P&G Pharmaceuticals

Health Care Research Center
8700 Mason-Montgomery Road
P.O. Box 8006
Mason, Ohio 45040-9462
www.pg.com

INSTITUTION RESEARCH AGREEMENT

This Agreement establishes the terms under which the Parties hereto agree that Procter & Gamble Pharmaceuticals, Inc. (herein referred to as the "Company") shall support certain research to be performed at (herein referred to as the "Institution"). Institution means the legal entity authorized to enter into contractual agreements for sponsored programs on behalf of the University of Sheffield, Firth Court, Western Bank Sheffield, S10 2TN. The Company and the Institution are also referred to herein individually as a "Party" and collectively as "Parties". Employees, ruling and review board members, and agents of a Party are referred to herein as its "Personnel".

1 Research Project

1.1 The research project (herein referred to as the "Project") to be carried out under this Agreement is described in the attached proposal entitled "Bone Marker and Fracture Modeling from HIP Trials" (herein referred to as the "Proposal"), which is hereby incorporated as a part of this Agreement, except for any terms which are inconsistent with the terms set forth herein. In the event of a conflict between the terms of this Agreement and any Proposal, the terms of this Agreement shall control.

1.2 The Project shall be carried out at the Institution under the direction of Professor Richard Eastell and Dr. Aubrey Blumsohn (herein referred to as the "Investigators"). All references to the "Institution" shall be interpreted to include all responsibilities of the Investigators as employees of the University of Sheffield of Clinical Sciences. The Institution, through its policies and practices, shall cause its Investigators to observe the obligations established for this Project as contained herein.

1.3 The Investigators and the Institution agree to utilize their best efforts to conduct the Project in accordance with the Proposal. Further details concerning the Project will be discussed by the Investigators with Company representatives. The Proposal may be amended by written agreement of the Parties.

1.4 It is the expectation of the parties that the Project work will begin on or about May 2, 2002 , and will end on September 1, 2002. Unless otherwise agreed to by the Parties, all Project work, reports, consultations, and payments will be completed by three (3) months after the Project end date, and this Agreement will then terminate.

2 Reports and Presentations

2.1 The Investigators shall provide the Company with periodic reports as may reasonably be required by the Company throughout the Project, as well as a final written report, within two (2) months of the completion of the Project work. The final report shall include data, interpretation,

opinions and recommendations based on the results of the Project. Moreover, the Investigators shall promptly report to the Company any significant developments which may occur during the Project.

2.2 The Investigators shall provide the Company with consultation services regarding the conduct and results of the Project as may reasonably be required by the Company. Such consultations shall be held at mutually agreed times and places or shall be conducted by telephone. In addition, if the Company requires the Investigators to travel to the Company's facilities to present data and discuss the Project with the Company's representatives, all reasonable travel expenses of the Investigators for such consultations at the Company's facilities shall be reimbursed by the Company in compliance with Company's travel policy guidelines, copy attached for reference. Said expenses will not exceed a maximum amount of 250,000 US Dollars over the term of this Agreement. Such payments will be made by the Company within thirty (30) days after receipt of the Investigators' invoice, which should include a statement fully itemizing expenses incurred.

3 Company's Confidential Information and Proprietary Materials

3.1 In preparation of and during the course of the Project, it may be necessary for the Company to disclose to the Investigators and the Institution, orally or in writing, technical and business information regarding the Project (hereinafter referred to as "Information"). All Information is considered to be highly confidential by the Company. In addition, subject to the publication provisions of Article 4 hereof, the results of the Project, including all data and reports, shall be considered confidential information of the Company (hereinafter "Results"). The Investigators and the Institution agree to take all reasonable precautions to prevent disclosure of Information and Results to others and to not use Information and Results without the express written consent of the Company. These restrictions upon disclosure and use of Information and Results shall extend beyond the term of the Agreement and any extensions hereof for a period of ten (10) years, but shall cease to apply to any specific portion of Information or Results which:

3.1.1 is already in the Investigators' or Institution's possession at the time of disclosure thereof as established by relevant documentary evidence;

3.1.2 is or later becomes available to the public other than by the Investigators' or Institution's default;

3.1.3 is received by the Investigators or the Institution from a third party having no obligation of confidentiality to the Company;

3.1.4 is independently developed by the Institution by personnel not aware of the Information as established by relevant documentary evidence; or

3.1.5 is required to be disclosed by law or government regulation.

4 Publication and Use of Project Results

4.1 The Investigators and the Institution agree to notify the Company in writing of any decision to publish or present the Results as soon as possible after a decision has been made.

4.2 If the Investigators and the Institution decide not to publish the Results, or do not submit the text of a proposed publication of the Results to the Company within six (6) months of completion of the Project work or within three (3) months of the expiration of any delay of disclosure agreed on pursuant to Paragraph 4.5 hereof, whichever is later, the Company may publish the Results.

4.3 Each Party and its Personnel agree to submit to the other Party, for review, the text of any proposed oral or written disclosure of the Results, including any abstract of the Results, at least six (6) weeks in advance of any disclosure of the Results, including the submission of such proposed disclosure to a journal, editor, selection or review committee or person for a meeting, or other third party. The Party preparing such disclosure shall consider any suggestions from the other Party concerning the disclosure, but is not bound to incorporate such suggestions in any oral or written publications, except for redaction of Information as necessary for the Institution to fulfill its obligations of confidentiality under Article 3.

4.4 In the event that the Results are published in the scientific literature by either Party, acknowledgment will be made to the other Party and its Personnel in the accepted style, as appropriate. The names of the other Party and its Personnel shall not be used by either Party in publications, for advertising, for other commercial purposes, or otherwise, without appropriate written permission, unless required by law or government regulation.

4.5 If a potentially patentable invention results from the Project and either Party wishes to file a patent application covering such invention pursuant to Article 5 hereof, the Parties agree to negotiate in good faith to determine and agree upon a reasonable delay of any oral or written disclosure of the Results, in order to allow the Company and/or the Institution to complete development necessary for filing and file such patent application.

4.6 Subject to any patent rights of the Institution, the Company shall have the right to use the Results in any manner deemed appropriate to the Company's business interests, and as required by legal and business obligations, such as to support patent applications, both foreign and domestic, in submissions for product approval to government regulatory agencies, or to satisfy other requirements of any government agency.

5 Invention Rights

5.1 The Investigators and the Institution agree to disclose promptly and fully in writing to the representative of the Company listed in the Notices Article of this Agreement, all creative ideas, developments and inventions, whether or not patentable, conceived or reduced to practice by the Investigators or the Institution as a result of the Project (herein referred to as the "Inventions").

The Parties agree to hold all information regarding any Invention in confidence until a patent application covering the Invention has been filed, or the Parties have agreed in writing that no patent application covering the Invention is to be filed, or publication of the Invention occurs pursuant to Article 4 hereof.

5.2 All Inventions hereof made solely by Institution Personnel shall be the sole property of the Institution ("Institution Inventions"); Inventions made solely by Company Personnel shall be the sole property of Company, and Inventions made jointly by Institution and Company Personnel shall be owned jointly by the Institution and the Company ("Joint Inventions"). If either the Company or the Institution desires that a patent covering such other Institution Inventions and/or Joint Inventions be obtained, they will determine and agree as to whether the Company or the Institution will be responsible for preparation, filing and prosecution of patent applications; the other shall provide full cooperation for such efforts. The Institution hereby grants to the Company an option to take an exclusive, worldwide, royalty-bearing license to make, have made, use, or sell Inventions made solely or jointly by Institution personnel. The Company may exercise said option within six (6) months from the date of the Company's receipt of the written disclosure of Paragraph 5.1 hereof. The terms of such license shall be reasonable in the circumstances and will be negotiated in good faith between the Institution and the Company.

5.3 Either Party may use all the Inventions for its own internal, research or educational purposes without payment to the other Party, but such use shall be done adhering to Paragraph 5.1 hereof and in a manner such that any patent or license rights of the other Party shall not be otherwise diminished.

5.4 The Institution and the Investigators warrant that they have appropriate ownership rights in the Inventions to carry out their obligations under this Article 5.

6 Relationship of the Parties

6.1 The relationship of the Investigators and the Institution to the Company in the performance of the Project is that of independent contractors.

6.2 It is understood and agreed that the Institution shall perform its duties under this Agreement as an independent contractor and not as an agent, employee, partner or joint venture of the Company. The Institution shall have no authority to bind or commit the Company in any manner whatsoever and will not, at any time, hold itself out to third parties as having authority to enter into or incur any commitments, expenses, liabilities or obligations or any nature on behalf of the Company, except pursuant to this Agreement.

6.3 Neither the Institution nor the Company is authorized or empowered to act as an agent for the other Party for any purpose.

7 Indemnity

7.1 The Company hereby agrees to indemnify, defend and hold harmless the Institution, its ruling and review boards, and all Institution Personnel, from any and all liability arising out of the Company's use of the Results, as long as such liability is not caused by the negligent or willful wrong acts or failure to act on the part of the Institution Personnel.

7.2 The Company hereby agrees to indemnify, defend and hold harmless the Institution, its ruling and review boards, and all Institution Personnel, from any and all liability arising out of the use of Company's Materials in the Project, as long as the Company's Materials are used in accordance with the Proposal or other written instructions of the Company, and as long as such liability is not caused by the negligent or willful wrong acts or failure to act on the part of the Institution Personnel.

7.3 In order to maintain the indemnification and hold harmless commitments of Paragraphs 7.1 and 7.2 hereof in effect, the Institution and the Institution Personnel must promptly notify the Company of any claim or suit against them, must allow the Company to have full control of any disposition or settlement of such claim or suit, and must fully cooperate with the Company regarding such disposition or settlement.

8 Compliance with Privacy Legislation Guidelines

8.1 The Institution warrants that none of the work required by the Proposal shall include the collection or handling of any Personal Data. "Personal Data" means any information relating to a person that is sufficient to cause them to be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to physical, physiological, mental, economic, cultural, or social identity. If the scope of the Proposal changes such that the collecting or handling of Personal Data becomes necessary, the Institution agrees to promptly notify P&GP in writing regarding such change.

9 Payments

9.1 In consideration of the foregoing, the Company agrees to pay to the Institution the sum of Two Hundred Fifty Thousand US Dollars ($250,000.00)

9.2 Payments shall be made by the Company as follows:

9.2.1 Seventy Five Thousand US Dollars ($75,000.00) within thirty (30) days of receipt by the Company of a copy of this Agreement executed by all parties hereto.

9.2.2 One Hundred Thousand US Dollars ($100,000.00) midway through the Project; and

9.2.3 The final Seventy Five Thousand US Dollars ($75,000.00) within thirty (30) days of the Company's receipt of the final written report on the Project from the Investigators.

10 Agreement Term and Termination

10.1 This Agreement shall become effective on the last date of execution of this Agreement by the Parties, and shall terminate as provided in Paragraph 1.4 hereof, unless otherwise terminated pursuant to Paragraphs 10.2 or 10.3.

10.2 In the event that the Investigators become unable to continue the Project, the Company shall have the option to terminate the Project. Upon such early termination, all uncommitted funds previously paid by the Company shall be returned to the Company by the Institution.

10.3 In the event that the Investigators, the Institution, or any person employed by the Institution, is debarred by any regulatory authority during the term of this Agreement, the Company shall have the option to terminate the Project. Upon such early termination, all uncommitted funds previously paid by the Company shall be returned by the Institution.

10.4 The rights and obligations of the Parties set forth in Paragraphs 3, 4, 5 and 7 hereof, as well as any applicable government regulations, will remain in effect beyond the date of termination of this Agreement.

11 Notices

11.1 All further communications to the Company regarding the Project should be directed to:

Arkadi Chines, M.D.
Health Care Research Center
8700 Mason-Montgomery Road
Mason, OH 45040

11.2 All further communications to the Company regarding Inventions as provided in Paragraph 5.1 should be directed to:

Vice President, General Counsel
The Procter & Gamble Company
Patent Division Office
6090 Center Hill Avenue
Cincinnati, OH 45224

11.3 All further communications to the Institution regarding the Project should be directed to:

Professor Richard Eastell, MD
University of Sheffield of Clinical Sciences
Northern Gen Hospital, Herries Rd, Sheffield
South Yorkshire S5 7AU, England

11.4 All further communications to the Institution regarding the administration of contracts should be directed to:

Rosemary Hannon
University of Sheffield of Clinical Sciences
Northern Gen Hospital, Herries Rd, Sheffield
South Yorkshire S5 7AU, England

In witness whereof, the Company and the Institution by their duly-authorized officers execute this Agreement. The Investigators also signify acceptance of the terms of this Agreement by signing in the space provided.

ACCEPTED:

UNIVERSITY OF SHEFFIELD

By: _____

Title: Research Development Manager

Date: 9/7/02

Federal Taxpayer
ID Number: _____

Very truly yours,

Procter & Gamble Pharmaceuticals, Inc.

By: _____
Larry Games, Ph.D.
Vice President Research & Development,
Global Pharmaceuticals

Date: 6/27/02

ACKNOWLEDGED:

By: R Eastell
Professor Richard Eastell

Date: 2nd July 2002

ACKNOWLEDGED:

By: _____
Dr. Aubrey Blumsohn

Date: 2/7/02

P&G Pharmaceuticals

Procter&Gamble

TRAVEL GUIDELINES

You may be requested by The Procter & Gamble Company ("P&GP") to travel to our facilities. Pursuant to this request it is our intention to reimburse your reasonable expenses for transportation, lodging and meals. It is necessary that reimbursement be made only for costs that are considered acceptable expenses by the Internal Revenue Service and P&GP policy. It is not always feasible to define "reasonable" with a dollar figure, therefore the following guidelines are provided to help you identify what is considered reasonable and reimbursable:

1. "Reasonable Expenses" should be interpreted to mean expenses for customary lodging, travel and meals:

   a. Air travel by coach accommodations should be considered normal on all flights within the United States. Business class accommodations are considered normal on all overseas flights.

   b. Lodging and meals should be taken at regular hotels and restaurants as opposed to luxury accommodations.

2. There are some items for which the traveler may feel expenditures are necessary, but they are not reimbursable by the Company. Some examples are:

   a. Travel Insurance.

   b. Collision insurance for rental auto.

   c. Personal entertainment such as night clubs, drinks, theater tickets, or sporting events.

   d. Routine cleaning or dry cleaning of personal clothing.

   e. Travel not directly related to the purpose of the visit to P&GP.

Expenses incurred for which documentation is required may not be reimbursed without the required documentation. Original receipts are always required for expenses over twenty-five dollars ($25), airline tickets, hotel and car rental.

3. If you work for P&GP in the Cincinnati area and are asked to travel away from Cincinnati, you should use P&GP's Amex Travel Services to make your travel and hotel reservations. Your P&GP host or hostess can help you make these arrangements.

If you have any questions on what expenses can be reimbursed please contact your P&GP host or hostess directly.

P&G
Pharmaceuticals

"Bone Marker and Fracture Modeling from HIP Trials"

The aim of the study is to examine the relationship between spine and non-spine fracture and the changes in bone turnover markers in the HIP study. The study population will be the 1300 women with serum and urine samples from baseline and two post-baseline collections (3, 6 or 12 months). We will measure serum procollagen type I N-propeptide (PINP) using the Roche Elecsys automated immunoassay analyser and urine N-telopeptide of type I collagen (NTX) using the Ortho Clinical VITROS automated immunoassay analyser (and express as a ratio to urinary creatinine which we will measure by autoanalyser method). The method of analysis will be that of Li et al. (2001) as we used in the paper from the VERT trial that has been submitted to the Lancet.