinery or load in excess of:-
 - (i) 7.5 kiloNewtons per square metre on the floor slab of all levels including basement (except the ground level and carparking areas) of the Building; and
 - (ii) 12.5 kiloNewtons per square metre on the ground level of the Building.
- (b) Not to place or allow to be placed in the lifts of the Building any article, machinery or load in excess of the maximum loading capacity of the lifts.
- (c) Not to place metal safes or heavy articles or equipment on the floor of the Subleased Area except in such positions and within such limits as may be advised by the Landlord, JTC or their architects.

PROVIDED THAT any such permitted load shall be evenly distributed.

(13) Keep in good repair and condition

- (a) To keep the Subleased Area clean, tidy and in good repair and condition and to leave the same in a clean and tidy condition and free of the Tenant's furniture equipment goods and chattels upon the expiry or termination of the Term.
- (b) To maintain and keep in good repair and condition JTC's Installations and the Landlord's Assets/Fittings and shall allow access to such contractor/s as may be engaged by the Landlord and/or JTC from time to time on prior notice and at reasonable times during the day or night to carry out regular cleaning and maintenance in respect of the Landlord's Assets/Fittings and/or JTC's Installation.
- (c) To maintain and keep in good and tenable repair and condition (fair wear and tear and damage by fire, storm, tempest, explosion, riot or other cause beyond the Tenant's control excepted, save where any insurance monies are irrecoverable by JTC and/or the Landlord by reason of any act, neglect or default of the Tenant):-
 - (i) the interior of the Subleased Area, the flooring and internal plaster or other surface material of walls, soffit and ceilings, the doors, windows, glass shutters, locks fastenings, wiring fittings for light and other fixtures and fittings which are the property of JTC and/or the Landlord in and upon the Subleased Area; and
 - (ii) the pipes, wires, conduits, fittings, equipment and apparatus, sumps, grease interceptors and sanitary installations whether in the floor, ceiling, walls, or any part of the Subleased Area which are physically accessible by the Tenant;

and to make good all damage occasioned to any of the aforementioned items or to the Subleased Area or to any other part of the Building through improper use or by the negligence of the Tenant or of any person for the time being in or using the Subleased Area.

- (d) To make good to the reasonable satisfaction of JTC and the Landlord any damage or breakage caused to the Subleased Area or to the Premises or to the Landlord's Assets/Fittings or JTC's Installations or other fixtures and fittings therein by bringing in or removal of the Tenant's goods or effects or resulting from any act or default of the Tenant or its employees or invitees.

- (e) If the Tenant shall fail to do any of its obligations herein contained, the Landlord shall be entitled (but shall not be under any obligation so to do) to engage a contractor to perform the same and the cost thereof shall be a debt due by the Tenant to the Landlord.

(14) Responsibility for Damage

If the cause of any damage to Biopolis can be traced directly or indirectly back to the Tenant's activities, the Tenant shall at the Landlord's option either:

- (a) reinstate Biopolis to the reasonable satisfaction of the JTC and Landlord and within such time as the Landlord may stipulate and to bear its own costs, expenses and other charges (including without limitation reinstatement costs) for the reinstatement; or
- (b) pay for all proceedings, costs, expenses, claims, losses, damages, penalties and liabilities (including without limitation reinstatement costs) arising out of the above.

(15) No hazardous objects, nuisance, annoyance

- (a) Not to place, permit or suffer to be placed any object, article or thing by any window or balcony or any part of the Subleased Area in a manner which in JTC's or the Landlord's opinion may cause or is likely to cause any damage or injury to any property or person.
- (b) Not to use or permit to be used the Subleased Area or common areas of the Premises for any unlawful purpose or for any purposes other than those for which they were constructed, and not to do or permit to be done any act or thing which may become a nuisance or annoyance or interfere with or cause damage or inconvenience to the business, quiet occupation or comfort of JTC, the Landlord or any other tenant or occupant of the Premises or the Building and in particular not to use the Subleased Area or permit the same to be used for cooking or preparation of food nor to permit or suffer anyone to sleep or reside therein but to use the Subleased Area only as BSL2 laboratories and for the purposes specified in clause 3(4).

(16) Avoidance of Insurance Policy and Additional Premium

Not to do or permit to be done anything whereby the policy or policies of insurance against damage by fire on the Subleased Area as set out in the copy thereof provided to the Tenant or otherwise made known to the Tenant by the Landlord may become void or voidable or whereby the premium may be increased and to repay to JTC or the Landlord any sums paid by JTC or the Landlord (as the case may be) by way of increased premium and any expenses incurred by JTC or the Landlord or rendered necessary in or about any renewal of such policy or policies by reason of a breach or non-observance of this undertaking without prejudice to any other rights and remedies available to JTC or the Landlord.

(17) No breach of JTC Lease

Not to do or permit or suffer any person exercising or purporting to exercise the rights accorded by this Agreement to do any act or thing on or in relation to the Subleased Area and/or the Premises which would or might cause:-

- (a) the Landlord to be in breach of the covenants on the lessee's part and conditions contained in the JTC Lease as set out in the copy thereof provided to the Tenant or otherwise made known to the Tenant by the Landlord; or
- (b) the Landlord or JTC to be in breach of the covenants on the lessee's part contained in the Head Lease made between the President of the Republic of Singapore and JTC; or
- (c) the Landlord or JTC to be in breach of any of the covenants, terms and conditions imposed on it by any sub-contractor;

but shall do or permit to be done any act or thing to comply with or to prevent a breach of any of such terms, covenants, conditions or stipulations with no liability on the part of JTC or the Landlord for any inconvenience, loss, damage, costs, expenses or compensation whatsoever in the event that JTC, the Landlord, their employees, servants or authorised agents with or without workmen, tools and equipment should enter upon the Premises or the Subleased Area to do any act or thing which JTC or the Landlord is entitled to do by virtue of the JTC Lease, this Agreement or of any laws, bye-laws, rules or regulations.

(18) No explosive, dangerous, toxic matter

Not to use, load, unload, keep, store, generate or transport around or suffer or permit to be used, loaded, unloaded, kept, stored generated or transported around in the Subleased Area or the Premises or the Building, any liquid, goods, material or thing of an offensive, explosive, dangerous, biohazardous, radioactive, corrosive, toxic or combustible nature or otherwise a chemical hazard, without the prior written consent of the Landlord and the relevant authorities unless same is required in connection with the Authorised Use subject always to the requirements of the Authorities and compliance with the Law provided that the Tenant shall on demand provide to the Landlord a list of all such liquids, goods, material or things as aforementioned which the Tenant wishes to deal as aforesaid on the Subleased Area and/or the Premises and/or the Building and that the granting of the Landlord's consent may be subject to such covenants and stipulations as the Landlord may deem necessary.

(19) Compliance with statutes, directives etc

- (a) To comply with all statutes, bye-laws, requirements, regulations and directives of any government or other competent authority in relation to the observance and the performance of the Tenant's obligations, the storage and use of chemicals and biological materials and the Tenant's activities on the Subleased Area and with all directions and regulations which may be issued from time to time by JTC, the Landlord or by any person authorised to do so on their behalf in relation thereto and for the management, safety, and cleanliness of the Subleased Area or Premises or for the preservation of good order therein or for the convenience of JTC, the Landlord or other occupants of the buildings on the Premises, adjacent buildings or other buildings in the vicinity.
- (b) In all respects to comply forthwith at the Tenant's expense with the provision of any act, ordinance, bye-laws and regulations and any other obligations imposed by law upon either JTC, the Landlord or the Tenant relating to Biopolis or in regard to the Subleased Area or the use or occupation thereof.
- (c) To observe and comply with and ensure observance and compliance with all rules, notices, regulations and stipulations which may, from time to time be made by JTC and /or the Landlord in respect of Biopolis and the Subleased Area respectively.

- (d) To comply with all restrictive covenants relating to Subleased Area or the Premises in the tenancy or at law as if they are also restrictive covenants relating to the Building or Biopolis, where the context so admits.
- (e) Within 5 days after receipt of any notice, order or direction or other thing from any competent authority likely to affect the Subleased Area to deliver to the Landlord a copy of such notice, order or direction or other thing.
- (f) To comply with manufacturer's instructions on use as may be informed by the Landlord from time to time in relation to the Support Services (including the use of the Equipment, Furniture and Fittings).
- (g) To indemnify JTC and the Landlord from and against all actions, proceedings, costs, expenses, claims and demands which may be brought, made or incurred against or by JTC and/or the Landlord in consequence of non-compliance of any of the obligations contained in this sub-Clause (19).

(20) Fire, electrical and mechanical installations

- (a) To adopt and implement all precautions and comply with all recommendations and instructions of JTC and/or the Landlord as to fire, electrical and mechanical installations, biological materials, chemicals and waste and to observe such rules and regulations governing the Tenant's use of the Subleased Area and/or the Premises as JTC and/or the Landlord may make or amend from time to time. It shall be the Tenant's responsibility to keep itself abreast of and updated on JTC's prevailing rules and regulations and JTC's Subletting Terms and Conditions (defined in clause 3(21)(b)).
- (b) To adopt and implement every reasonable precaution against fire and to comply with all recommendations of JTC and/or the Landlord as to the fire precautions relating to the Subleased Area.

(21) Compliance with JTC's terms and conditions

To comply with:-

- (a) the terms and conditions on the lessee's part in the JTC Lease as may be applicable to the Subleased Area (as shall be notified by JTC or the Landlord to the Tenant from time to time); and
- (b) JTC's Subletting Terms and Conditions as shall be applicable from time to time and set out in JTC's website or as may otherwise be notified by JTC; and
- (c) the following terms and conditions:-
 - (i) The Tenant shall not carry out any research or development activities which in the reasonable opinion of JTC, the Landlord or in the opinion of any relevant governmental or statutory authority is objectionable, disreputable or hazardous to health.
 - (ii) The Tenant shall at his own cost and expense and subject to the prior approval in writing of JTC, the Landlord and the relevant governmental and statutory authorities provide suitable and proper foundation for all machinery, equipment and installations in connection with the approved usage at the Subleased Area. Neither JTC nor the Landlord shall be liable for any loss, damage or inconvenience that the Tenant may suffer in connection with any defects caused to the ground/production floor slabs or apron slabs by overloading and any subsidence or cracking of the ground/production floor slabs, aprons, drains and driveways of the Subleased Area or from other defects inherent or otherwise in the Subleased Area.

- (iii) The Tenant shall indemnify and keep indemnified JTC, the Landlord, their employees, agents and servants against all proceedings, costs, expenses, claims, penalties and liabilities which arise out of or in relation to or by reason of the Landlord's consent to the sublease or in relation to or by reason of any failure or breach on the part of the Tenant to comply with this sub-clause (21).

(22) Security of Tenant's documents

To be solely responsible for and to take all steps as may be appropriate to ensure the safety and security of all documents, chattels and other items brought by the Tenant to the Subleased Area including without limitation to keep such documents, chattels and other items under lock and key and accessible only to its authorized personnel and to take out all necessary insurances to provide against such risks as the Tenant may deem fit.

(23) Security Cards

To reimburse the Landlord the cost of security cards for access to the Subleased Area and to be issued for the Tenant's use at such amount as the Landlord shall notify in writing, forthwith on demand.

(24) Goods and Services Tax or Other Taxes

To pay the Goods and Services Tax or any other taxes or impositions by whatever name called (hereinafter collectively referred to as "the said taxes") levied or imposed on the Rent and such other monies as are required to be paid under this Agreement, from the commencement of the Term or from the date that the said taxes become payable by law, whichever is later. The Landlord shall not be liable to reimburse the Tenant for any amount of taxes or impositions paid by the Tenant under this Agreement.

(25) Varnishing and Painting of Interior

To keep properly varnished and painted such parts of the Subleased Area as shall be varnished and painted at the commencement of the Term.

(26) No Alterations or Additions

Not to make or permit to be made any alterations in or additions to the Subleased Area or any part thereof or to the Landlord's or JTC's fixtures, fittings and decorations therein and in particular not to add to or in any way interfere with the electrical wires, cables, switches, junctions or points or the pipes, taps or other apparatus installed in connection with the supply or use of electricity, water or telephone services in the Subleased Area or in the Premises without having first obtained the written consent of the Landlord therefor and on the Landlord giving such written consent (such consent not to be unreasonably withheld or delayed), to carry out at the Tenant's own expense such alterations or additions with such materials as shall be prescribed by the Landlord and using such contractor/s as shall have been approved by the Landlord and the Tenant shall at the Tenant's own expense obtain all necessary planning and any other consents pursuant to the provisions of any statute, rule, order, regulation or by-law applicable thereto and shall comply with the conditions thereof and upon the determination of the Term and unless otherwise required by the Landlord the Tenant shall restore the Subleased Area to their original state and condition (fair wear and tear excepted) at the expense of the Tenant.

(27) Access to Subleased Area for inspection, laying wires, cables, repair

- (a) To permit the Landlord and/or JTC, their servants, agents and workmen with or without tools and equipment during the Term to enter upon the Subleased Area on prior notice and at reasonable times during the day or night to:-
- (i) view or examine the state and condition of the Subleased Area or the Premises including but not limited to all windows, doors, pipes, ducts, drains, shafts, cables and wires;
 - (ii) lay and fix in and lead through such wires, cables and pipes as the Landlord or JTC (as the case may be) may from time to time require to be laid, fixed in or led through the Subleased Area for the general purposes of the Subleased Area or the Premises or the Building;
 - (iii) repair, remove or replace the same or to attend to air-conditioning equipment;
 - (iv) with all necessary materials to carry out any repairs or other works to or in connection with the Building or the Subleased Area which it or they may think fit, (including but not limited to installation, construction, testing, inspection, maintenance, protection, laying, removal or replacement of windows, doors, pipes, ducts, drains, shafts, cables, wires and other apparatus, installation or equipment) or do such things as may be required for any repairs, alterations or improvements to the Subleased Area or the Premises or the Building or any part thereof which cannot be conveniently accessed otherwise than from or through the Subleased Area;
 - (v) verify, by photographs or other means, that the Tenant's obligations under the Agreement are observed and performed;
 - (vi) carry out refurbishment and upgrading works in Biopolis;
 - (viii) take inventories of equipment, plant, machinery, fixtures, fittings, appliances, installations, goods, materials and articles belonging to the Landlord and JTC.

AND if so required by the Landlord or JTC, to remove relocate or modify, temporarily or permanently, any equipment, plant, device, machinery, installation, fixtures, fittings, appliances, partitions, goods, materials and articles ("the installation") to facilitate the above or otherwise to improve the appearance or aesthetics of the Building.

- b) If the Landlord's or JTC's works under this clause 3(27) are to:
- (i) remedy or rectify the Tenant's breach of its obligations under this Tenancy, the Tenant shall bear the costs incurred for the removal of the installation; or
 - (ii) facilitate the Landlord's or JTC's own works, the costs incurred for the removal of the installation shall be borne by the Landlord PROVIDED THAT the Landlord's prior written consent for the installation has been obtained under clause 3(8).

PROVIDED FURTHER THAT in a situation which in the Landlord's opinion is an emergency or exigency or where injury to life or damage to property is concerned, the authorised persons shall have the full right and liberty to enter the Premises immediately, with or without the Landlord's prior notice or Tenant's consent (except that the Tenant shall make known to the authorised persons the safety and security procedures so far as possible), to take such action as the Landlord in its reasonable discretion deems fit.

- (c) The Landlord or JTC may serve upon the Tenant notice in writing specifying any repairs reasonably considered by the Landlord necessary to be done or replacements necessary to be made to comply with the Tenant's undertakings herein contained and to require the Tenant to execute such repairs or make such replacements, and if the Tenant shall not within seven (7) days after the service of such notice proceed diligently with the execution of such repairs or the making of such replacements, it shall be lawful for the Landlord or JTC to enter upon the Subleased Area and execute such repairs or make such replacements and the cost thereof shall be a debt due from the Tenant to the Landlord or JTC (as the case may be) and be forthwith recoverable by action.
- (d) To cease activities to such extent and during such hours as the Landlord may reasonably specify by written notice to the Tenant for any maintenance or repair work to be executed by the Landlord and/or the authorised person.

(28) No Storage of Goods and No Auctions

Not to use the Subleased Area for the storage of goods or merchandise nor to hold or suffer to be held any auction on the Subleased Area.

(29) Use of Lifts and No Obstruction

- (a) Not to use the Lifts for the carriage of goods or merchandise other than at such times as may be permitted by arrangement with the Landlord.
- (b) Not to place, permit or suffer to be placed or erected any boxes, rubbish, object, article, obstacle, structure or thing in, on, along or across or obstruct or encumber;
 - (i) the entrances, accesses, stairways, passageways, lobbies, toilets, pipes, drains and other common parts of Biopolis; and
 - (ii) rights of way, easements and wayleaves (including without limitation those running to, within and from the Subleased Area) granted by the Landlord in favour of other parties.

(30) Windows Heating and Cooling Devices

Not to open windows except for purposes of cleaning or repair nor to obstruct the ventilating ducts within the Subleased Area, and not to install in the Subleased Area except as may be agreed by the Landlord heating and cooling devices or other plant which by its nature may interfere with the normal operation of the air-conditioning system.

(31) No Signboards, Placards or Posters

Not to affix paint or otherwise exhibit on the exterior of the Subleased Area or windows thereof or in any part of the Premises any nameplate, banner, signboard, advertisement, poster or flagstaff or wireless or television mast or to use the exterior wall of the Subleased Area for purposes of public announcement, except that the Tenant may in connection with his business display and maintain a signboard bearing the name and logo of the Tenant in such place or places only and not elsewhere and in such form and manner only as shall be approved by the Landlord and JTC.

(32) No Assignment or Subletting

Not to assign sublet licence or otherwise part with or share the actual or legal possession or use of the Subleased Area or any part thereof for any term whatsoever unless with prior consent in writing of the Landlord, such consent not to be unreasonably withheld or delayed.

(33) Disposal of Waste

- (a) Not to discharge, dump, leave or burn, nor cause or permit the discharging, dumping, leaving or burning of any waste and refuse ("such wastes") including but not limited to pollutants or contaminants, biohazardous, chemical hazard, radioactive or otherwise, into surface or other drains, watercourses, the Building, Biopolis or its surrounding but to make good and sufficient provision for and to ensure the expeditious, safe, proper and efficient disposal of such wastes to the requirements and satisfaction of JTC and the Landlord.
- (b) Without prejudice to the generality of sub-clause (a), to dispose of such wastes in compliance with the requirements of the relevant authorities and the reasonable requirements of JTC and the Landlord which requirements may include but not limited to the Tenant:
 - (i) providing designated holding areas, pending disposal, within the Subleased Area or otherwise for such wastes and stipulating the frequency and timing for disposal of such wastes by the Tenant's contractors; and
 - (ii) submitting written information and details of any waste liquid discharge for the consideration and clearance by the relevant authorities before such discharge.

(34) District Cooling System

- (a) The Tenant shall:
 - (i) obtain all primary chilled water requirements for the Subleased Area from the District Cooling System ("DCS") provided by JTC's contractors;
 - (ii) if requested by JTC or the Landlord to designate an adequate area in the Subleased Area to place such part of the DCS; and
 - (iii) not damage, break, replace, alter, remove, move, disconnect, tamper or interfere in any way whatsoever with the DCS or any part thereof.
- (b) Upon JTC's or the Landlord's prior written notice, the Tenant shall allow and permit, at all reasonable times, the DCS contractors, its agents, sub-contractors and all persons authorised by it or them (collectively "DCS contractors") a right to enter and work upon the Subleased Area, free of charge, for the purposes of constructing, connecting, installing, inspecting, testing, protecting, laying, removing, replacing, maintaining and refurbishing any chilled water pipes, pumps, valves, valve chambers, chillers, facilities, plants, heat exchanger, pumps, meeting station, control system and other fixtures and fittings in relation to or associated with the DCS, where applicable ("DCS actions or measures").

PROVIDED THAT in a situation of any emergency on exigency, the DCS contractors shall have a full right and liberty to enter the Premises immediately to take such necessary DCS actions or measures.

(35) Animals

Unless such animals, insects or other living organisms ("Organisms") are required for purposes directly related to the Authorised Use (which use shall be subject always in compliance with law and consent of the relevant authorities and the prevailing rules and regulations of JTC and the Landlord), not to keep or allow to be kept any Organisms at the Subleased Area PROVIDED THAT:

- (a) the housekeeping and caretaking of Organisms permitted at the Subleased Area, including but not limited to maintaining proper holding, quarantine and isolation rooms, caging, washing and shower areas, food, bedding and equipment, storage and waste disposal system, shall comply with the law and the requirements of the relevant authorities and the prevailing rules and regulations of JTC and the Landlord;
- (b) the Tenant shall take all measures to avoid or prevent:
 - (i) the escape of the Organisms; and
 - (ii) the infusion of air from the Subleased Area,
into other areas of the Building.

(36) Landlord to be indemnified

- (a) To indemnify and keep indemnified JTC and the Landlord from and against all claims, demands, actions, judgments, damages or expenses which JTC or the Landlord (as the case may be) may suffer or incur in connection with loss of life, personal injury or damage to property arising out of any occurrence in or upon the Subleased Area or out of the use of the Subleased Area by the Tenant or his employees or visitors.
- (b) To indemnify the Landlord and JTC and keep the Landlord and JTC indemnified against all losses claims demands actions proceedings damages costs or expenses or other liability arising in any way from this tenancy, any breach of any of the Tenant's undertaking contained in this Agreement or the exercise or purported exercise of any of the rights accorded by this Agreement.

(37) Prospective Tenants

During the three (3) months immediately preceding the expiration of the Term [and unless any option to renew has been exercised], to allow at all reasonable times prospective tenants or occupiers to inspect the Subleased Area, and to allow the Landlord to exhibit in such position as the Landlord shall reasonably think fit a notice indicating that the Subleased Area are to become vacant.

(38) Removal of Electrical Installations

To remove at or prior to the expiration or sooner determination of the Term, unless otherwise required by the Landlord, any electrical wiring, installations or fixtures, airconditioning ducts, conduits, water and other pipes, ceilings, partitions and flooring installed or fixed by the Tenant in, at or about the Subleased Area.

(39) Subleased Area To Be Free of Pests, Pets or Animals

To take all reasonable precautions to keep the Subleased Area free of rodents, vermin, insects, pests, birds, pets and any other animals and if so required by the Landlord at the cost of the Tenant to employ from time to time or periodically pest exterminators approved by the Landlord.

(40) Insurance

- (a) At all times throughout the Term, to effect and keep current a public liability insurance policy for the sum to be agreed between the parties and in default of agreement the sum of S\$ 1,000,000 (Singapore Dollars one million) for each occurrence or such sum or sums as may be specified by the Landlord from time to time in respect of the Subleased Area and to pay all premiums, costs and disbursements in connection therewith within seven (7) days after the same shall become due and payable. The Tenant shall produce to the Landlord on demand the said policy as well as the receipts for payment of premium in respect thereof. All policies of insurance taken out in compliance with this sub-clause shall include a provision for waiver of subrogation against the Landlord.
- (b) The Tenant shall insure all of the Tenant's property in the Subleased Area for their full insurable value against all risks commonly insured against in respect of property of a similar nature including but not limited to fire risks. Additionally, whilst carrying out any renovation works the Tenant will take out appropriate public liability and contractors all risks policies. All such policies shall include a provision for waiver of subrogation against the Landlord.
- (c) At the Landlord's request, the Tenant shall cause the Landlord to be named as co-assured on all policies of insurance required to be taken out under this Agreement. The Tenant shall produce all insurance policies and receipts for payment of premiums thereunder, for the inspection of the Landlord on request..

(41) Payment of Costs and Expenses for Consent

Where the Tenant applies to the Landlord for any consent hereunder to pay to JTC and the Landlord on an indemnity basis:-

- (i) all costs and expenses properly incurred by JTC in relation to that application, whether that application is granted, refused, offered, subject to any qualification or is withdrawn; and
- (ii) all costs and expenses of any professional advice obtained by JTC in relation to that application.

(42) Change of Address and Shareholding

To notify the Landlord in writing of any change in the address or registered office (as the case may be), of the Tenant. Tenant being a company, shall give the Landlord ninety (90) days written notice if the Tenant intends to effect any substantial change in its shareholding.. For the purposes of this sub-clause, the transfer of legal or beneficial ownership of more than fifteen per cent (15%) of the shares of a Tenant whether to one or more persons, shall be deemed to be a substantial change in the shareholding of the Tenant.

(43) To Yield Up Possession

- (a) At the expiration or sooner determination of the Term peaceably and quietly to yield up the Subleased Area to the Landlord together with JTC's Installations, the Landlord's Assets/Fitting and other fixtures and fittings therein in good and tenable repair and condition in accordance with the terms hereinbefore contained, and to make good at the expense of the Tenant any damage or defacement caused by the removal of the fixtures, fittings or other property belonging to the Tenant including the removal of any lettering or name plate and if the Tenant fails to make good such damage or defacement JTC or the Landlord may do so and the Tenant shall pay JTC or the Landlord (as the case may be) the cost thereof within seven (7) days of JTC or the Landlord (as the case may be) notifying the amount to the Tenant. In the event that the aforesaid repairs are carried out by JTC or the Landlord, the Tenant shall also pay the Landlord as liquidated damages for the period during which the aforesaid repairs were carried out, an amount equivalent to the Rent, if any, which the Landlord would have been entitled to receive from the Tenant for such period as though such period had been added to the said term.
- (b) At the expiration or sooner determination of the Term, the Tenant shall conduct a baseline study ("baseline study") to determine the presence and level of pollutants or contaminants, biohazardous, chemical hazard, radioactive or otherwise, in the Subleased Area. If the level of the pollutions or contaminants present as indicated in the baseline study exceeds that allowed by the Law then prevailing, or in the absence of applicable Law, the Dutch standard or such standard as the Landlord and the Tenant may agree, the Tenant shall carry out all necessary works to dispose, subject to clause 3(33), such pollutants or contaminants, and decontaminate and disinfect the Premises including without limitation the Landlord's fixtures and fittings, to the state and condition as allowed by the Law then prevailing, or in the absence of applicable Law, the Dutch standard or such standard as the Landlord and the Tenant may agree .
- (c) In the event that the disposal, decontamination, disinfection, removal, reinstatement and redecoration (if required) works ("works") by the Tenant or his agents continue after the Event, the Tenant shall be deemed to be the occupier of the Premises.
- (d) If the Tenant fails to observe or perform this clause, the Landlord may execute all or any part of the works and recover the costs and expenses from the Tenant as a debt.
- (e) The Tenant shall pay all Rent, tax and other amounts which the Landlord would have been entitled to recover from the Tenant had the period within which the works are effected by the Tenant or Landlord, as the case may be, been added to the Term.

(44) Tenant's Property

- (a) If after the Tenant shall have vacated the Subleased Area on the expiry or sooner determination of the Term any property of the Tenant shall remain in or on the Subleased Area and the Tenant shall fail to remove them within fourteen (14) days after being requested in writing by JTC or the Landlord to do so:-
 - (i) JTC or the Landlord may sell or dispose of such property and the Tenant shall indemnify the Landlord against any liability incurred by JTC or the Landlord (as the case may be) to any third party whose property shall have been sold or disposed of by JTC or the Landlord (as the case may be) as such property;

- (ii) in the event that JTC or the Landlord shall decide to sell such property:
 - (a) JTC or the Landlord may sell or dispose of such property by auction or by private treaty to any person and at any price as JTC or the Landlord shall at its absolute discretion think fit; and
 - (b) JTC or the Landlord may open or break open, without being liable for any damage caused thereby, any container, crate, carton or any other package containing such property;
 - (c) the proceeds of any sale of such property (after deducting the costs of or incidental to such sale) shall be applied first in satisfaction of all sums due to JTC and the Landlord;
 - (d) if JTC or the Landlord shall dispose of such property otherwise than by sale or in the event of a sale and the proceeds of sale shall be insufficient to satisfy in full any claim of JTC and/or the Landlord against the Tenant under this Agreement JTC and the Landlord shall be entitled to recover the costs of disposal or the deficit from the Tenant as a debt in any court of competent jurisdiction;
 - (e) the Landlord shall inform the Tenant in writing of any excess proceeds of sale and the Tenant shall claim them within one (1) month of receiving the Landlord's notice as aforesaid, failing which the Landlord shall be entitled to retain the same absolutely;
- (b) the Tenant shall indemnify JTC and the Landlord against any damage occasioned to the Subleased Area and actions, claims, proceedings, costs, expenses and demands made against JTC and/or the Landlord caused by or related to the presence of other property in the Subleased Area.

4. The Landlord hereby covenants that so long as the Tenant shall pay the Rent hereby reserved and shall perform and observe its obligations hereunder, the Tenant shall peaceably hold and enjoy the Subleased Area during the Term without any interruption by the Landlord or any person rightfully claiming under or in trust for the Landlord.

5. PROVIDED ALWAYS AND IT IS HEREBY AGREED as follows:-

(1) Right of Entry and Determination of Tenancy

- (a) If the Rent hereby reserved or any part thereof shall at any time be unpaid for fourteen (14) days after becoming payable (whether formally demanded or not) or if any term or undertaking on the Tenant's part herein contained shall not be performed or observed and if the Tenant shall have failed to rectify or remedy the same within fourteen (14) days after the period of time given in JTC's or the Landlord's notice informing the Tenant of the non-performance or observance and requiring it to be rectified or remedied or if the JTC lease is terminated for any reason whatsoever or if the Tenant for the time being shall cease, or threaten to cease to carry on business in Singapore or shall become bankrupt or go into liquidation (except for the purposes of amalgamation or reconstruction) or enter into any arrangement or composition for the benefit of the Tenants' creditors or if any distress or execution is levied on the Tenant's goods or a receiver is appointed in respect of any of the Tenant's assets or undertaking, then and in any one of the said cases it shall be lawful for the Landlord at any time thereafter to re-enter the Subleased Area or any part thereof in the name of the whole and thereupon this tenancy shall absolutely cease and determine but without prejudice to any right of action which the Landlord may have against the Tenant in respect of any antecedent breach of any of the Tenant's covenants herein contained. A written notice given to the Tenant in accordance with the provisions of this Agreement stating that the Landlord is exercising the power of re-entry hereinbefore contained shall be full and sufficient exercise of such power.

- (b) If at any time before the expiry of the Term:
- (i) JTC gives to the Landlord a notice requiring that the sublease to the Tenant be terminated due to a breach of the JTC Lease; or
 - (ii) JTC or Landlord becomes entitled to and re-enters the Premises or any part thereof in the name of the whole
- the sublease shall upon the termination or re-entry, absolutely determine without prejudice to any rights and remedies which may have accrued to either the Landlord or the Tenant, and without JTC or the Landlord being liable for any loss of peaceful or quiet possession or enjoyment of the Subleased Area, inconvenience, loss, damage, costs, expenses or compensation whatsoever that the Tenant may suffer in connection thereto.
- (c) (i) In the event of any breach of any of the Tenant's obligation under this Agreement which the Tenant has failed to remedy within fourteen (14) days after JTC's or the Landlord's notice to the Tenant informing of such breach, JTC and/or the Landlord, in addition to their rights of forfeiture and any other rights and remedies shall have absolute discretion to:
- (i) repair, rectify or make good anything done or omitted to be done by the Tenant or perform any act which the Tenant is to perform under the Agreement and if necessary to;
 - (ii) demolish, remove, relocate or modify and confiscate any equipment, plant, machinery, fixtures, fittings, appliances, installations, obstructions, partitions, goods, materials, articles or structures including but not limited to grilles, doors, gates, pipes or tilings erected, constructed or substituted by the Tenant in the Subleased Area or at the stairways, passageways or other common part of the Building;
 - (iii) reinstate JTC's and/or the Landlord's fixtures or fittings with such materials as JTC or the Landlord (as the case may be) may elect; or
 - (iv) carry out such other remedial measures as JTC or the Landlord thinks necessary.
- (d) Nothing in this clause shall be deemed to place on JTC or the Landlord an obligation to exercise the above rights.
- (e) For the purpose of enabling JTC and/or the Landlord to exercise the above rights, the Tenant shall grant to JTC and the Landlord, their employees, agents, constructors and all persons authorised by them ("the authorised persons") the right of entry with or without materials and appliances. The Tenant shall make known to the authorised persons all reasonable safety and security procedures applicable to the Tenant's employees, agents and invitees in respect of the Premises.

- (f) The Tenant shall pay to the Landlord:
- (i) the costs of all such works and materials used by JTC and/or the Landlord together with an administrative charge (which shall be equivalent to 15% of the said costs) and any other charge prescribed by the Landlord; and
 - (ii) if the Tenant yields up the Subleased Area at the termination of the Term, by expiry or otherwise without reinstating it to the standard required under the Agreement, the sum equivalent to the Rent, tax or other sums which the Landlord would have been entitled to receive from the Tenant had the period within which such reinstatement works are effected by the Landlord been added to the Term, and the same shall be recoverable from the Tenant as a debt.
- (g) If the Landlord undertakes any work under the Tenancy or otherwise affecting the Premises, the Landlord may reinstate the Premises to the original state the Premises was in (fair wear and tear excepted) at the Commencement Date so far as possible.
- (h) Either party may terminate this Tenancy and this Agreement by giving the other not less than 30 days written notice. Upon termination of the Tenancy by the Tenant, the provisions of this clause 5(1) shall apply.

(2) Interest on Arrears

Without prejudice to the Landlord's rights under Clause 5(1) above, the Tenant shall pay to the Landlord on demand, interest at the rate of twelve per cents (12%) per annum as well as after as before any judgement is obtained calculated on a daily basis for the late payment of any Rent, or any other monies due under this Agreement, from the date that the same is due up to the date payment in full is accepted by the Landlord, if the said monies remain unpaid for more than fourteen (14) days after the same are due (whether formally demanded or not).

(3) Abatement of Rent in Case of Damage

If the Subleased Area or any part thereof shall be destroyed or damaged by fire or other risk against which JTC or the Landlord shall have insured, so as to be unfit for occupation and use then unless the insurance monies shall be wholly or partially irrecoverable by reason of any act or default of the Tenant the Rent hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended and cease to be payable until the Subleased Area shall again be rendered fit for occupation and use. The Landlord shall not be bound or compelled to rebuild or reinstate the Subleased Area unless the Landlord in its discretion thinks fit, and shall, as soon as it is in a position to do so, inform the Tenant in writing as to whether it will rebuild and reinstate the Subleased Area, and in the event of the Landlord deciding not to rebuild or reinstate the Subleased Area then the Rent and other monies hereby reserved shall cease and determine from the happening of such destruction or damage as aforesaid and the Tenant shall peaceably and quietly surrender leave and yield up to the Landlord possession of the Subleased Area.

(4) Exclusive of Liability

Neither JTC nor the Landlord shall be responsible or liable to the Tenant or to the Tenant's licensees servants, agents or other persons in the Subleased Area or calling upon the Tenant for any accidental happening or injury suffered (fatal or otherwise) damage to or loss of any chattel or property sustained on the Subleased Area or in the Building (as the case may be) and the Tenant shall absolve the Landlord and JTC from liability for and shall indemnify the Landlord and JTC against all claims, actions, proceedings and expenses in respect of such injury, damage and/or loss.

(5) No Liability to Tenant

- (a) Notwithstanding anything herein contained and without prejudice to the generality of Clause 5(4) hereof, neither JTC nor the Landlord shall be liable to the Tenant, his employees, agents, servants, invitees or licensees nor shall the Tenant have any claim against either JTC or the Landlord in respect of:-
- (i) any interruption in any of the services hereinbefore mentioned by reason of Refurbishment Works (defined in clause 457)) damage or necessary repair or maintenance of any installations or apparatus or damage thereto or destruction thereof by fire, water, riot, act of God or other cause beyond JTC's and/or the Landlord's control or by reason of mechanical or other defect or breakdown including but not limited to breakdown in electricity, gas, chilled water and deionised water supplies, pumps, air-conditioning, the DCS and lifts or other inclement conditions or shortage of manpower, fuel, materials, electricity or water or by reason of labour disputes;
 - (ii) any act, omission, default, misconduct or negligence of any watchman, attendant or other servant or employee, independent contractor or agent of the Landlord and/or JTC:-
 - (aa) in or about the performance or purported performance of any duty relating to the provision of the said services or any of them; or
 - (bb) in carrying out or purported carrying out of the Refurbishment Works; or
 - (cc) the exercise or purported exercise of the Landlord's or JTC's right under clause 3(27),3(34)(b), 5(1)(c) and (d).
 - (iii) any damage, injury or loss arising out of the leakage of the piping, wiring and/or sprinkler system in the Premises and/or the structure of the Premises and/or any defect in the Premises.
- (b) The Landlord shall not be liable to the Tenant or his servants, employees, agents, authorised persons or visitors, or any provider or other party for any loss, damage, cost or expense or any kind whatsoever and howsoever caused, whether arising under contract, tort (including without limitation negligence or otherwise), with respect to:-
- (i) any products, services or information supplied or provided by any service provider or its employees, agents, servants or independent contractors appointed or engaged by the Tenant (collectively "Service Provider");
 - (ii) any act or omission, negligence, wilful default, misconduct or fraud of the Service Provider;

- (iii) any interruption, error, failure or delay in the services provided by the Service Provider; and
 - (iv) any representation or the breach of any implied condition, warranty or other term or any duty at common law or under any statute or under any express term of this Agreement, for any loss, damages, costs, expenses or other claim for compensation which arises out of or in connection with this Agreement or which is in any way related to the Support Services, unless such loss, damage, cost, expense or claim for compensation is caused by the gross negligence or wilful breach by the Landlord of any term of this Agreement.
- (c) Without prejudice to sub-clause (b) above, the Landlord makes no representation or warranty, whether express or implied, as to the accuracy, timeliness, completeness, efficiency, suitability, merchantability, fitness for any particular purpose, satisfactory quality or compliance with description of any products, services or information provided by any Service Provider. Under no circumstance shall it be construed that the Landlord endorses, sponsors, certifies or is involved in the provision of such services, products or information and the Landlord shall not be liable in any way for any products obtained and/or purchased from or services rendered by any such Service Provider. The Tenant shall at all times rely on its own judgement and conduct its own investigations on and assessment of the Service Provider before making any decision to appoint or engage the Service Provider. The Tenant hereby warrants that no reliance has been placed by the Tenant on any statements made by the Landlord in relation to its appointment or engagement of the Service Provider.

(6) To Indemnify Landlord and JTC

The Tenant shall indemnify and keep indemnified the Landlord and JTC in full from and/or against:-

- (a) all claims, demands, actions, suits, proceedings, orders, damages, costs, losses expenses of any nature whatsoever which the Landlord or JTC may suffer or incur in connection with loss of life, personal injury and/or damage to or loss of property arising from or out of any occurrence in, upon or at the Subleased Area or the use of the Subleased Area or any part thereof caused by the Tenant or by any of the Tenant's employees, independent contractors, agents, invitees or licensees; and
- (b) all losses, damages and costs incurred by the Landlord as a result of any loss or damage to any of the Furniture and Fittings, or any other machinery or equipment supplied or provided by the Landlord to the Tenant for the Tenant's use in connection with the performance of the Support Services;

all loss and damage to the Subleased Area and Premises or any part thereof and to all property therein caused directly or indirectly by the Tenant and in particular but without limiting the generality of the foregoing caused directly or indirectly by the use or misuse or abuse of water, gas or electricity or faulty fittings or fixtures of the Tenant.

(7) Refurbishment Work

- (a) The Tenant accepts the Subleased Area with full knowledge that refurbishment and upgrading works may be carried out in Biopolis ("Refurbishment Works") in the future.
- (b) The Tenant shall remove, relocate or modify, temporarily or permanently, every installation, fixture, fitting, device, equipment and article installed by the Tenant

("the Installations") as the Landlord may specify for the purpose of:

- (i) permitting JTC or the Landlord, their employees, agents or authorised persons to properly carry out the Refurbishment Works; or
- (ii) improving the appearance or aesthetics of the Building.

The costs incurred for the removal of the Installation shall be borne by JTC or the Landlord PROVIDED THAT JTC's and the Landlord's prior written consent for the Installation has been obtained under clause 3(8).

(8) (a) No Waiver

No waiver whether express or implied by either party of one breach default of non-observance or non-performance of any of the provisions in this Agreement contained or implied or failure or omission of either party to exercise any of its rights as under this Agreement or at law shall operate as a waiver of any continuing or subsequent breach of the same or of any other covenant, obligation or provision in this Agreement contained or implied nor shall it operate in any manner so as to default or affect in any way the rights of such party in respect of any such continuing or subsequent breach default or non-observance or non-performance. The acceptance by the Landlord of Rent hereby reserved or other sums shall not be deemed to operate as a waiver by the Landlord of any right to proceed against the Tenant in respect of any breach by the Tenant of any of his obligations hereunder. The Landlord shall be under no obligation to enforce or impose any covenants, conditions or terms against any lessees or tenants of any premises comprised in Biopolis.

(b) Time and Other Indulgence

Any time or other indulgence granted by the Landlord under this Agreement shall be without prejudice to and shall not be taken as a waiver of any of the Landlord's rights under this Agreement nor shall it prejudice or in any way limit or affect any statutory rights, powers and remedies from time to time vested in or exercisable by the Landlord.

(9) Option to Renew

If the Tenant shall be desirous of renewing the tenancy hereby created for a further term after the expiration of the said term and shall notify the Landlord in writing to that effect not less than three (3) months prior to such expiration date and shall pay the Rent hereby reserved and shall perform and observe the obligations and stipulations on the part of the Tenant herein undertaken to be performed up to the expiration of the Term and provided the term under the JTC Lease shall not have expired or if expired has been renewed, then the Landlord shall sub-let the Subleased Area to the Tenant for such further term, rent and on terms and conditions to be agreed.

(10) Landlord's Right to Assign

The Tenant hereby expressly acknowledges and undertakes to the Landlord that where the Landlord assigns its rights and interest in, under or arising out of this Agreement (including the transfer of the deposit), the Tenant shall be deemed to have consented to such assignment and shall accept any assignee of the Landlord as his new landlord and shall upon the request of the Landlord forthwith release the Landlord from all its obligations under the provisions of this Agreement and in particular the obligations of the Landlord to refund the deposit hereunder. Where required by the Landlord, the Tenant shall at the expense of the Landlord execute any agreement or assignment made or to be made by the Landlord and its assignee, such agreement or assignment to be in the same terms and for the unexpired term of the tenancy hereby created.

(11) Exclusion of Implied Terms

The provisions, terms and agreements herein cover and comprise the whole of the agreement between the parties hereto and the parties hereto expressly agree and declare that no further or other agreements, provisions or terms, whether in respect of the Subleased Area or otherwise shall be deemed to be implied herein or to arise between the parties hereto by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking, given or made by either party hereto to the other on or prior to the execution hereof and the existence of any such implication or collateral or other agreement is hereby negated.

(12) Invalidity or Illegality

If any one or more of the provisions contained in this Agreement shall be deemed invalid, unlawful or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.

(13) Notices

- (a) Any notice required under this Agreement to be given to the Landlord shall be given in writing and shall be sufficiently served by sending it by registered post or local urgent mail to the office of the Landlord stated in this Agreement or such other office as the Landlord may from time to time notify the Tenant.
- (b) Any notice required under this Agreement to be given to the Tenant shall be given in writing and shall be sufficiently served by affixing the notice or leaving the notice for the Tenant at the Subleased Area. Alternatively at the Landlord's discretion, any notice required under this Agreement to be served on the Tenant shall be sufficiently served if it is sent by registered post or local urgent mail service addressed to the Tenant at the Subleased Area or its registered office and that notice shall be deemed to have been served forty-eight (48) hours after the time of posting.

(14) Landlord's Legal Costs

The Tenant shall pay the stamp duty on this Agreement (and on its counterpart) and the Landlord's solicitors' reasonable costs and disbursements for or in connection with any notice of demand or in the enforcement of the terms of this Agreement on an indemnity basis.

(15) Prior Consent

Wherever it is provided in the Agreement that the Tenant shall not do an act or thing without JTC's and/or the Landlord's prior written consent, JTC and/or the Landlord (as the case may be) may in their reasonable discretion:

- (a) refuse to grant consent (and endeavour to give reason for such refusal) and without refunding any administrative fee paid; or
- (b) if it grants consent, in addition to the terms and conditions expressly provided (if any) in the relevant clause, impose reasonable terms and conditions including but not limited to any payment of monies, fees or deposit to JTC and/or the Landlord (as the case may be), and the restrictions in Section 17 of the Conveyancing and Law of Property Act shall not apply.

(16) Interpretation

In this Agreement where the context so admits:-

- (a) Words importing the singular number only include the plural number and vice versa;
- (b) Words importing the masculine gender only include the feminine and neuter gender as the case may be;
- (c) Words importing a person import also a firm or corporation; and
- (d) Where there are two or more persons included in the expression "the Tenant", all terms and conditions herein expressed to be agreed and accepted by the Tenant shall be deemed to be made by such persons jointly and severally.

(17) Headings

Headings and sub-headings have been inserted for guidance only and shall not be deemed to define limit construe or describe the scope or intent of the clauses hereof and shall not be deemed to form any part of the context.

(18) Contracts (Right of Third Parties) Act

Save for JTC who shall be entitled to enforce any benefit conferred on it under this Agreement directly, the parties do not intend that any term of this Agreement shall be enforceable pursuant to the Contracts (Rights of Third Parties) Act or otherwise, by any persons who is not a party to this Agreement.

AS WITNESS the hands of the parties hereto the day and year first above written.

SIGNED by	) Prof Miranda Yap	/s/ Miranda Yap
for and on behalf of the Landlord	) Executive Director	
	) Bioprocessing Technology Institute	
)	
in the presence of:-	) Foo Jong Yong Abdiel	/s/ Foo Jong Yong Abdiel
	) Manager, Research Administration	
	) Bioprocessing Technology Institute	
SIGNED by	) Dr. Bruce Davidson	/s/ Bruce Davidson
for and on behalf of the Tenant	) General Manager & CSO	
	) ES Cell International Pte Ltd.	
)	
in the presence of:-	) Suzan Lourdes	/s/ Suzan Lourdes
	) HR & Operations Manager	2/10/09
	) ES Cell International Pte Ltd	

APPENDIX 1

Support Services

A. IT SERVICES

1. The Landlord will provide the Tenant with access of up to twenty-one (21) of the Landlord's existing computer network ports (comprising of up to five (5) ports in the laboratory areas and up to sixteen (16) ports in the office areas) for the sole purpose of enabling the Tenant access to the internet.
2. Other than the access to the Landlord's existing computer network ports as above, the Tenant shall be solely responsible for providing all hardware, software, or third party service providers including personal computers, printers, internet access Ethernet cards and such other hardware and software that may be required to enable the Tenant access to the internet at its own costs and expenses.
3. For avoidance of doubt, the Tenant acknowledges that it will be solely responsible for and to conduct all necessary virus and security checks in relation to its hardware and software.

B. TELEPHONE SERVICES

1. The Landlord will provide the Tenant with access of up to nine (9) telephone points (comprising one (1) telephone point in the laboratory areas and up to eight (8) telephone points in the office areas).
2. Other than the access to the existing telephone points as above, the Tenant shall be solely responsible for providing all telephones and such other hardware and equipment and third party service providers that may be required to enable the Tenant to set up a telephone system in the Subleased Area at its own costs and expense.

C. PROVISION OF CLEANING SERVICES

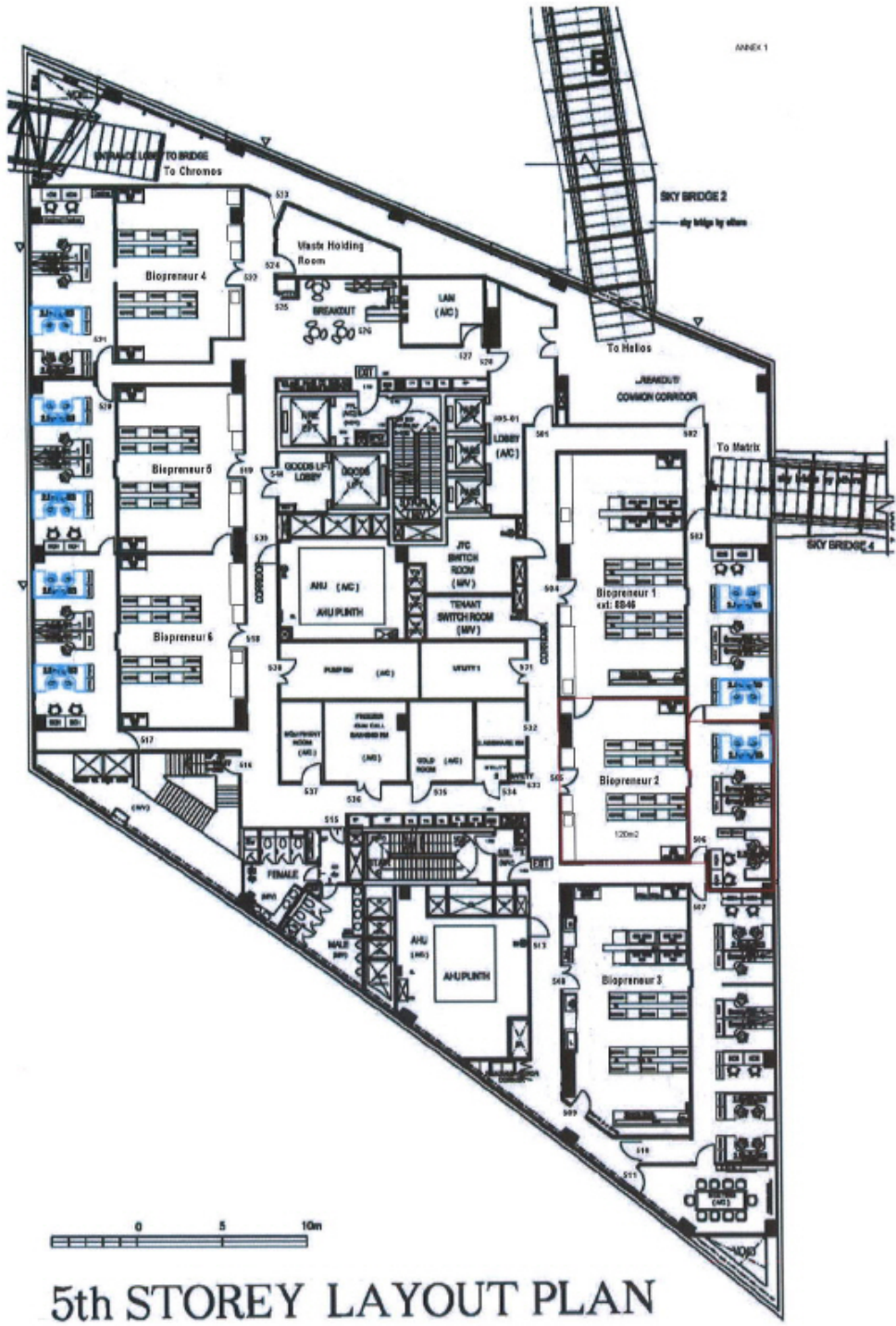
1. BTI will arrange for its cleaners to:
 - (i) mop and/or sweep the floors of lab areas within the Subleased Area once every working day, typically between 6pm to 8pm;
 - (ii) vacuum carpets in the office areas within the Subleased Area at least once a week;
 - (iii) clear the trash paper bins in the office areas within the Subleased Area once every working day.

Provided always that ESI ensures that the Subleased Area remains accessible to BTI's cleaners (including BTI Sub-contractors where applicable). For avoidance of doubt, apart from the cleaning services specifically referred to above, BTI's cleaners will not be providing any other cleaning services (e.g. cleaning bench tops and cleaning any chemical spills).

APPENDIX 2

List of Furniture and Fittings

- Lab benches: island with central shelves 4.6m x 1.5m: 2 nos.
 - Bench-sink, fixed 2.6m: 1 no.
 - Bench, loose lab: 3 nos.
 - Workstation with 2 nos. detachable trays: 1.5m x 1.5m: 4 nos.
 - Workstation with 2 nos. detachable trays & 1 no. overhung cabinet: 1.1m x 2m: 2 nos.
 - Stools, lab: 5 nos.
 - Chairs, office: 7 nos.
 - Tables, office: 1 nos.
 - Cabinet, tall lab: 1 no.
 - Cabinet-pedestal, low lab: 13 nos.
 - Cabinet, low office: 6 nos.
 - Pedestal, office: 7 nos.
 - Lighting: 18 nos. 4-foot doubles (lab 5-05); 7 nos. 4-foot doubles, 1 no. 2-foot doubles (office 5-05a)
 - Card access reader system: 2 nos. (doors to lab 5-05 and office 5-06)
 - Fire extinguisher: 1 no. (lab 5-05), 1 no. (office 5-05a)
 - Eye-wash: 1 no.
 - Safety shower: 1 no.
 - Telephone point: 1 no. (lab 5-05); 8 nos. (office 5-05a)
 - Computer network port: 5 nos.(lab 5-05); 16 nos. (office 5-05a)
 - Fume hood: 1 no. (lab 5-05)
-



MEMORANDUM
OF
TENANCY
Biopolis
(Office / Retail)

EASEMENTS, RIGHTS AND PRIVILEGES

- A The full right and liberty for the Tenant and the persons authorised by him (in common with all other persons entitled to the like right), at all times, by day or night to go, pass and repass over and along the main entrance of the Building and the common passageways, landings and stairways and to use the lifts PROVIDED THAT the Tenant shall not cause or permit any obstruction to the common passageways, landings, stairways and other common parts of and accesses to the Building.
- B The free and uninterrupted passage and running of water, electricity and gaseous products from and to the Premises through the sewers, drains, water-courses, channels, pipes, shafts, flues, cables and wires which now are or may at any time during the Term be in, under or passing through the Building.
- C The right of support and protection for the benefit of the Premises as is now enjoyed from the other premises and all other parts of the Building.

EXCEPTIONS AND RESERVATIONS

BUT RESERVING unto the Landlord and all others to whom the Landlord has granted or may grant :

- D The easements, rights and privileges over, along and through the Premises equivalent to those above.
- E All other easements, ancillary rights and obligations as are or may be implied by the Land Titles Act.
- F The free and uninterrupted passage and running of telecommunication facilities from, through and to the Premises.
- G The right of support and protection for the benefit of the other premises and all other parts of the Building as is now enjoyed from the Premises.
- H The right to develop, redevelop, erect, alter or in any way deal with or use or let the Building or any other part of Biopolis in such manner as shall be approved by the Landlord, the superior lessor or the Authorities notwithstanding that the access of light or air or any easement granted or appertaining to or enjoyed with the Premises may be obstructed or interfered with or that the Tenant might otherwise be entitled to object.

COVENANTS AND CONDITIONS

Definitions

1.1 The following expressions shall have the following meanings :

- (a) "Air-Conditioning" : As defined in the Tenancy. Charge"
- (b) "Authorities" : All relevant governmental and statutory authorities.
- (c) "Biopolis" : The estate in which the Building is situated and of which it forms a part, including but not limited to the Carpark, compounds, grounds, gardens, bin centres, structures, other buildings and drains, cables and pipes above or below ground in the estate.
- (d) "Building" : The building in which the Premises is situated and of which it forms a part, including but not limited to the common parts and other premises in the building.
- (e) "Carpark" : All parking lots, driveways, roads, ramps and loading bays, whether within or outside any building, in Biopolis.
- (f) "Commencement Date" : As defined in the Tenancy.
- (g) "Law" : All laws, statutes, legislation, by-laws, rules, orders or regulations now or hereafter in force.
- (h) "Landlord" : The Jurong Town Corporation (also known as "JTC Corporation") incorporated under the Jurong Town Corporation Act, its successors-in-title, and assigns.
- (i) "Premises" : As defined in the Tenancy.
- (j) "Rent" : As defined in the Tenancy.
- (k) "Service Charge" : As defined in the Tenancy.
- (l) "Tenant" : The Tenant as defined in the Tenancy and includes his personal representatives, successors-in-title, and permitted assigns (if any).
- (m) "Tenancy" : The tenancy offer made by the Landlord to the Tenant in respect of the Premises and duly accepted by the Tenant.
- (n) "Tenant's Obligations" : Covenants, conditions, terms, stipulations and obligations to be observed or performed by the Tenant.
- (o) "Term" : As defined in the Tenancy.

1.2 Unless the context otherwise requires :

- (a) words importing the singular include the plural and vice versa;
- (b) words importing the masculine gender include the feminine gender and vice versa;
- (c) the expression "person" includes a body corporate;
- (d) reference to a specific Act of Singapore shall include any amendment, revision or replacement made to it from time to time;
- (e) where the Tenant consists of two or more persons all Tenant's Obligations shall be deemed to be binding on such persons jointly and severally;
- (f) all marginal notes are for ease of reference only and shall not be taken into account in the construction or interpretation of the clause or paragraph to which they refer.

Tenants Covenants

2 **The Tenant covenants with the Landlord as follows :**

Rent & Service Charge

2.1 To pay without demand and without deduction the Rent, Service Charge, Air-Conditioning Charge and all other sums charged or imposed upon the Premises or the Tenant by the Landlord in accordance with the Tenancy PROVIDED THAT :

- (a) the Landlord shall be at liberty from time to time to revise the amount of Service Charge and/or Air-Conditioning Charge upon giving a written notice to the Tenant; and
- (b) the revised Service Charge and/or Air-Conditioning Charge shall be payable from the date specified in the said notice.

Interest

2.2 To pay interest ("Interest") at the rate of 8.5% per annum on any outstanding amount due and payable under the Tenancy from the due dates until payment in full is accepted by the Landlord PROVIDED THAT :

- (a) the Landlord may revise the Interest to a higher rate from time to time at its absolute discretion; and

- (b) if the Landlord shall refuse to accept the tender of the outstanding amount because of any breach of the Tenant's Obligations, the Interest shall nevertheless remain due and payable.

Taxes

- 2.3 To pay the Landlord any increase in property tax, which may be imposed whether by way of an increase in the annual value or an increase in the rate per centum, in the proportion attributable to the Premises as determined by the Landlord in its absolute discretion.

Cost of Documents

- 2.4 To pay all costs, disbursements, fees and charges, legal or otherwise, including stamp and registration fees in connection with the preparation, stamping and issue of the Tenancy and any prior, accompanying or future documents or deeds, supplementary, collateral or in any way relating to the Tenancy.

Cost of Performance

- 2.5 To perform and observe all the Tenant's Obligations at his own cost and expense.

Cost of Enforcement

- 2.6 To pay all costs and fees, legal or otherwise, including costs as between solicitor and client in connection with the enforcement of the Tenant's Obligations.

GST

- 2.7 To pay, in addition to and together with all taxable sums, the Goods And Services Tax ("GST") at the prevailing rate to the Landlord as collecting agent for the Authorities.

Insurance

- 2.8 (a) Not to do or suffer to be done anything whereby any insurance for the time being effected on the Premises or the Building may be rendered void or voidable or be in any way affected.
- (b) To pay to the Landlord on demand all sums paid by the Landlord by way of increased premium and all costs and expenses incurred by the Landlord in connection with insurance rendered necessary by a breach or non-observance of sub-clause (a) above without prejudice to any other rights and remedies available to the Landlord.

Uniform External Appearance

- 2.9 Not to alter in any way the external appearance of the Premises including but not limited to the colour and type of all external parts such as doors, windows, grilles and walls.

Signages

- 2.10 Not to affix, paint or otherwise exhibit any name plate, banner, advertisement, flag-staff or any other thing except only the name of the Tenant in such places and manner as approved in writing by the Landlord.

Modifications

- 2.11 Not to do, permit or suffer to be done any of the following without the Landlord's prior written consent:

Tenant's Installations

- (a) installation of air-conditioning system, ventilation system, air exhaust system, fume hoods, electrical system, telecommunication equipment, plant, machinery, fixtures, fittings or other installations ("Tenant's Installations") in the Premises; and

All installations Fixtures & Fittings

- (b) alter, remove, add or in any way interfere or tamper with fixtures, fittings and installations including the Tenant's Installations in the Premises, including but not limited to any existing fire alarm and extinguishing system, ventilation system, air-conditioning system, walls or floor finishes (including any tilings), pipes, wirings, equipment, power and light points and outlets.

Power Surge & Vibration

- 2.12 (a) Not to install or use any electrical, mechanical or telecommunication equipment, plant, machinery, fixtures, fittings, appliance or installations ("Equipment") that causes heavy power surge, high frequency voltage and current, noise, vibration or any electrical or mechanical interference or disturbance whatsoever ("Interference") which :
- (a1) may prevent or prevents in any way the service or use of any communication system of the Landlord, other lessees, tenants or occupiers; or
- (a2) affects the operation of equipment, plant, machinery, fixtures, fittings, appliances or installations of the Landlord, other lessees, tenants or occupiers.
- (b) To allow the Landlord or any authorised person to inspect at all reasonable times, the Equipment in the Premises to determine the source of the Interference.
- (c) To take suitable measures to eliminate or reduce the Interference to the Landlord's satisfaction, if it is found by the Landlord or such authorised person that the Equipment is causing or contributing to the Interference.

Safety of Building

- 2.13 (a) Not to do, permit or suffer to be done anything which affects the structure or safety of the Building.

Certificate of Statutory Completion

- (b) Not to do, permit or suffer to be done nor omit to do anything which may delay or prevent the issuance of the Certificate of Statutory Completion in respect of the Building.

Thermal Insulation

- 2.14 Subject to clauses 2.11, 2.12 and 2.13 and the Landlord's prior written consent, to provide thermal insulation to the floor, ceiling and the walls of the Premises and heat extract systems if the Tenant's activities results or may result in :
- (a) moisture condensation on the floors, ceilings or walls of adjoining premises or common parts of the Building; or
- (b) the generation of excessive heat or heat which causes or may cause undue discomfort to the Landlord, its lessees or tenants or the occupiers of any adjoining or neighbouring premises.

Maintenance and Repair

- 2.15 Subject to clauses 2.11, 2.12 and 2.13, to maintain in good and tenantable repair and condition ;
- (a) the ceilings, doors, windows, glass and all the interior of the Premises including but not limited to walls, soffit, false ceiling, floor and all fixtures and fittings;

- (b) all fire alarm and extinguishing systems, air conditioning systems, including the grill air diffusers and ductings, and ventilations systems in the Premises;
- (c) all exit lighting, exit signs, emergency lighting and other electrical wiring, equipment and installations in the Premises;
- (d) the pipes, sumps, grease interceptors and sanitary installations whether in the floor, ceiling, walls or any part of the Premises; and
- (e) all party walls, floors and ceilings separating the Premises from other premises in the Building jointly with the adjoining lessees, tenants or occupiers.

Responsibility for Damage

2.16 If the cause of any damage to Biopolis can be traced directly or indirectly back to the Tenant's activities :

- (a) to reinstate Biopolis to the satisfaction of the Landlord as required by the Landlord in its absolute discretion and within such time as the Landlord may stipulate; and
- (b) in any event, to pay for all proceedings, costs, expenses, claims, losses, damages, penalties and liabilities arising out of the above including but not limited to administrative charges imposed by the Landlord and the full cost of repairs.

Landlord's Right of Inspection and Repair

2.17 To permit the Landlord, its employees, agents and all persons authorised by it or them, with or without any necessary materials and appliances, at reasonable times during the day or night, to enter upon the Premises to :

- (a) view or examine the state and condition of the Premises or the Building including but not limited to all windows, doors, pipes, ducts, drains, shafts, cables and wires;
- (b) execute any repairs or works to or in connection with the Building or the Premises which it or they may think fit, including but not limited to installation or replacement of windows, doors, pipes, ducts, drains, shafts, cables, wires and other apparatus, installation or equipment;
- (c) verify, by photographs or other means, that the Tenant's Obligations are observed and performed;
- (d) carry out Refurbishment Works referred to in clause 4.5; and
- (e) take inventories of equipment, plant, machinery, fixtures, fittings, appliances, installations, goods, materials and articles,

Removal

AND if so required by the Landlord, to remove any equipment, plant, machinery, installation, fixtures, fittings, appliances, installations partitions, goods, materials and articles to facilitate the above.

Emergency

PROVIDED THAT in a situation which in the Landlord's opinion is an emergency or exigency, the Landlord shall have the full right and liberty to enter the Premises immediately, with or without the Tenant's consent, to take such action as the Landlord in its absolute discretion deems fit.

Cease Activities for Repairs

2.18 To cease activities to such extent and during such hours as the Landlord may specify by written notice to the Tenant for any maintenance or repair work to be executed by the Landlord.

No Assignment, Subletting

2.19 (a) Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Premises in whole or in part.

Sole-proprietor/Partners

(b) Subject to sub-clause (a) above, if the Tenant is a sole-proprietor or comprises of partners carrying on business under a business name registered under the Business Registration Act, not to effect any change in the constitution or membership of the sole-proprietorship or partnership without the Landlord's prior written consent.

Obstructions

2.20 Not to place, permit or suffer to be placed any object, article or thing in or obstruct the accesses, stairways, passageways, pipes, drains, and other common parts of Biopolis.

Disposal of Waste

2.21 To make good and sufficient provision for and to ensure the safe and efficient disposal of all waste, including but not limited to pollutants and refuse, to the requirements and satisfaction of the Landlord.

Yield Up at Termination

2.22 (a) At the termination of the Term, by expiry or otherwise :

- (a1) to yield up the Premises to the Landlord in good and tenantable repair and condition;
 - (a2) (a2.1) to remove all tenant's fixtures and fittings;
 - (a2.2) to reinstate the Premises; and
 - (a2.3) if so required by the Landlord, to redecorate including painting the interior of the Premises, to the satisfaction of the Landlord,
- and in accordance with the Tenant's Obligations.

Permit Viewing

(b) To permit intending tenants and others, authorised by the Landlord or its agents, at reasonable times and by prior appointment with the Tenant, to enter and view the Premises during the three calendar months immediately preceding the determination of the Term.

Compliance with Landlord's Rules & Regulations

2.23 To observe and comply with and ensure observance and compliance with all rules, notices, regulations and stipulations which may, from time to time, be made by the Landlord in respect of Biopolis.

Compliance with Laws

- 2.24 (a) To comply with the Law and all directions and requirements of the Authorities :
- (a1) relating to Biopolis (where applicable);
 - (a2) relating to the use, occupation or otherwise of the Premises; or
 - (a3) in respect of the observance or performance of the Tenant's Obligations,
- whether to be complied with by the Landlord or the Tenant and notwithstanding any consent which the Landlord may grant under any clause in the Tenancy or otherwise.
- (b) To immediately inform the Landlord in writing of any notice received in relation to sub-clause (a) above.

Head Lease

2.25 To perform and observe the express and implied covenants on the Landlord's part in the head lease made between the President of the Republic of Singapore and the Landlord so far as they are not varied herein.

Hazardous Placement of Objects

2.26 Not to place, permit or suffer to be placed any object, article or thing by any window or balcony or any part of the Premises in a manner which in the Landlord's opinion may cause or is likely to cause any damage or injury to any property or person.

Nuisance

- 2.27 Not to do, permit or suffer to be done upon the Premises anything which in the opinion of the Landlord may be or become :
- (a) a nuisance, annoyance or cause damage or inconvenience to; or
 - (b) an interference with the business or quiet or comfort of
- the Landlord, its tenants or lessees or the occupiers of any adjoining or neighbouring premises.

Application of Restrictive Covenants

2.28 To comply with all restrictive covenants relating to the Premises as if they are also restrictive covenants relating to the Building or Biopolis, where the context so admits.

Indemnity

- 2.29 To be responsible :
- (a) for all loss, injury or damage whatsoever to any person or to the Building or Biopolis, and any moveable or immovable property, arising directly or indirectly out of or in connection with :

- (a1) the occupation or use of the Premises; or
 - (a2) any act or omission (whether with or without the Landlord's consent), neglect or default of the Tenant, the Tenant's employees, agents, authorised persons or visitors; and
- (b) in respect of any act, matter or thing done, omitted to be done, permitted or suffered to be done, in contravention of the Tenant's Obligations,

AND to fully indemnify and keep indemnified the Landlord against all proceedings, costs, expenses, claims, losses, damage, penalties and liabilities arising out of the above.

Tenant's Insurance

2.30 The Landlord shall not be liable to the Tenant for any loss or damage, howsoever caused, to the Tenant's plant and machinery, fixtures and fittings, structures, installations, chattels, things and goods ("chattels"). The Tenant shall therefore insure the chattels against loss or damage.

District Cooling System

2.31 (a) The Tenant shall allow the District Cooling System ("DCS") service provider, its agents, contractors and sub- contractors and their workmen a right to enter and work upon the Premises free of charge for the purpose of connecting, installing, inspecting, maintaining and refurbishing any chilled water pipes, pumps, valves, valve chambers, heat exchanger, pumps, meeting station, control system and other fittings in relation to DCS, where applicable.

(b) The Tenant shall not move, disconnect, tamper with or in any way cause damage to any of the DCS equipment or fittings.

Landlord's Covenants

3 The Landlord covenants with the Tenant as follows :

Quiet Enjoyment

3.1 Subject to the Tenant performing and observing all the Tenant's Obligations, the Tenant may peaceably and quietly hold and enjoy the Premises without any unlawful interruption or disturbance from or by the Landlord.

General Services

3.2 (a) To keep the exterior and roof of the Building and the lifts, entrances, passageways, staircases, common toilets and other conveniences intended for the use of the Tenant in repair and in sanitary and clean condition.

(b) To keep the stairs and passageways leading to the Premises and the lifts and toilets sufficiently lit.

Property Tax

3.3 To pay property tax payable in respect of the Premises PROVIDED THAT if the rate of such property tax shall be increased whether by way of an increase in the annual value or an increase in the rate percent, then the Tenant shall pay such increase as provided under Clause 2.3.

Insurance of Building

3.4 To keep the Building insured against loss or damage by fire and **insurance** in the event of such loss or damage (unless resulting from some ^{of Building} act or default of the Tenant, the Tenant's employees, agents, authorised persons or visitors) to rebuild and reinstate the damaged part of the Building PROVIDED THAT such insurance shall not include the contents in the Building nor loss due to the Premises being rendered out of commission.

4 The Landlord and Tenant agree to the following :

Forfeiture of Tenancy

4.1 The Landlord is entitled to forfeit the Tenancy by entering the Premises or any part thereof, if:

- (a) the Rent, Service Charge, Air-Conditioning Charge or any other sums due under or by virtue of the Tenancy, or any part thereof is unpaid for fourteen (14) days after becoming payable (whether the same is formally demanded or not);
- (b) the Tenant is in breach of any of the Tenant's Obligations;
- (c) any writ of seizure and sale or its equivalent made in respect of the Premises is enforced by sale or by entry into possession;
- (d) the Tenant enters into liquidation, whether compulsory or voluntary (save for the purpose of reconstruction or amalgamation);
- (e) a bankruptcy petition is filed or a bankruptcy order is made against the Tenant;
- (f) the Tenant makes an assignment for the benefit of the Tenant's creditors;
- (g) the Tenant enters into any arrangement with its creditors by composition or otherwise; or
- (h) the Tenant suffers any distress, attachment or execution on or against the Tenant's goods,

PROVIDED THAT the above is without prejudice to the Landlord's other rights and remedies in respect of any breach of the Tenant's Obligations.

Service of Notices

4.2 Any written notice shall be sufficiently served if effected :

- (a) on the Landlord by registered post to its business address;
- (b) on the Tenant by registered or ordinary post to or by leaving or affixing it at the business address or the Premises NOTWITHSTANDING THAT it is returned by the post office undelivered;
- (c) by facsimile to the party to be served and the service shall be deemed to be made on the day of transmission if transmitted before 4 p.m. on a working day or 12 noon on a Saturday, but otherwise on the following working day; or

(d) on the Solicitor for the party in the manner provided in this clause.

Service of Process

4.3 Any process, by writ, summons or otherwise, shall be sufficiently served if effected on :

- (a) the Landlord by registered post to its business address;
- (b) the Tenant by registered post to or by leaving or affixing it at the business address or the Premises NOTWITHSTANDING THAT it is returned by the post office undelivered; or
- (c) the Solicitor for the party in the manner provided in this clause.

Business Address

4.4 The business address for the purposes of clauses 4.2 and 4.3 shall be:

- (a) the business address of the Solicitor (if any) who is acting for the party in the matter or proceedings in connection with which the service of the notice or process in question is to be effected;
- (b) if the Tenant is a sole-proprietor or comprises of partners carrying or formerly carrying on business under a business name registered under the Business Registration Act, the principal or last known place of business; or
- (c) in the case of a body corporate, the registered or principal office of the body.

Refurbishment Works

- 4.5
- (a) The Tenant accepts the Premises with full knowledge that refurbishment and upgrading works are being or may be carried out in Biopolis ("Refurbishment Works").
 - (b) The Tenant shall remove, relocate or modify, temporarily or permanently, every installation, fixture, fitting, device, equipment and article existing outside the Premises as the Landlord may specify for the purpose of :
 - (b1) permitting the Landlord, its employees, agents or authorised persons to properly carry out the Refurbishment Works; or
 - (b2) improving the appearance or aesthetics of the Building.

Consents

4.6 Wherever it is provided in the Tenancy that the Tenant shall not do an act or thing without the Landlord's prior written consent, the Landlord may in its absolute discretion :

- (a) refuse to grant consent without giving any reason, and without refunding any administrative fee paid; or

- (b) if it grants consent, in addition to the terms and conditions expressly provided (if any) in the relevant clause, impose terms and conditions including but not limited to any payment of monies, fees or deposit to the Landlord, and the restrictions in Section 17 of the Conveyancing and Law of Property Act shall not apply.

Landlord's Self-Help

- 4.7 (a) In the event of any breach of any of the Tenant's Obligations, the Landlord, in addition to its rights of forfeiture and any other rights and remedies, shall have absolute discretion to :

- (a1) repair, rectify or make good anything done or omitted to be done by the Tenant or perform any act which the Tenant is to perform under the Tenancy;
- (a2) demolish, remove, relocate or modify and confiscate any equipment, plant, machinery, fixtures, fittings, appliances, installations, obstructions, partitions, goods materials, articles or structures including but not limited to grilles, doors, gates, or tilings erected, constructed or substituted by the Tenant in the Premises or at the stairways, passageways or other common parts of the Building;
- (a3) reinstate the Landlord's fixtures or fittings with such materials as the Landlord may elect; or
- (a4) carry out such other remedial measures as the Landlord thinks necessary.

Nothing in this clause shall be deemed to place on the Landlord an obligation to exercise the above rights.

- (b) For the purpose of enabling the Landlord to exercise the above rights, the Tenant shall grant to the Landlord, its employees, agents and all persons authorised by it or them the right of entry with or without materials and appliances at anytime.

- (c) The Tenant shall pay to the Landlord :

- (c1) the costs of all such works and materials used by the Landlord together with an administrative charge (which shall be no less than the equivalent of 10% of the said costs) and any other charge prescribed by the Landlord; and
- (c2) if the Tenant yields up the Premises at the termination of the Term, by expiry or otherwise without reinstating it to the standard required under the Tenancy, the sum equivalent to the Rent, Service Charge, Air-Conditioning Charge, tax or other sums which the Landlord would have been entitled to receive from the Tenant had the period within which such reinstatement works are effected by the Landlord been added to the Term, and the same shall be recoverable from the Tenant as a debt.

4.8 The following shall not prejudice nor waive the Landlord's rights or remedies in respect of any breach of the Tenant's Obligations :

- (a) any failure or omission of the Landlord to exercise any of its rights as Landlord under the Tenancy or Law;
- (b) any receipt or acceptance of any Rent, Service Charge, Air-Conditioning Charge or other sums by the Landlord; or
- (c) any waiver, expressed or implied by the Landlord of any other breach of the same or any other Tenant's Obligations,

PROVIDED THAT the Landlord shall be under no obligation to enforce or impose any covenants, conditions or terms against any lessees or tenants of any premises comprised in Biopolis.

Landlord's Works

4.9 If the Landlord undertakes any work under the Tenancy or otherwise affecting the Premises, the Landlord may reinstate the Premises :

- (a) to the original state the Premises was in at the Commencement Date so far as possible; or
- (b) if it deems fit, with such materials and finishing as the Landlord may elect.

The Tenant shall bear all the costs and expenses for the reinstatement work. If the Landlord deems in its absolute discretion that such costs and expenses are to be borne by more than one person, the Landlord's apportionment shall be binding and conclusive and the Tenant agrees to pay his share as determined by the Landlord.

Exemption of Liability

4.10 The Landlord shall not be liable to the Tenant or his employees, agents, authorised persons or visitors, or his or their property in respect of any :

- (a) interruption in the services provided by the Landlord by reason of any :
 - (a1) repair, maintenance, damage or Refurbishment Works; or
 - (a2) mechanical or other defect or breakdown including but not limited to breakdown in electricity, gas, water and de-ionised water supply, pumps, air-conditioning, DCS supply and lifts;
- (b) act, omission, default, misconduct or negligence of the Landlord, its employees, agents and all persons authorised by it or them in connection with :

- (b1) the performance or purported performance of any service which the Landlord provides;
 - (b2) the carrying out or purported carrying out of the Refurbishment Works;
 - (b3) the exercise or purported exercise of the Landlord's rights under clause 2.17 or 4.9 or self-help under clause 4.7; or
 - (b4) any accident, injury, loss or damage to the Tenant or his employees, agents, authorised persons or visitors, or his or their property;
- (c) loss, damage, injury, liability, claim, penalty, proceedings, cost, expense, or inconvenience that may be suffered by the Tenant or his employees, agents, authorised persons or visitors, or his or their property resulting from or in connection with :
- (c1) any breakage of or defect in any pipes, wires or other apparatus of the Landlord used in or about the Building;
 - (c2) any subsidence or cracking of the ground floor slabs, production floor slabs or apron slabs of the Premises or the Building; or
 - (c3) any defect, inherent or otherwise in the Premises or the Building.

- 4.10A (a) The Landlord shall not be liable to the Tenant or his employees, agents, authorised persons or visitors, or any other party for any loss, damage, cost or expense of any kind whatsoever and howsoever caused, whether arising under contract, tort (including without limitation negligence) or otherwise, with respect to:
- Service Provider**
- (a1) any products, services or information supplied or provided by any service provider or its employees, agents, servants or independent contractors (collectively "Service Provider");
 - (a2) any act or omission, negligence, wilful default, misconduct or fraud of the Service Provider; and
 - (a3) any interruption, error, failure or delay in the services provided by the Service Provider.

- (b) Without prejudice to sub-clause (a) above, the Landlord makes no representation or warranty, whether express or implied, as to the accuracy, timeliness, completeness, efficiency, suitability, merchantability, fitness for any particular purpose, satisfactory quality or compliance with description of any products, services or information provided by any Service Provider, Under no circumstance shall it be construed that the Landlord endorses, sponsors, certifies or is involved in the provision of such services, products or information and the Landlord shall not be liable in any way for any products obtained and/or purchased from or services rendered by any such Service Provider. The Tenant shall at all times rely on its own judgement and conduct its own investigations on and assessment of the Service Provider before making any decision to appoint or engage the Service Provider. The Tenant hereby warrants that no reliance has been placed by the Tenant on any statements or representations of the Landlord, in making the decision to appoint or engage the Service Provider.

Distress Act

- 4.11 For the purpose of the Distress Act, the Service Charge and Air- Conditioning Charge shall be deemed to be rent recoverable in the manner provided in the said Act.

Severability

- 4.12 If at any time any provision or any part of a provision of the Tenancy is or becomes illegal, invalid or unenforceable in any respect, the remaining provisions or parts of the provision (to the extent that they are severable from such illegal, invalid or unenforceable provisions or part of the provision) shall in no way be affected or impaired thereby.

Third Party Rights

- 4.13 A person who is not a party to the Tenancy shall have no right under the Contracts (Rights of Third Parties) Act to enforce any of the covenants, terms or conditions of the Tenancy.

Governing Jurisdiction and Law

- 4.14 The Tenancy shall be interpreted in accordance with the laws of Singapore and any legal proceedings, actions or claims arising from or in connection with the Tenancy shall be commenced in and heard before the courts of Singapore and the Tenant agrees to submit itself to the jurisdiction of the courts of Singapore.

SCHEDULE OF STATUTORY CONTROLS FOR FLATTED, RAMP-UP AND STACK-UP FACTORY CUSTOMERS

Contents

- A. Introduction
- B. List of Relevant Authorities
- C. Submission of Plans
- D. Guidelines on industrial Safety
- E. Compliance with Regulatory Requirements
- F. Application for Utilities

Printed February 2008

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

A. Introduction

This schedule of statutory controls informs our customers of their obligations to the relevant governmental and statutory authorities ("Authorities"). It contains the conditions and requirements under the jurisdiction of the Authorities which our customers are legally bound to comply with, at our customers' own cost and expense.

Please note that the statutory controls listed in this schedule are not exhaustive and serve merely as a guide to help our customers phase in. The responsibility and onus still lies with our tenants or lessees to familiarise themselves with all the requirements of the Authorities.

The information contained in this schedule, which was prepared in June 2007, is subject to change. While every reasonable care has been taken in providing the information, JTC Corporation ("JTC") cannot be held responsible for any errors, inaccuracies or changes arising there-from.

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

B. List of Relevant Authorities

Advertisement Licensing Section (ALS):

Building and Construction Authority
MND Complex
Tower Block
5 Maxwell Road
Singapore 069110
Tel: 63257379/63257364
Fax: 63257150

Ensures the proper display of advertisements and signs on building facade

Agri-food & Veterinary Authority of Singapore (AVA):

MND Complex
#01-01 Tower Block
5 Maxwell Road
Singapore 069110
Tel: 62221211
Fax: 62206068

Ensures a resilient supply of safe food as **well** as safeguards the health of animals and plants, and facilitates agri-trade for the well-being of the nation

Central Building Plan Unit (CBPU):

National Environment Agency
Environmental Building
13th Storey
40 Scotts Road
Singapore 228231
Tel: 67327733
Fax: 67319725

Ensures environmental pollution is within regulatory limits

Development Control Division (DCD):

Urban Redevelopment Authority
The URA Centre
45 Maxwell Road
Singapore 069118
Tel: 62216666
Fax: 62275069

Facilitates development by ensuring orderly and rational private sector development in accordance with URA's strategies and planning guidelines

Drainage Department:

Public Utilities Board
Environment Building
17th Storey
40 Scotts Road
Singapore 228231
Tel: 67319988
Fax: 67319967

Ensures proper management of the drainage system, storm-water collection and water reclamation in Singapore

Energy Market Authority (EMA):

Singapore Power Building
111 Somerset Road #15-05
Singapore 238164
Tel: 68358000
Fax: 68358020

Regulates the electricity and gas industry and district cooling services in Singapore

Fire Safety and Shelter Department (FSSD):

Singapore Civil Defence Force
91 Ubi Avenue
Singapore 408827
Tel: 62800000
Fax: 68481488

Formulates, implements and enforces regulations on fire safety and civil defence shelter matters

Ministry of Health (MOH):

College of Medicine Building
16 College Road
Singapore 169854
Tel: 63259220
Fax: 62241677

Ensures medical excellence as well as promotes good health and reduce illnesses

Occupational Safety and Health Division:

Ministry of Manpower
#03-02
18 Havelock Road
Singapore 059764
Tel: 64385122
Fax: 63171261

Formulates and cultivates good safety habits in all individuals, so as to create a strong safety culture at the workplace

Sewerage Department:

Public Utilities Board
Environment Building
15th Storey
40 Scotts Road
Singapore 228231
Tel: 62824336
Fax: 67313023

Ensures the proper treatment and disposal of wastewater in Singapore

SPRING Singapore:

Information Resource Centre
2 Bukit Merah Central
Singapore 159835
Tel: 6279 3920
Fax: 6377 0669

Nurtures a pro-business environment that encourages enterprise formation and growth, and facilitates the growth of industries,

Water Department:

Public Utilities Board
Environment Building
15th Storey
40 Scotts Road
Singapore 228231
Tel: 67327733
Fax: 62352118

Ensures the proper management of water demand in Singapore

C. Submission of Plans

- C1 You are required to submit the floor layout plans of your factory, and plans for air conditioning works and fire automatic system (e.g. heat / smoke detector, sprinkler system) in accordance with the terms of the tenancy or lease. You should proceed with the preparation and submission of the plans in accordance with the procedures stated in the guide on "**Submitting Plans for Building and Other Works**".
- C2 You must not install any air-conditioning system, ventilation system, electrical system, telecommunication equipment, plant, machinery, fixtures, fittings or other installations in the Premises until the plans have been endorsed by the Plan Endorsement Unit of JTC (JTC's PEU).
- C3 You must also obtain prior written consent from JTC's PEU if you intend to carry out alterations, additions, improvements or erections at or in the Premises or any part of the building, regardless of whether they are temporary or permanent structures. These modifications include but are not limited to:
- C3.1 Repositioning or closing up of openings;
 - C3.2 Demolition, puncturing or hacking of, or hammering, nailing, bolting, drilling, screwing or anchoring on or into walls, floors, ceilings, pillars or flues;
 - C3.3 Relocation of door; and
 - C3.4 Erection of partitions, awnings, dry walls or brick walls.
- C4 All additions and alterations to the Premises must be endorsed by JTC's PEU, and approved by the relevant Authorities such as the Building and Construction Authority (BCA), Fire Safety and Shelter Department (FSSD), and Urban Redevelopment Authority (URA), before you can commence such works.

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

C5 For works such as reconstruction / extension, additions and alteration works, you may submit plans to JTC's PEU for endorsement under the URA Plan Lodgement Scheme. You are advised to refer to Customer Portal, Krypton Services under eServices on JTC website (www.itc.gov.sg) on the details of the scheme before deciding on the channel of plan submission.

C6 You must not commence work until a permit for the commencement of works has been issued by BCA. A Qualified Person as defined under the Building Control Act (a professional engineer or registered architect) must be engaged to assist in the following certification process:

Qualified Person submits plans to JTC's PEU for endorsement (endorsement docs not amount to approval of plans by JTC)

â

Qualified Person submits plans to the Authorities (URA BCA, FSSD, etc) for approval

â

Authorities grant permits on work commencement

â

Upon completion of works, Qualified Person applies to BCA for CSC/TOP

â

Qualified Person obtains permit to operate factory

C7 With regards to CSC or TOP, you are advised not to do, permit or suffer to be done anything which will affect the structure of the building and which may delay or prevent the issuance of CSC or TOP from BCA with respect to the building.

CSC: Certificate of Statutory Completion

TOP: Temporary Occupancy Permit

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

D. Guidelines on Industrial Safety

D1 Fire Safety

To safeguard the Premises and ensure that your operations are fire-safe, you must observe the following guidelines of FSSD and submit plans to FSSD for approval:

- D1.1 Equip the Premises with appropriate fire-fighting equipment, and ensure that you maintain in good and working condition at all times, all fire alarm and extinguishing systems, air conditioning systems, ventilation systems, exit and emergency lighting, signs, and other electrical wiring, equipment and installations installed by JTC.
- D1.2 If the existing fire alarm and extinguishing system in the Premises does not suit or is inadequate for your activities, or does not comply with the requirements of FSSD due to modifications of the Premises, you must carry out the necessary modification works only after obtaining JTC's consent.

These necessary modification works include but are not limited to:

- (i) Addition, replacement or removal of wirings, pipings, fittings and sprinkler heads;
 - (ii) Adjustment of temperature settings; and
 - (iii) Connection of heat detectors and fixtures to JTC's common fire alarm system and extinguishing system.
- D1.3 For premises with additional false ceilings, you must:
- (i) Lower the heat / smoke detectors or install an additional layer of heat / smoke detectors below the false ceiling; and
 - (ii) Install an additional layer of sprinklers by connecting to the tee-off provided at the main distribution pipe.

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

D1.4 Under the Fire Safety Act enforced by FSSD:

- (i) All. emergency exits at the Premises must remain unlocked at all times; and
- (ii) You must not do nor permit anything that may cause any obstruction in the accesses, stairways, passageways, pipes, drains and other common areas of the building.

D2 Exit and Emergency Lightings

In accordance with FSSD's stipulations, you must install:

D2.1 Exit lighting and exit signs at exit passageways and exits of the Premises; and

D2.2 Emergency lighting in the production area and toilets of the Premises.

D3 Certification of Internal Hoist (For Woodlands Spectrum 1 Only)

You are required to obtain certification for your internal hoist from the Ministry of Manpower (MOM) every six months.

D4 Transportation of Petroleum and Flammable Materials

You shall ensure that no vehicle containing or carrying any one or more individual containers of petroleum or flammable material exceeding 250 litres enters or is driven into or upon:

- (i) The Premises; or
- (ii) The building in which the Premises is situated; or
- (iii) Any ramp leading to the Premises; or
- (iv) Any ramp leading to any building or any part thereof in which the Premises is situated, if such building or part thereof is used as a multi-story car park, multi-story workshop and factory or as a factory within a building.

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

E. Compliance with Regulatory Requirements

E1 Preliminary Clearance

You must comply with the requirements of the Central Building Plan Unit (CBPU) of National Environment Agency (NEA), Public Utilities Board (PUB) and other Authorities pursuant to your application for preliminary clearance,

E2 Change of Use of Premises

Changing the use of the Premises can render your operations incompatible with your neighbours' and cause a breach of your agreement(s) with JTC and/or violate the regulations and requirements of the Authorities such as CBPU of NEA, the Water Department of PUB and URA.

If you wish to change the use of the Premises, you must submit an application for the change of use for JTC's approval, and seek clearance from the Authorities, such as CBPU of NEA and URA.

E3 URA's "60/40 Rule"

URA's guideline specifies that at least 60% of the total gross floor area (GFA) of the Premises should be set aside for industrial / warehousing activities and ancillary stores. The remaining GFA can be used for offices, neutral areas, communal facilities and other such practices endorsed in writing by JTC and the Authorities

You must not use the Premises as a commercial office for purposes unrelated to the authorised / permitted use under your Tenancy / Lease.

You are advised to check URA's website (www.ura.gov.sg) on the latest updates to the "60/40 rule".

E4 Drainage and Sewerage Systems

You must undertake the construction of an internal drainage system within the Premises to the reasonable satisfaction of JTC. The Drainage Department and Sewerage Department, both of PUB, require you to ensure that:

E4.1 All water collected in the Premises is discharged into the public drains and sewers; and

E4.2 No silt, oil, chemicals, debris, etc. is discharged into any public drains, sewers or watercourses.

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Before you carry out any connection works, you must obtain the sewerage and drainage interpretation plans from the Drainage Department and Sewerage Department and consult them with regard to the existing sewerage and drainage systems.

E5 Discharge of Trade Effluent

To facilitate the commencement of your operations, you must complete the attached form "**Application for Written Permission and Permit to Discharge Trade Effluent**" for permission to discharge trade effluent into the public sewers, and submit it to the Head, Central Building Plan Unit, National Environment Agency, 12th Storey, Environment Building, 40 Scotts Road, Singapore 228231 (Tel No. 67327733).

E6 Fire Alarm System

In accordance with the requirements of the Fire Safety and Shelter Department (FSSD), you must engage a registered electrical consultant or professional engineer to undertake the planning, design, supervision and maintenance of the fire alarm / heat detector, including any alterations of the existing automatic fire alarm and sprinkler system installation.

The electrical consultant or professional engineer must submit one set of the fire alarm drawings to FSSD for approval. A relevant Professional Engineer, registered with the Professional Engineers Board of Singapore, must sign all air-conditioning, fire alarm and sprinkler system plans.

E7 Factory Inspectorate

In order to obtain a factory licence before you commence operations, you must complete and submit the attached form, "**Particulars to be Submitted by Occupiers or Intending Occupiers of Factories**" directly to the Chief Inspector of Factories, Occupational Safety and Health Division, Ministry of Manpower, 18 Havelock Road # 03-02, Singapore 059764 (Tel No. 64385122).

E8 Advertisement and Licensing

If you occupy an entire floor of the Building, you may install signboards on the Building's external parapet walls after obtaining prior approval from JTC's PEU and a permit from the Advertisement Licensing Section (ALS) of Building and Construction Authority (BCA).

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All company signboards, installed at locations other than those above the doors of the Premises, must be approved by JTC. If you wish to install lighted or normal company signboards, you must submit three copies of the layout plan to JTC's PEU for approval. Advertisement and flickering neon signboards are not allowed.

To assist you in your recruitment efforts, you may display recruitment banners at designated places in the Estate. To do this, you are required to:

E8.1 Submit details of the banner and its location plan to the Flatted Factory and Business Parks Department of JTC; and

E8.2 Obtain a permit from the ALS of BCA after getting JTC's approval.

Please note that only one banner is allowed at any one time and the dimension of the banner must not exceed 1m x 6m.

E9 Research and Development (Medical)

If the authorised / permitted use under your Tenancy / Lease will include medical or biological R&D activities that involves the testing of animals or other research that may have health implications, you must obtain the necessary prior approvals from the Ministry of Health (MOH) and Agri-food & Veterinary Authority of Singapore (AVA).

E10 Activities Involving the Use of Explosive and Hazardous Materials

E10.1 For activities that involve the use and / or storage of flammable / combustible liquid of less than 250 litres and / or other flammable materials (all classes) not stored in a safety cabinet, you must obtain the in-principle clearances from the Fire Safety and Shelter Department (FSSD) through the Qualified Person (QP) and Registered Inspectors (RI) before submitting the actual building plan for approval under the Self-Regulation Scheme.

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

- E10.2 For activities that involve the use and / or storage of flammable materials of 250 litres or more, you are required to consult FSSD and provide the following information:
- (i) Layout plan of the Premises indicating the intended location of storage and type of fire protection system provided;
 - (ii) Details of production processes that require the use of flammable materials; and
 - (iii) Types of flammable materials and quantities to be stored in the Premises.
- E10.3 Once you have obtained in-principle no objection from FSSD, you are required to follow up with the necessary submissions through the QP to get clearances / approvals from the Authorities.

E11 Special Conditions (For Food Companies Only)

- E11.1 The sprinkler heads in the sprinkler system for the Premises are suitable for temperature not exceeding 79 degrees Celsius for the production floor and 68 degrees Celsius for the toilets.
- E11.2 You must ensure that any waste water discharged from the Premises complies with NEA's regulations, guidelines and limits regarding trade effluent discharge into the sewer system.
- E11.3 You must separately collect and dispose any concentrated oils, fats, grease and other chemicals, toxic or otherwise, from the Premises in accordance with NEA's guidelines and regulations.
- E11.4 You must ensure that any odour, fume or smoke discharged from the Premises comply with NEA's guidelines and regulations. In the event that such discharge, notwithstanding compliance with NEA's guidelines and regulations, becomes a nuisance or brings inconvenience to JTC, other tenants or lessees or occupiers of adjoining or neighbouring premises, you must install a proper air filtration system and if necessary, improve your production processes, to the reasonable satisfaction of JTC.

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

E11.5 No washing, preparation or packaging of any raw material, food or final product is allowed in the common area of the Premises.

E12 Code of Practices

You must abide by the latest Code of Practices for various industries or usage. The Code of Practices may be obtained from SPRING Singapore.

E13 Occupational Safety and Health

The Ministry of Manpower (MOM) has unveiled a new occupational safety and health framework to make possible quantum improvements in the safety and health at work.

Before any work is carried out, you must conduct risk assessments to:

E13.1 Identify safety and health hazards associated with work activities;

E13.2 Assess the severity or consequences from these hazards and the likelihood of occurrence of accident or ill health;

E13.3 Determine the risk level;

E13.4 Take measures to prevent or control the hazards; and

E13.5 Mitigate the risks as reasonably practicable.

To assist you in conducting the assessment, MOM has published guidance materials on its website (www.mom.gov.sg).

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)

F. Application for Utilities

F1 Water Supply

You must approach the Public Utilities Board (PUB) for all plumbing requirements. All plumbing required for additional water supply, including the installation of a water sub-meter, must be carried out by you.

You must submit four copies of sketch plans prepared by a licensed plumber showing the section and layout of the plumbing direct to the Water Department of PUB to assist your application for a water sub-meter. Water supply should not be turned on until a water meter is installed by PUB.

F2 Electricity

F2.1 For Flatted and Ramp-up Factories Only

- (i) You must engage an Energy Market Authority (EMA) licensed electrical worker to submit two sets of electrical single-line diagrams and electrical layout plans to and in accordance with the requirements of JTC's Facilities Management Section, for endorsement before an application is made to SP Services Ltd to open an account for electricity connection.
- (ii) Please contact JTC's Facilities Management Section at The JTC Summit, 8 Jurong Town Hall Road Singapore 609434 (Fax No: 6885 4259) for the requirements.

F2.2 For Stack-up Factories Only

- (i) You must engage an EMA licensed electrical worker to submit two sets of electrical single-line diagrams and electrical layout plans to and in accordance with the requirements of JTC's Facilities Management Section, for endorsement before an application is made to SP Services Ltd to open an account for electricity connection.

- (ii) Please contact JTC's Facilities Management Section at The JTC Summit, 8 Jurong Town Hall Road Singapore 609434 (Fax No: 6885 4259) for the requirements.
- (iii) All electrical installations and connections must be carried out by an EMA licensed electrical worker. Such installations may commence only after you have submitted an electricity application to SP Services Ltd and obtained their written approval.
- (iv) If you require an electrical design load higher than that already available in the vicinity, you must make an application to SP Services Ltd. Such an application will only be considered by SP Services Ltd if there is excess capacity, and if approved, will be subject to the terms and conditions stipulated by them.
- (v) You will tap your electrical supply from Power Grid Ltd's switchboard found on the ground floor of the block in which the Premises is located. There are dedicated electrical risers for you to connect the power cable from Power Grid Ltd's switchboard to the intake switchboard at your factory unit.

Schedule of Statutory Controls (Flatted, Ramp-Up & Slack-Up Factories)/February2008/SC3/ BL(IDG)



Please quote our reference when replying
Our Ref: JTC(L) JTC(L)BV3600/8

11 January 2010

JTC Corporation
The JTC Summit
8 Jurong Town Hall Road
Singapore 609434

ES CELL INTERNATIONAL PTE LTD

60 Biopolis Street
Genome #01-03
Singapore 138672
Attention: Ms Susan Lourdes

JTC hotline 1800 568 7000
main line (65) 6560 0056
facsimile (65) 6565 5301
website www.jtc.gov.sg

Dear Ms Lourdes

RENEWAL OFFER OF TENANCY FOR OFFICE SPACE KNOWN AS PRIVATE LOT A1857102 AT 60 BIOPOLIS STREET GENOME UNIT #01-03 SINGAPORE 138672

1 We are pleased to offer a tenancy of the Premises subject to the covenants, terms and conditions in the annexed Memorandum of Tenancy Biopolis (Office/Retail) ("the MT") and in this letter (collectively called "the Offer").

2 **2.1 The Premises**

Private Lot **A1857102** also known as Unit **#01-03** ("the Premises") in 11 Biopolis Way, Genome ("The Building") Singapore 138667.

2.2 **Term of Tenancy**

1 year ("the Term") with effect from **12 January 2010** ("the Commencement Date").

2.3 **Tenancy**

- (a) Your due acceptance of the Offer in accordance with paragraph 3 of this letter shall, together with the Offer, constitute a binding tenancy agreement ("the Tenancy").
- (b) In the event of any inconsistency or conflict between any covenant, term or condition of this letter and the MT, the relevant covenant, term or condition in this letter shall prevail.

2.4 **Area**

Approximately **55.70 square metres** ("the Area").



2.5 Building Rent¹

\$35.05 per square metre per month ("Building Rent¹") on the Area, to be paid without demand and in advance without deduction on the 1st day of each month of the year (i.e. 1st of January, February, March, etc.). After your first payment is made in accordance with paragraph 3 of this letter and the attached Payment Table, the next payment shall be made on 1 February 2010.

2.6 Service Charge

\$11.60 per square metre per month ("Service Charge") on the Area, as charges for services rendered by us, payable by way of additional and further rent without demand on the same date and in the same manner as the Building Rent¹, subject to our revision from time to time.

2.7 Security Deposit/Banker's Guarantee

Ordinarily we would require a tenant to lodge with us a security deposit equivalent to **three (3) months'** Building Rent¹ and Service Charge. However, as payment by GIRO has been made a condition with which you must comply under paragraph 3 of this letter, you shall, at the time of your acceptance of the Offer, be required to place with us a deposit equivalent to **one (1) month's** Building Rent¹ and Service Charge ("Security Deposit") as security against any breach of the covenants, terms and conditions in the Tenancy, as follows :

- (a) The Security Deposit may be in the form of cash or acceptable Banker's Guarantee in the form attached (effective from **12 January 2010 to 11 April 2011**), or such other form of security as we may in our absolute discretion permit or accept.
- (b) The Security Deposit shall be maintained at the same sum throughout the Term and shall be repayable to you without interest, or returned to you for cancellation, after the termination of the Term (by expiry or otherwise) or expiry of the Banker's Guarantee, as the case may be, subject to appropriate deductions or payment to us for damages or other sums due under the Tenancy.
- (c) If the Service Charge is increased or any deductions are made from the Security Deposit, you shall immediately pay the amount of such increase or make good the deductions so that the Security Deposit shall at all times be equal to **one (1) month's** Building Rent¹ and Service Charge.
- (d) If at any time during the Term, your GIRO payment is discontinued, then you shall place with us, within two (2) weeks of the date of discontinuance of your GIRO payment, the additional sum equivalent to two (2) months' Building Rent¹ and Service Charge, so that the Security Deposit shall at all times be equal to **three (3) months'** Building Rent¹ and Service Charge for the remaining period of the Term.

¹ Building Rent in this context refers to rent in the Memorandum of Tenancy.

2.8 Mode of Payment

- (a) Your first payment to be made with your letter of acceptance in accordance with paragraph 3 of this letter and the attached Payment Table shall be by non-cash mode (eg. Cashier's Order, cheque).
- (b) Thereafter during the Term, you shall pay Building Rent1, Service Charge and GST at prevailing rate by Interbank GIRO or any other mode to be determined by us.
- (c) You have an existing account with us from which we shall deduct the aforesaid payments. You are therefore not required to submit a duly completed GIRO form as part of the Mode of Due Acceptance. But if you wish to have separate GIRO account to meet the aforesaid payments, please complete the GIRO deduction form enclosed.
- (d) However, pending finalisation for the GIRO arrangement, you shall pay Building Rent1, Service Charge and GST at prevailing rate as they fall due by cheque or Cashier's Order.

2.9 Authorised Use

You shall use the Premises for the purpose of Office only and for no other purpose whatsoever ("the Authorised Use").

2.10 Loading Capacity

(a) Normal (Ground & Non-ground) Floor Premises:

You shall comply and ensure compliance with the following restrictions:

- (a1) maximum loading capacity of the goods lifts in the Building; and
- (a2) maximum floor loading capacity of 10 kiloNewtons per square metre of the Premises on the 1st storey of the Building PROVIDED THAT any such permitted load shall be evenly distributed.
- (b) You shall therefore, subject to our prior written consent, provide at your own cost suitable and proper foundation for all machinery, equipment and installation at the Premises.

2.11 Reinstatement of Premises

You shall reinstate the Premises in accordance with clauses 2.15 and 2.22 of the MT. The required reinstatement works shall be conveyed to you after an inspection of the Premises.

2.12 Premature Termination

- (a) The Landlord may by at least three (3) months' notice in writing, terminate the Tenancy and immediately upon the expiration of such notice as aforesaid and the Tenant's full compliance with such reasonable terms and conditions as may be stipulated in writing in the aforesaid notice (if any), the Tenancy shall cease and determine.
- (b) The Tenant may by at least three (3) months' notice in writing, terminate the Tenancy subject to the Landlord's consent. The Landlord's aforesaid consent may be granted upon such reasonable terms and conditions to be stipulated in writing to the Tenant (if any). Immediately upon the expiration of such notice and the Tenant's full compliance with such terms and conditions as aforesaid (if any), the Tenancy shall cease and determine.
- (c) The Tenant may instead terminate the Tenancy by giving the Landlord less than 3 months' notice by payment to the Landlord of three (3) months' rental in lieu thereof subject to the Landlord's consent. The Landlord's aforesaid consent may be granted upon such reasonable terms and conditions to be stipulated in writing to the Tenant (if any). Immediately upon the Landlord's receipt of the said notice and said monies and, the Tenant's full compliance with such terms and conditions as aforesaid (if any), the Tenancy shall cease and determine.
- (d) In whichever event of sub-clause 2.13 (a), 2.13(b) or 2.13(c) above,
 - (i) The cessation and determination of the Tenancy is without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim(s) in connection with or, breach of covenant(s)/term(s)/condition(s) of the Tenancy (including this clause).
 - (ii) At the cessation and determination of the Tenancy, the Security Deposit shall be repayable by the Landlord to the Tenant without interest or, in the case of a Security Deposit placed by way of a Banker's Guarantee, returned by the Landlord to the Tenant for cancellation - in both cases, subject to appropriate deductions by and/or payments to the Landlord for damages or any other sums due under the Tenancy (including this clause).
 - (iii) At the cessation and determination of the Tenancy, the Premises shall be yielded up to the Landlord forthwith, reinstated and as stipulated under the Tenancy, unless otherwise mutually agreed in writing. Failing which, the Landlord may recover all costs and expenses it incurs in carrying out or causing such decontamination and reinstatement works to be carried out including any tests thereto the Landlord deems necessary.

2.13 Not to:

- (a) make any application for conversion under Part IV of the Limited Liability Partnerships Act 2005 (as may be amended or revised from time to time); or
- (b) pass any resolution or do any act which may result in the issuance by the Registrar of Companies of a notice of amalgamation under Part VII of the Companies Act (as may be amended or revised from time to time) which may cause the Premises or the tenancy to be transferred to or vested in any amalgamated entity,

without our prior written consent. If we in our absolute discretion grant any such consent, we shall have the absolute discretion to impose terms and conditions. The restrictions in section 17 of the Conveyancing and Law of Property Act (Chapter 61) shall not apply.

2.14 Without prejudice and in addition to clause **4.10** of the MT :

- (a) you shall take the Premises on an "as is where is" basis, including any defects (latent, inherent or otherwise) and are deemed to have full notice and knowledge of its state and condition and shall execute such works as may be required to be done or as you may deem necessary (subject to our prior written consent) in respect of the state and condition;
- (b) we shall also not be liable to you or your employees, agents, authorized persons or visitors, or you or their property in respect of any occurrence (including acts of terrorism), or any representations, promises or warranties with respect to the Premises.
- (c) you shall also not hold us in any way liable for any loss of peaceful or quiet possession or enjoyment of the Premises in relation to the events or circumstances stipulated in clause **4.10** of the MT or paragraphs **(a)** or **(b)** above.

For avoidance of doubt, the word "otherwise" in clause **4.10(c)(c3)** of the MT includes latent defects.

3 **Mode of Due Acceptance**

- (a) The Offer shall lapse if we do not receive the following by **25 January 2010**:
 - (a 1) Duly signed letter of acceptance (**in duplicate**) of the Offer, in the form set out in the **Letter of Acceptance** attached.
(Please date as required in your letter of acceptance)
 - (a2) Payment of the sum set out in the Payment Table attached.

- 4 You may submit your acceptance and payment by post or if you wish to make a submission personally, you may do so at our Contact Centre at The JTC Summit at 8 Jurong Town Hall Road. Please bring a copy of this letter when making your submission.
- 5 Please note that payments made prior to your giving us the other items listed above may be cleared by and credited by us upon receipt. However, if those other items are not forthcoming from you within the time stipulated herein, the Offer shall lapse and there shall be no contract between you and us arising hereunder. Any payments received shall then be refunded to you without interest and you shall have no claim of whatsoever nature against us.
- 6 **Variation to the Tenancy**
- Any variation, modification, amendment, deletion, addition or otherwise of the Offer shall not be enforceable unless agreed by both parties and reduced in writing by us. No terms or representation or otherwise, whether expressed or implied, shall form part of the Offer other than what is contained herein.
- 7 **Season Parking**
- The carpark for **Biopolis** is currently managed by **Metro Parking (S) Pte Ltd**, and you will have to observe and be bound by all the rules and regulations governing the use and operation of the carpark. You are requested to contact Metro Parking (S) Pte Ltd at 1 Lorong 2 Toa Payoh, #02-01, Singapore 319637 (Tel: 6334 7773 Ext. 820 - 823; Fax: 6334 7787) for information and application of season air-parking.
- 8 Please also note that our granting of your request/application herein does not at any time prejudice or waive any of our rights or remedies for breaches of your obligations to us. Any waiver by us, to be effective, must be clearly and specifically stated in writing.
- 9 To guide and assist you, we enclose a **Schedule of Statutory Controls** for Flatted Factory Occupants.
- 10 Should you have any queries in the mean time, please contact me.

Yours sincerely

/s/ Benjamin Tan
Benjamin Tan
Senior Officer
Biomedical Department
Biomedical and Chemicals Cluster
DID: 6885 5443 Fax: 6885 5891
E-mail: tanzrb@jtc.gov.sg

ENCS: [Payment Table Specimen BG Specimen Acceptance Form
MT (Biopolis Office/Retail) Schedule of Statutory Controls (SC2)]



Please quote our reference when replying
Our Ref: JTC(L)BV3600/8

20 January 2010

ES CELL INTERNATIONAL PTE LTD

60 Biopolis Street
Genome #01-03
Singapore 138672
Attn: Ms Susan Lourdes

JTC Corporation
The JTC Summit
8 Jurong Town Hall Road
Singapore 609434

JTC hotline 1800 568 7000
main line (65) 6560 0056
facsimile (65) 6565 5301
website www.jtc.gov.sg

Dear Ms Susan

AMENDMENT TO THE RENEWAL OFFER OF TENANCY FOR OFFICE SPACE KNOWN AS PRIVATE LOT A1857102 AT 60 BIOPOLIS STREET GENOME UNIT #01-03 SINGAPORE 138672 ("Premises")

1. We refer to our letter of renewal offer of tenancy dated 11 January 2010 ("our Offer Letter").
2. Clause 2.1 of our Offer Letter shall be amended as follows:

2.1 The Premises

Private Lot **A1857102** also known as Unit **#01-03** ("the Premises") in 60 Biopolis Street, Genome ("The Building") Singapore 138672
3. Please note that except as expressly provided in paragraph 2 above, our Offer Letter remains unchanged.

LoO (Office) - January 2010



4. Please reference to our Offer Letter and this Amendment Letter in your acceptance letter.

Yours sincerely

/s/ Tan Zhi Rong Benjamin

Tan Zhi Rong Benjamin
Senior Officer
Biomedical Dept
Biomedical & Chemicals Cluster
JTC CORPORATION

DID: 6885 5443
FAX: 6565 5301
E-mail: tanzrb@jtc.gov.sg

LoO (Office) - January 2010



25 January 2010

Biomedical Department
Biomedical & Chemicals Cluster
The JTC Summit
8 Jurong Town Hall Road
Singapore 609434

Attention: Mr Tan Zhi Rong Benjamin

Dear Mr Benjamin,

RENEWAL OFFER OF TENANCY FOR OFFICE SPACE ON PTE LOT A1857102 AT 60 BIOPOLIS STREET #01-03 GENOME, SINGAPORE 138672

We refer to your letter of Offer and the e-Statement letter, both dated 11 January 2010 for the tenancy and subsequent amendment letter dated 20 January 2010. We hereby confirm acceptance of the covenants, terms and conditions of the Offer and e-Statement letter, including your email confirmation dated 22 January 2010 regarding the payment table.

We are currently on GIRO and are agreeable to use our existing cash deposit of S\$2,598.41 (1 month's deposit) as confirmation of our acceptance.

We understand and agree that we will only be able to view our Statement of Accounts (SA) in Krypton and confirm that the following email addresses are the authorized recipients to receive the email notification to view our SA or e-Statement in Krypton.

Email address 1: aleong@escellinternational.com

Email address 2: slourdes@escellinternational.com

Thank you.

For and on behalf of:

/s/ Bruce Davidson

ES Cell International Pte Ltd
Bruce Davidson
General Manager & CSO

in the presence of:

/s/ Suzan Lourdes

Suzan Lourdes
NRIC No: S6942897E

**ES Cell International Pte Ltd
60 Biopolis Street, #01-03 Genome, Singapore 138672
Telephone: +65 6774 9533 Facsimile: +65 6774 5077
Web: www.escellinternational.com**

ORTHOCYTE CORPORATION
2010 STOCK OPTION PLANARTICLE I
GENERAL1. PURPOSE

This OrthoCyte Corporation 2010 Stock Option Plan (the “Plan”) is intended to increase incentive and to encourage stock ownership on the part of selected key officers, directors, employees, consultants, professionals, and other individuals whose efforts may aid OrthoCyte Corporation, a California corporation (the “Company”) or any other corporations that are or which may become subsidiaries or a parent of the Company. Except where the context obviously requires otherwise, as used in this Plan, the term “Company” includes OrthoCyte Corporation, a California corporation, and any corporation that is or becomes a parent or subsidiary, as defined in Section 425 of the Internal Revenue Code of 1986, as amended (the “Code”), of OrthoCyte Corporation. It is intended that certain options granted pursuant to the Plan shall constitute incentive stock options within the meaning of Section 422(b) of the Code and that certain other options granted pursuant to the Plan shall not constitute incentive stock options (“nonqualified stock options”).

2. ADMINISTRATION

The Plan shall be administered by the Company’s Board of Directors (the “Board”) or, in the discretion of the Board, by a committee (the “Committee”) of not less than two members of the Board. The Committee’s interpretation and construction of any term or provision of the Plan or of any option granted under the Plan shall be final, unless otherwise determined by the Board, in which event such determination by the Board shall be final. The Committee may from time to time adopt rules and regulations for carrying out this Plan and, subject to the provisions of this Plan, may prescribe the form or forms of the instruments evidencing any option granted under this Plan. No member of the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any option granted, or with respect to any shares sold under any restricted stock purchase agreement, under the Plan.

Subject to the provisions of this Plan, the Board or the Committee shall have full and final authority in its discretion to select the eligible persons to whom options are granted or shares are sold under restricted stock purchase agreements, to grant such options and to sell shares as provided in this Plan, to determine the number of shares to be subject to options or sold pursuant to restricted stock purchase agreements, to determine the exercise prices of options or purchase prices of shares under restricted stock purchase agreements, the terms of exercise of options, expiration dates of options, and other pertinent terms and provisions of options and restricted stock purchase agreements. The Board may delegate to the Committee the power to make all determinations with respect to the Plan, or may delegate to the Committee only certain aspects of Plan administration, such as selecting the eligible persons to whom options will be granted, or decisions concerning the timing, pricing, and amount of a grant or award of options or sale of shares under restricted stock purchase agreements.

3. ELIGIBILITY

Subject to Section 2 of this Article I, the persons who shall be eligible to receive options or to purchase shares under restricted stock purchase agreements under the Plan shall be such officers, employees, directors, consultants, professionals, and independent contractors of the Company as the Board of Directors or the Committee may select. Eligible persons who are not also salaried employees of the Company shall be eligible to receive nonqualified stock options (but such persons shall not be eligible to receive incentive stock options).

4. SHARES OF STOCK SUBJECT TO THE PLAN

The shares that may be issued under the Plan shall be authorized and unissued or reacquired common stock, no par value, of the Company (the "Shares"). The aggregate number of Shares which may be issued under the Plan shall not exceed 4,000,000, unless an adjustment is required in accordance with Article III.

5. AMENDMENT OF THE PLAN

The Board may, insofar as permitted by law, from time to time, suspend or discontinue the Plan or revise or amend it in any respect whatsoever, except that no such amendment shall alter or impair or diminish any rights or obligations under any option theretofore granted or under any restricted stock purchase agreement executed under the Plan, without the consent of the person to whom such option was granted or Shares were sold, except as permitted under Section 8 of this Article I. Without further shareholder approval, no such amendment shall increase the number of shares subject to the Plan (except as authorized by Article III), change the designation in Section 3 of Article I of the class of persons eligible to receive options or purchase Shares under the Plan, extend the term during which options may be exercised, or extend the final date upon which options under the Plan may be granted or Shares may be sold under restricted stock purchase agreements.

6. APPROVAL OF SHAREHOLDERS

All options granted under the Plan before the Plan is approved by affirmative vote of the holders of a majority of the voting shares of the Company present and eligible to vote at the next meeting of shareholders of the Company, or any adjournment thereof, shall be subject to such approval. No option granted hereunder may become exercisable unless and until such approval is obtained.

7. TERM OF PLAN

Options may be granted and Shares may be sold under restricted stock purchase agreements under the Plan until June 1, 2020, the date of termination of the Plan. Notwithstanding the foregoing, each option granted under the Plan shall remain in effect until such option has been exercised or terminated in accordance with its terms and the terms of the Plan.

8. LISTING, REGISTRATION, QUALIFICATION, AND CONSENTS

All options granted under the Plan shall be subject to the requirement that, if at any time the Board or the Committee shall determine, in its discretion, that the listing, registration or qualification of the shares subject to options granted under the Plan, upon any securities exchange or under any state or federal law, or the consent or approval of any government regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such option or the issuance, if any, or purchase of shares in connection therewith, such option may not be exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board or the Committee. Furthermore, if the Board or the Committee determine s that any amendment to any option (including, but not limited to, an increase in the exercise price) is necessary or desirable in connection with the registration or qualification of any of its shares under any state securities or "blue sky" law, then the Board or the Committee shall have the unilateral right to make such changes without the consent of the optionee.

9. NONASSIGNABILITY

Nonqualified options shall be transferable (i) by will, by the laws of descent and distribution, by instrument to an inter vivos or testamentary trust in which the nonqualified options are to be passed to beneficiaries upon the death of the optionee or (ii) to the extent and in the manner authorized by the Board or Committee by gift to members of the optionee's immediate family. Immediate family means a transferee as permitted by Rule 260.140.41 of Title 10 of the California Code of Regulations which includes any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law and shall also include adoptive relationships. Incentive stock options may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the optionee, only by the optionee. Notwithstanding the preceding two sentences, in conjunction with the exercise of an option, and for the purpose of obtaining financing for such exercise, the option holder may arrange for a securities broker/dealer to exercise an option on the option holder's behalf, to the extent necessary to obtain funds required to pay the exercise price of the option.

10. WITHHOLDING TAXES

Whenever Shares are to be issued upon the exercise of any option under the Plan or under any restricted stock purchase agreement, the Company shall have the right to require the optionee or purchaser to remit to the Company an amount sufficient to satisfy federal, state, and local withholding tax requirements prior to the delivery of any certificate or certificates for such Shares.

11. DEFINITION OF "FAIR MARKET VALUE"

For the purposes of this Plan, the term "fair market value," when used in reference to the date of grant of an option or the date of surrender of Shares in payment for the purchase of Shares pursuant to the exercise of any option, as the case may be, shall mean the amount determined by the Board or the Committee as follows:

(a) If the Shares are listed or have unlisted trading privileges on a national securities exchange, the Shares shall be valued at their last sale price on the principal national securities exchange (measured by volume of transactions in such Shares) on which such securities shall have traded, or, if available, such sales price as reported on the composite tape, on the last trading day immediately preceding the date of grant or surrender.

(b) If prices of the Shares are quoted in the Nasdaq Stock Market (but not the National Market System), or the OTC Bulletin Board, the Shares shall be valued at their last sale price as reported on the composite tape, on the last trading day immediately preceding the date of grant or surrender.

(c) If the Shares are described in either subparagraph (a) or (b) above but were not traded on the last trading day immediately preceding the date of grant or surrender, or if prices of the Shares are published by the National Quotation Bureau, Inc., then the Shares shall be valued at the last price reported on the composite tape or if not so reported the average between the last bid and the last asked prices reported in the Wall Street Journal or published by the National Quotation Bureau within the 30 days prior to the date of grant or surrender.

(d) If the Shares are not described in and valued under subparagraphs (a) and (b) above, then the Shares shall be valued by the Board or the Committee, in its sole judgment, in good faith.

ARTICLE II
STOCK OPTIONS

1. AWARD OF STOCK OPTIONS

Awards of stock options may be made under the Plan under all the terms and conditions contained herein. However, in the case of incentive stock options, the aggregate fair market value (determined as of the date of grant of the option) of the Shares with respect to which incentive stock options are exercisable for the first time by such officer or key employee during any calendar year (under all incentive stock option plans of the Company) shall not exceed \$100,000. The date on which any option is granted shall be the date of the Board's or the Committee's authorization of such grant or such later date as may be determined by the Board or the Committee at the time such grant is authorized.

2. TERM OF OPTIONS AND EFFECT OF TERMINATION

Notwithstanding any other provision of the Plan, an option shall not be exercisable after the expiration of ten (10) years from the date of its grant. In addition, notwithstanding any other provision of the Plan, no incentive stock option granted under the Plan to a person who, at the time such option is granted, owns shares possessing more than 10% of the total combined voting power of all classes of shares of the Company or of any parent or subsidiary corporation, shall be exercisable after the expiration of five (5) years from the date of its grant.

In the event that any outstanding option under the Plan expires by reason of lapse of time or otherwise is terminated or canceled for any reason, then the Shares subject to any such option which have not been issued pursuant to the exercise of the option shall again become available in the pool of Shares for which options may be granted under the Plan.

3. CANCELLATION OF AND SUBSTITUTION FOR OPTIONS

The Company shall have the right to cancel any option at any time before it otherwise would have expired by its terms and to grant to the same optionee in substitution therefor a new stock option stating an option price which is lower (but not higher) than the option price stated in the canceled option. Any such substituted option shall contain all the terms and conditions of the canceled option provided, however, that notwithstanding Section 2 of Article II, such substituted option shall not be exercisable after the expiration of ten (10) years from the date of grant of the canceled option.

4. TERMS AND CONDITIONS OF OPTIONS

Options granted pursuant to the Plan shall be evidenced by agreements in such form as the Board or the Committee shall from time to time determine, which agreements shall comply with the following terms and conditions.

(a) Number of Shares and Type of Option

Each option agreement shall state the number of Shares for which the option is exercisable and whether the option is intended to be an incentive stock option or a nonqualified stock option.

(b) Option Price

Each option agreement shall state the exercise price per share or the method by which such price shall be computed. The exercise price per share shall be determined by the Board or the Committee at the date such option is granted. In the case of a nonqualified option, the exercise price may be not less than 85% of the fair market value of the Shares on the date such option is granted. In the case of an incentive stock option, the exercise price shall be not less than 100% of the fair market value of the Shares on the date such option is granted. Notwithstanding the foregoing, the exercise price per share of a option granted to a person who, on the date of such grant and in accordance with Section 425(d) of the Code, owns shares possessing more than 10% of the total combined voting power of all classes of shares of the Company or of any parent or subsidiary corporation, shall be not less than 110% of the fair market value of the Shares on the date that the option is granted.

(c) Medium and Time of Payment

The exercise price shall be payable upon the exercise of an option in the lawful currency of the United States of America or, in the discretion of the Board or the Committee, in Shares or in a combination of such currency and such Shares. Upon receipt of payment, the Company shall deliver to the optionee (or person entitled to exercise the option) a certificate or certificates for the Shares purchased through such exercise.

(d) Exercise of Options

Options granted under the Plan shall vest, and thereby become exercisable, at the time or times, or upon the happening of the events or circumstances, determined by the Board or the Committee. Options may vest at any time or from time to time upon the satisfaction of reasonable conditions to vesting determined by the Board or Committee. Without limiting the other events and circumstances upon which vesting may be determined, the Board or Committee may make vesting conditioned upon continued employment by the Company. The terms under which options shall vest shall be stated in each option agreement. The Board or the Committee may, in its discretion, accelerate (but not delay or postpone) the time or times at which an option vests.

To the extent that an option has become vested (except as provided in Article III), and subject to the foregoing restrictions, it may be exercised in whole or in such lesser amount as may be authorized by the option agreement. If exercised in part, the unexercised portion of an option shall continue to be held by the optionee and may thereafter be exercised as herein provided.

(e) Termination of Employment Except By Disability or Death

In the event that an optionee who is an employee of the Company shall cease to be employed by the Company for any reason other than his or her death or disability, his or her option shall terminate on the date (3) months after the date that he ceases to be an employee of the Company. The Committee or the Board may waive the provisions of this Subsection 4(e) at the date of grant of an option or at a later date.

(f) Disability of Optionee

If an optionee who is an employee of the Company shall cease to be employed by the Company by reason of his or her becoming disabled, such option shall terminate on the date one (1) year after cessation of employment due to such disability. "Disability" means that an employee is unable to carry out the responsibilities and functions of the position held by the employee by reason of any medically determinable physical or mental impairment. The Committee or the Board may waive the provisions of this Subsection 4(f) at the time of grant of an option or at a later date if the option is not an incentive stock option.

(g) Death of Optionee and Transfer of Option

If an optionee should die while in the employ of the Company, or within the three-month period after termination of his or her employment with the Company during which he or she is permitted to exercise an option in accordance with Subsection 4(f) of this Article II, such option shall terminate on the date one (1) year after the optionee's death. During such one-year period, such option may be exercised by the executors or administrators of the optionee's estate or by any person or persons who shall have acquired the option directly from the optionee by his or her will or the applicable law of descent and distribution. During such one year period, such option may be exercised with respect to the number of Shares for which the deceased optionee would have been entitled to exercise it at the time of his or her death. The Committee or the Board may waive the provisions of this Subsection 4(g) at the date of grant of an option or at a later date if the option is not an incentive stock option.

ARTICLE III
RECAPITALIZATIONS AND REORGANIZATIONS

The number of Shares covered by the Plan, and the number of Shares and price per share of each outstanding option, shall be proportionately adjusted for any increase or decrease in the number of issued and outstanding Shares resulting from a subdivision or consolidation of Shares or the payment of a stock dividend, or any other increase or decrease in the number of issued and outstanding Shares effected without receipt of consideration by the Company.

Upon the dissolution or liquidation of the Company, or upon a reorganization, merger or consolidation of the Company as a result of which the outstanding securities of the class then subject to options hereunder are changed into or exchanged for cash or property or securities not of the Company's issue, or upon a sale of substantially all the property of the Company to, or the acquisition of shares representing more than eighty percent (80%) of the voting power of the shares of the Company then outstanding by, another corporation or person, the Plan shall terminate, and all options theretofore granted hereunder shall terminate, unless provision can be made in writing in connection with such transaction for the continuance of the Plan and/or for the assumption of options theretofore granted, or the substitution for such options of options covering the shares of a successor corporation, or a parent or a subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices, in which event the Plan and options theretofore granted shall continue in the manner and under the terms so provided.

To the extent that the foregoing adjustments relate to shares or securities of the Company, such adjustments shall be made by the Board, whose determination in that respect shall be final, binding and conclusive.

The grant of an option pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes or its capital or business structure or to merge or to consolidate or to dissolve, liquidate or sell, or transfer all or any part of its business or assets.

ARTICLE IV
SALE OF RESTRICTED STOCK IN LIEU OF GRANT OF OPTIONS

1. RESTRICTED STOCK

(a) Number of Shares

Each restricted stock purchase agreement shall state the number of Shares sold under such agreement.

(b) Purchase Price

Each restricted stock purchase agreement shall state the purchase price per Share or the method by which such price shall be computed. The Purchase price per Share shall be determined by the Board or the Committee at the date the sale of the Shares is approved (the "Approval Date"); provided that the purchase price per Share may be not less than 85% of the fair market value per Share on the Approval Date and that if the restricted shares are sold to an individual who owns shares representing more than ten percent of the voting power of all classes of shares of the Company (or any parent or subsidiary of the Company), the purchase price per Share may not be less than 100% of the fair market value per Share on the Approval Date.

(c) Medium and Time of Payment

The purchase price shall be payable at the time the restricted stock purchase agreement is executed by the eligible person. Payment shall be made in the lawful currency of the United States of America or, in the discretion of the Board or the Committee, by delivery of a promissory note payable to the Company in such lawful currency. Upon receipt of payment, the Company shall deliver to the eligible person a certificate or certificates for the Shares purchased.

(d) Repurchase Option

Each restricted stock purchase agreement shall provide that the Company shall have the option to repurchase the Shares sold under such agreement in the event the purchaser ceases to be a full time employee of the Company prior to the vesting of such Shares, or if any other condition to the vesting of the Shares stated in the restricted stock purchase agreement is not met (the "Repurchase Option"). The Repurchase Option may be exercised by the Company during such period as specified in the applicable restricted stock purchase agreement. The price at which the Company may repurchase the Shares upon the exercise of the Repurchase Option shall be the price at which the Shares were sold to the eligible person, or such greater price as provided in the applicable restricted stock purchase agreement approved by the Board or the Committee. If the purchaser of Shares under a restricted stock purchase agreement has delivered a promissory note as payment of all or part of the purchase price of his or her Shares, the Company may cancel or reduce the principal balance and interest accrued on that promissory note as payment of all or part of the repurchase price upon exercise of the Repurchase Option.

(e) Vesting of Shares.

Shares sold pursuant to a restricted stock purchase agreement shall vest, and thereby cease to be subject to the Repurchase Option, at the time or times, or upon the happening of the events or circumstances, determined by the Board or the Committee. Shares may vest at any time or from time to time upon the satisfaction of reasonable conditions to vesting determined by the Board or Committee. Without limiting the other events and circumstances upon which vesting may be determined, the Board or Committee may make vesting conditioned upon continued employment by the Company. The terms under which Shares shall vest shall be stated in the restricted stock purchase agreement. The Board or the Committee may, in its discretion, accelerate (but not delay or postpone) the time or times at which Shares vest under a restricted stock purchase agreement.

2. ESCROW OF UNVESTED SHARES.

The Company may require that all Shares sold under a restricted stock purchase agreement be held in escrow, on terms satisfactory to the Company, until such Shares have vested and have been paid for in full (including the payment of any amount due on any promissory note delivered by the purchaser and secured by such Shares).

3. LEGEND ON STOCK CERTIFICATES.

Shares issued under a restricted stock purchase agreement shall include, in addition to any other legends as may be required by law or by the Board or Committee, a legend to the following effect:

THESE SHARES MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE SHAREHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

ARTICLE V
MISCELLANEOUS PROVISIONS

1. RIGHTS AS A STOCKHOLDER

An optionee or a transferee of an option shall have no rights as a shareholder with respect to any Shares covered by an option until the date of the receipt of payment (including any amounts required by the Company pursuant to Section 10 of Article I) by the Company. No adjustment shall be made as to any option for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to such date, except as provided in Article III.

2. MODIFICATION, EXTENSION AND RENEWAL OF OPTIONS AND RESTRICTED STOCK PURCHASE AGREEMENTS

Subject to the terms and conditions and within the limitations of the Plan, the Board or the Committee may modify, extend, renew, or cancel outstanding options granted under the Plan and restricted stock purchase agreements. Notwithstanding the foregoing, however, no modification of an option or restricted stock purchase agreement shall, without the consent of the optionee or purchaser, impair or diminish any rights or obligations under any option theretofore granted or restricted stock purchase agreement executed under the Plan, except as provided in Section 8 of Article I. For purposes of the preceding sentence, the right of the Company pursuant to Section 3 of Article II to cancel any outstanding option and to issue in place of such canceled option a substituted option stating a lower option price shall not be construed as impairing or diminishing an optionee's rights or obligations.

3. OTHER PROVISIONS

The option agreements and restricted stock purchase agreements authorized under the Plan shall contain such other provisions, including, without limitation, restrictions upon the exercise of the option or purchase of Shares, or restrictions required by any applicable securities laws, as the Board or the Committee shall deem advisable.

4. APPLICATION OF FUNDS

The proceeds received by the Company from the sale of Shares pursuant to the exercise of options or under restricted stock purchase agreements will be used for general corporate purposes.

5. NO OBLIGATION TO EXERCISE OPTION

The granting of an option shall impose no obligation upon the optionee or a transferee of the option to exercise such option.

6. FINANCIAL ASSISTANCE

Except as may be prohibited by law, the Company is vested with authority under this Plan to assist any employee to whom an option is granted or to whom Shares are sold pursuant to a restricted stock purchase agreement hereunder (including any director or officer of the Company or any of its subsidiaries who is also an employee) in the payment of the purchase price payable on exercise of that option or under that restricted stock purchase agreement, by lending the amount of such purchase price (including accepting a promissory note executed by the employee as consideration for the sale of the Shares at the time the Shares are issued) to such employee on such terms and at such rates of interest and upon such security (or unsecured) as shall have been authorized by or under authority of the Board or the Committee.

7. FINANCIAL REPORTS.

The Company shall deliver to each grantee of an option a balance sheet of the Company as at the end of its most recently completed fiscal year, and an income statement of the Company as of the end of such fiscal year. Such financial statements shall be delivered no less frequently than annually; provided, that such financial statements need not be delivered to any employee whose duties as an employee assure them access to such financial information.

I, Michael D. West, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioTime, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the periodic reports are being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 16, 2010

/s/Michael D. West
Michael D. West
Chief Executive Officer

I, Steven A. Seinberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioTime, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (e) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the periodic reports are being prepared;
 - (f) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles
 - (g) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (h) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (c) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (d) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 16, 2010

/s/ Steven A. Seinberg
Steven A. Seinberg
Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of BioTime, Inc. (the "Company") for the quarter ended June 30, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Michael D. West, Chief Executive Officer, and Steven A. Seinberg, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 16, 2010

/s/Michael D. West
Michael D. West
Chief Executive Officer

/s/Steven A. Seinberg
Steven A. Seinberg
Chief Financial Officer
