UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

[x] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the fiscal year ended October 31, 2017

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: 0-11254

ITUS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware	**11-2622630**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

3150 Almaden Expressway, Suite 250
San Jose, CA 95118
(408) 708-9808

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Securities registered pursuant to Section 12(b) of the Act:
Common Stock, $.01 par value
Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [_] No [x]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [_] No [x]

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. Yes [x] No [_]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [x] No [_]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

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

Large accelerated filer [__] Accelerated filer [__]
Non-accelerated filer [__] (Do not check if a smaller reporting company) Smaller reporting company [x]
Emerging growth company [__]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [__]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [_] No [x]

Aggregate market value of the voting stock (which consists solely of shares of common stock) held by non-affiliates of the registrant as of April 28, 2017 (the last business day of the registrant's most recently completed second fiscal quarter), computed by reference to the closing sale price of the registrant's common stock on the NASDAQ on such date ($1.95): $22,498,909

On January 4, 2018, the registrant had outstanding 16,609,399 shares of common stock, par value $.01 per share, which is the registrant's only class of common stock.

DOCUMENTS INCORPORATED BY REFERENCE:
NONE

TABLE OF CONTENTS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Information included in this Annual Report on Form 10-K (this "Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are not statements of historical facts, but rather reflect our current expectations concerning future events and results. We generally use the words "believes," "expects," "intends," "plans," "anticipates," "likely," "will" and similar expressions to identify forward-looking statements. Such forward-looking statements, including those concerning our expectations, involve risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and factors include, but are not limited to, those factors set forth in this Report under "Item 1A. – Risk Factors" below. Except as required by applicable law, including the securities laws of the United States, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this Report.

CERTAIN TERMS USED IN THIS REPORT

References in this Report to "we," "us," "our," the "Company" or "ITUS" means ITUS Corporation unless otherwise indicated.

PART I

Item 1. Business.

Overview

We were incorporated on November 5, 1982 under the laws of the State of Delaware. From inception through October 2012, our primary operations involved the development of patented technologies in the areas of thin-film displays and encryption. Commencing in October 2012 the primary operations of the Company involved the development, acquisition, licensing, and enforcement of patented technologies that were either owned or controlled by the Company.

In June of 2015, the Company announced the formation of a new subsidiary, Anixa Diagnostics Corporation ("Anixa"), to develop a platform for non-invasive blood tests for the early detection of cancer. That platform is called CchekÔ. In July of 2015, ITUS announced a collaborative research agreement with The Wistar Institute ("Wistar"), the nation's first independent biomedical research institute and a leading National Cancer Institute designated cancer research center, for the purpose of validating our cancer detection methodologies and establishing protocols for identifying certain biomarkers in the blood which we identified and which are known to be associated with malignancies. In August of 2016 and again in August of 2017, ITUS announced the renewal and expansion of our relationship with Wistar.

From October of 2015 through January of 2017, ITUS announced that we had demonstrated the efficacy of our Cchek Ô early cancer detection platform with 15 different types of cancer, including: breast, lung, colon, melanoma, ovarian, liver, thyroid, pancreatic, appendiceal, uterine, osteosarcoma, leiomyosarcoma, liposarcoma, vulvar and prostate. Breast, lung, colon and prostate cancers represent the four largest categories of cancer worldwide.

In November of 2017, the Company announced the formation of a new subsidiary, Certainty Therapeutics, Inc. ("Certainty"), to develop immuno-therapy drugs against cancer. Certainty entered into a license agreement with Wistar pursuant to which Certainty was granted an exclusive worldwide, royalty-bearing license to use certain intellectual property owned or controlled by Wistar relating to Wistar's chimeric endocrine receptor targeted therapy technology (such technology being akin to chimeric antigen receptor T-cell ("CAR-T") technology). We plan to initially focus on the development of a treatment for ovarian cancer, but we also may pursue future applications of the technology for the development of treatments for additional solid tumors.

On November 20, 2017, we announced that Certainty entered into a collaboration agreement with the H. Lee Moffitt Cancer Center and Research Institute, Inc. ("Moffitt") to advance toward human clinical testing the CAR-T technology licensed by Certainty from Wistar aimed initially at treating ovarian cancer. Certainty intends to work with researchers at Moffitt to complete studies necessary to submit an Investigational New Drug ("IND") application with the U.S. Food and Drug Administration ("FDA").

Over the next several quarters, we expect Cchek™ and Certainty's ovarian cancer treatment to be the primary focus of the Company. As part of our legacy operations, the Company remains engaged in limited patent licensing activities in the area of encrypted audio/video conference calling. We do not expect these activities to be a significant part of the Company's ongoing operations nor do we expect these activities to require material financial resources or attention of senior management.

Over the past several quarters, our revenue was derived from technology licensing and the sale of patented technologies, including revenue from the settlement of litigation. In addition to Anixa and Certainty, the Company may make investments in and form new companies to develop additional emerging technologies.

Cchek™

Our CchekÔ cancer detection platform measures a patient's immune response to a malignancy by detecting the presence, absence, and quantity of certain immune cells that exist in and around a tumor and that can be found in the blood stream. These types of cells and the tumor micro-environment have been the focus of recent ground breaking published and reported research in immuno-oncology, enabling the development of revolutionary immunotherapies used for treating certain cancer types. We have developed proprietary techniques and protocols for measuring the subtle immunological changes that occur in the blood stream during tumor development. Specifically, we seek to identify a subset of myeloid cells that we believe are diagnostic. These cells, often referred to as Myeloid Derived Suppressor Cells ("MDSCs"), are identified by specific surface proteins enabling characterization. We generally refer to MDSCs and other cells of the immune system which we believe can be diagnostic in nature as biomarkers. Through our proprietary protocols, we have had early success and have demonstrated accuracy in detecting these biomarkers in the peripheral blood of biopsy verified cancer patients, and in distinguishing the blood of healthy patients from the blood of cancer patients. We utilize Artificial Intelligence ("AI"), specifically a Neural Network ("NN") to analyze our data and to determine the presence of a tumor. We believe that a NN is better able to identify subtle changes in immune response than other analytical approaches. The distinguishing feature of a NN is that it can be trained to answer the key biological questions of interest, in our case whether or not the patient is tumor-bearing, and as it is trained with more data, its ability to answer these questions may improve. Our goal is to establish Cchek™ as a non-invasive, inexpensive, cancer diagnostic blood test that can reduce or eliminate the need for traditionally expensive, invasive, painful, and often inaccurate cancer diagnostic procedures which are currently in use.

In each instance where ITUS has demonstrated the efficacy of its cancer detection platform, fresh (utilized within 48 hours) blood samples from biopsy verified cancer patients have been tested at Wistar using a variety of experimental methodologies and protocols. Such un-blinded, non-uniform testing is common during the initial development stage of new technologies and diagnostic tests. Blood samples from patients with differing severities of cancers (with some cancers such as Breast Cancer stage 1 to stage 4) have been tested, including samples from both pre-treatment and post-treatment patients. In addition, Wistar has also tested blood from healthy donors. A critical aspect of any cancer diagnostic is the ability to accurately distinguish patients with cancer from healthy patients. Based upon our encouraging early results, our scientists are working with Wistar to refine protocols and methodologies for identifying and classifying the immunologic biomarkers that are the foundation for our CchekÔ early cancer detection platform. Although our scientists, working in collaboration with Wistar, will continue to improve our processes and methodologies to achieve maximum performance, we expect our testing to become more uniform over time, and to eventually test patient samples in a double blinded manner. While studies comparing biopsy verified cancer patients have been compared to healthy donors, we have not yet extensively evaluated benign conditions such as non-malignant neoplasias, systemic inflammatory conditions, infections, and other potential conditions that impact or may impact the immune system. Such testing will be necessary for regulatory approval.

Based upon and following the results of the more extensive clinical study, we will determine what further studies are necessary and whether and when to begin the process of seeking regulatory approval for a confirmatory diagnostic test based upon our CchekÔ technology. One manner of seeking regulatory approval is to have a lab certified to run our cancer tests pursuant to the Clinical Laboratory Improvement Act of 1967 and the Clinical Laboratory Improvement Act of 1988 (collectively, "CLIA"). Among other things, CLIA requires clinical laboratories that perform diagnostic testing to be certified by the state in which the lab is located, as well as the Center for Medicare and Medicaid Services. If we seek regulatory approval pursuant to CLIA, only those laboratories that are certified under CLIA to run our diagnostic test would be able to process test samples. CLIA certification may or may not require additional studies. We could seek to establish our own CLIA certified laboratory to run the diagnostic tests, or we could potentially contract with an existing CLIA certified lab, and seek to have that laboratory certified to run our diagnostic test.

Another manner of obtaining regulatory approval would be to seek to have Cchek™ approved by the FDA pursuant to what are commonly referred to as either the 510(K) process, or the Premarket Application ("PMA") process. The appropriate pathway for FDA approval would depend upon a variety of factors, including the intended use of the test, and the risks associated with such use. FDA approval can take several years and would entail additional clinical studies.

We currently anticipate following the FDA approval pathway, however, our decision as to whether and when to seek CLIA certification or FDA approval of a diagnostic test or tests utilizing our CchekÔ technology will be dependent on a variety of factors, including the results from more extensive clinical studies, the capital requirements of each approval process, the landscape for competitive diagnostic testing, and the time and resources required by each approval process. It is possible that we may seek to have one or more diagnostic tests approved via CLIA certification, and other diagnostic test or tests approved by the FDA, or that we may seek simultaneous FDA approval and CLIA certification of a particular diagnostic test or tests.

While we believe our Cchek™ platform could eventually form the basis of a pan-cancer (all cancer) test, for our first commercial focus we will seek to launch a confirmatory test for one type of cancer. We feel such an approach will enable faster clinical and regulatory approval. The decision on which tumor type we will focus will depend on multiple factors including market opportunities, input from potential strategic partners and technical performance.

Preliminary Biomarker Results

On December 7, 2016 we announced the preliminary results from our Cchek Ô cancer patient efficacy study. Using our most recent protocols and methods for measuring a patients' immunological response to a malignancy, the Company achieved Sensitivity of 92% and Specificity of 92% for 88 patient samples, including 54 samples from patients with multiple types and severities of cancer, and 34 healthy patients. During the initial phase of the study, which involved multiple experimental protocols and techniques for measuring immunological responses, the Company reviewed and analyzed data from a total of 315 patient samples, including 228 patients with varying stages of cancer, as well as blood samples from 87 healthy donors.

Patient samples representing 14 different types of cancer including breast cancer, lung cancer, colon cancer, melanoma, ovarian cancer, liver cancer, thyroid cancer, pancreatic cancer, appendiceal cancer, uterine cancer, osteosarcoma (cancer of the bone), leiomyosarcoma (cancer of the soft tissue), liposarcoma (cancer of the connective tissue), and vulvar cancer were included in the study. The study included samples from patients with early and late stage, biopsy-verified, drug-naïve (before therapy) tumors, as well as biopsy-verified, refractory (unresponsive to attempted chemotherapy) tumors.

Sensitivity and specificity are scientific measurements commonly used to determine the accuracy of a diagnostic test, where sensitivity measures how good a test is at identifying people with a particular disease, and specificity measures how good a test is at identifying people without the disease. Although published results vary widely, established diagnostic tests such as Low Dose Computed Tomography (LDCT), which is used by other companies to screen for lung cancer, has sensitivity of approximately 93% and specificity of approximately 73%, the Prostate Specific Antigen ("PSA") test, which is used by other companies to screen for prostate cancer, has sensitivity of approximately 21% and specificity of approximately 91%, and Mammography, used by other companies to screen for breast cancer and considered to be the "gold standard" for breast cancer screening, has reported sensitivity as low as approximately 68% and specificity as low as approximately 75%. As these results indicate, current diagnostic testing is hampered by low sensitivity, low specificity or both, meaning that the tests miss a substantial portion of the cancers they are supposed to detect, or miss-diagnose a large number of healthy patients as having cancer. There is currently no inexpensive, non-invasive, diagnostic test that excels in both sensitivity and specificity. Our preliminary results, while extremely promising, will have to be confirmed in blinded clinical studies of sufficient size before we can seek marketing approval for CchekÔ from the FDA.

Initial samples in our study were tested utilizing immunostaining and fluorescent microscopic imaging. While results were promising, subjectivity in interpreting the imaging results together with labor intensive and time consuming sample processing hampered the commercial viability of this approach. Subsequently, patient samples were analyzed using flow cytometry, enabling more efficient processing and analysis. In addition, ITUS implemented its proprietary NN software application for analysis, which currently relies on up to 13 quantitative parameters to analyze test results. This approach, which is highly data intensive and requires substantial computer processing power to develop, results in a test which can be performed using a desktop computer. An initial version of our NN, which was trained to distinguish between the immunological responses from cancer patients and healthy patients, was responsible for the sensitivity and specificity results reported above. The Company expects to continue to improve its protocols, continue to upgrade its NN-software by increasing the number of patient samples used to train the software and expanding the range of markers, increasing the data resolution, and enhancing the architecture of the software, which may enable better results.

Related to our collaborative research agreement, the Company and/or Wistar currently have or have had collaborations with doctors from University of Pennsylvania Abramson Cancer Center, The Helen F. Graham Cancer Center and Research Institute at Christiana Hospital in Wilmington, Delaware, Virtua Healthcare System in southern New Jersey, Delaware Valley Urology Center, the largest urology practice in the South Jersey and greater Philadelphia Region, and MD Anderson Cancer Center at Cooper Hospital in southern New Jersey. In most cases, patients from participating doctors at these healthcare institutions who are beginning or in some cases, continuing cancer treatment are asked to consent to have an additional tube of blood drawn for the purpose of participating in the CchekÔ patient efficacy trials. Because the number of cancer patients treated by these hospitals varies over time, and the decision whether to participate in the CchekÔ patient studies is ultimately at the discretion of the patient, it is difficult to predict the number of patient samples that we will receive in any given week, or during any given month. In the past year, we did not obtain the quantity of patient samples that we had initially anticipated which slowed our development. However, as of December 2017 we are seeing an increase in the number of patient samples received and we expect this increase in patient sample volume to be sustained. ITUS is currently in discussions with additional doctors and healthcare providers about providing blood samples for our patient efficacy trials, and the Company has capacity available to process an additional quantity of samples. With the addition of these new sources of patient samples, the Company expects to process enough samples and generate enough data to consider regulatory discussions in the next 6 to 12 month period.

The Market

There are four primary markets for a cancer diagnostic test: screening, confirmatory testing, treatment monitoring, and recurrence testing.

- Screening occurs when asymptomatic people are tested for indications of cancer. Examples of existing screening tests include the mammogram for breast cancer, PSA for prostate cancer, and colonoscopy for colon cancer. All screening tests have their strengths and weaknesses, and for many cancers there are currently no recommended screening tests available.

- Confirmatory testing is used to confirm the results of a screening test. In certain instances, existing confirmatory testing can be invasive, painful, expensive, and have relatively high risks of complications. For example, a positive mammogram is often followed up with additional imaging, which can lead to a biopsy during which a needle is inserted into the breast to sample suspicious tissue or lesions. For lung cancer, existing confirmatory diagnostics include bronchoscopies, during which a flexible tube is inserted through the nose or mouth and into the lung, and needle biopsies, during which a long needle is inserted between the ribs and into the lung. One potential side effect of a lung biopsy is a pneumothorax (commonly referred to as a "collapsed lung"), which has been reported to occur in approximately fifteen percent (15%) of needle biopsies of the lung. A pneumothorax can lead to other complications and sometimes requires extended hospitalization. In addition to the potential side effects, biopsies of any sort can be extremely painful for the patient.

- Treatment monitoring includes follow-on testing to monitor the effectiveness of a specific regimen of treatment. For example, diagnostic monitoring testing may be used to monitor the effectiveness of a particular type of chemotherapy, to determine how the cancer is responding and whether such treatment should be continued. Often, imaging techniques are not able to identify whether a treatment is working, so a biopsy is useful, however it is painful and impractical to perform multiple biopsies on a patient. Therefore, a "liquid biopsy" enabling therapy monitoring via a blood test can be useful.

- Finally, recurrence diagnostic testing is used for cancer survivors to test for cancer recurrence. According to statistics published by the American Cancer Society, in 2017, there are approximately fifteen million cancer survivors in the U.S., sixty-seven (67%) of which were diagnosed with cancer five or more years ago. Most cancer survivors live in fear of recurrence, and limitations of existing diagnostics, including repeated exposure to radiation from imaging tests, and invasiveness and costs and pain from tests such as traditional biopsies, prevent cancer survivors from being tested as often as they would like.

ITUS's long term vision is to have one or more tests based upon the Cchek Ô platform to serve each of the markets identified above. We anticipate the initial market focus of Cchek will be in the confirmatory, or pre-biopsy, testing. We estimate that there is a U.S. market of roughly 12 million biopsies annually and a high rate of negative biopsy results. Accordingly, we believe that positioning Cchek as a pre-biopsy test will reduce the number of unnecessary biopsies, thus improving patient outcomes and reducing healthcare costs.

Competition

Background

Continuing scientific advances and discoveries, the ability to more quickly process and analyze large amounts of scientific data, and decreases in the cost of sophisticated equipment and technologies, have resulted in the potential for significant advances in cancer treatment, and in particular, cancer diagnostics. Cancer statistics gathered over the past several decades provide overwhelming evidence that the earlier that cancers are detected, the greater the survival rates. Up until now, doctors have primarily relied upon technologies such as imaging (x-rays, mammograms, CT Scans, MRI's, PET Scans, Ultrasounds) and biopsies and other invasive procedures for cancer detection and cancer diagnoses. In many cases, these diagnostic procedures were performed after patients exhibited one or more symptoms of cancer, at which point the cancer may likely no longer be at an early stage. Existing diagnostic technologies such as imaging have gotten better, and invasive diagnostic procedures such as colonoscopies have become more accurate and less risky, and we expect these types of traditional diagnostic tools to continue to predominate the cancer diagnostic market for the foreseeable future.

We believe that with advancing medical knowledge, improvements in equipment and technologies, and reduction in costs of new technologies, new types of cancer diagnostics will be created and new types of cancer diagnostic testing that will outperform many of the traditional diagnostic tests, eliminate many of the negative consequences of existing diagnostic testing, and ultimately predominate the cancer diagnostic market.

We have identified a class and subclasses of biomarkers that we believe are measurable in the blood of patients with malignancies, and are perfecting a process and methodology for detecting those biomarkers. The goal is to create a platform, CchekÔ, that can be used to launch a series of simple and affordable blood tests that can be used to detect and monitor many of the most deadly forms of cancer, including lung cancer, breast cancer, ovarian cancer, colon cancer, pancreatic cancer, prostate cancer, and others. It is unlikely that the Company will initially simultaneously launch tests for each of the cancers identified above, and that specific and individual cancer tests for each of the four markets identified above (screening, confirmatory testing, treatment monitoring, recurrence) will be launched over time.

Statistics from The American Cancer Society, in 2017 indicate that one out of every two males, and one out of every three females that are born today, will develop some form of cancer during their lifetimes. With approximately 200 million adults in the United States alone, we believe that the market for new, non-invasive cancer diagnostic technologies and testing will be enormous, and that there will be sufficient demand to support many different technologies and tests.

Cancer Diagnostic Technologies

If successful, we believe CchekÔ will have several advantages over existing diagnostic technologies. For example, repeated exposure to radiation from x-ray technologies, such as mammograms, has become an increasing concern for the medical community, causing authorities to re-evaluate the recommended frequency of such x-ray based tests. Traditional biopsies are often impossible for some tumor based cancers depending on the location of the tumor, and are invasive, expensive, and painful enough to warrant only limited use for other cancers even when the tumor can be accessed. In addition, such biopsies are limited in their inability to detect the heterogeneity of many cancerous tumors, and the ongoing mutations that are often evident as the tumor progresses. False positives in existing testing such as the PSA test, result in otherwise healthy patients being misdiagnosed, and subject to unnecessary follow-on treatments and medical procedures. Patient inconvenience, risk of side effects from anesthesia, and risk of other complications result in low patient compliance with otherwise effective cancer screening tests such as the colonoscopy. These are just a few examples of the challenges with traditional diagnostic tests that we seek to eliminate with CchekÔ. This will be the foundation for the competitive advantages that we expect to have over existing diagnostic testing. We expect Cchek Ô will be utilized as a component of multiple diagnostic technologies and patient background information to diagnose and manage the patient's condition.

Many public and private companies have announced plans and ongoing research efforts to launch non-invasive cancer diagnostic tests and tools that can be used for non-invasive cancer testing. These companies include well established, and successful biotech companies, start-ups, and companies of all sizes. Almost every bodily fluid, including blood, plasma, urine, saliva, and excrement, are being studied for biomarkers or indicators of one or more types of cancer. The term that has been used to describe the category of this type of non-invasive cancer diagnostic testing is "liquid biopsy". In general, most of these companies are focused on identifying and analyzing one of three types of biomarkers: circulating tumor cells ("CTC's"), circulating tumor DNA ("ctDNA"), and Exosomes. Each of these types of biomarkers has their advantages and disadvantages, and we expect that tests incorporating these and other biomarkers will make their way into the cancer diagnostic marketplace.

ITUS believes that its CchekÔ diagnostic platform has the potential for at least three distinct advantages over the types of biomarker tests referred to above. First, it appears that the biomarkers that we are using may be present in multiple types of and varying severities of cancers. As a result, we anticipate that CchekÔ will become a platform from which multiple tests could be launched for multiple types of cancers. Second, it appears that the biomarkers utilized by Cchek Ô may be present in both advanced, and early stages of cancers. Third, we expect CchekÔ to be significantly less expensive than the technologies commonly used for tests based on CTC's, ctDNA, and Exosomes.

CAR-T therapeutics

Certainty was formed to develop immuno-therapy drugs against cancer, and in November 2017, we entered into a license with Wistar whereby we obtained rights to certain intellectual property surrounding Wistar's chimeric endocrine receptor targeted therapy technology.

CAR-T therapeutics have demonstrated positive results in B-cell cancers, but very little progress has been made on solid tumors. Our CAR-T technology is initially focused on ovarian cancer and is based on engineering killer T-cells with the Follicle Stimulating Hormone ("FSH") to target ovarian cells that express the FSH-Receptor. The FSH-Receptor has been shown to be a very exclusive protein found on a large percentage of ovarian cancer cells, but not on other healthy tissue in adult females. Data on this technology, including the animal studies showing efficacy, was published in January 2017 in the journal, Clinical Cancer Research.

We are working with researchers at Moffitt to complete studies necessary to submit an IND application with the FDA. We then anticipate taking this therapy into human clinical testing for patients suffering from ovarian cancer. Moffitt is one of the top cancer centers in the country with pre-clinical and clinical expertise with CAR-T technology. Moffitt has conducted many of the highest profile CAR-T trials in the world.

While there are many uncertainties in drug development, and most drugs fail to reach commercialization, we hope to achieve a profitable outcome by eventually licensing our technology to a large pharmaceutical company that has the resources and infrastructure in place to manufacture, market and sell our technology as a cancer treatment.

Employees

As of October 31, 2017, on a consolidated basis, we had seven full-time employees.

Other

Our principal executive offices are located at 3150 Almaden Expressway, San Jose, California 95118, our telephone number is (408) 708-9808 and our Internet website address is www.ITUScorp.com. We make available free of charge on or through our Internet website our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements on Schedule 14A, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the Securities and Exchange Commission (the "SEC"). Alternatively, you may also access our reports at the SEC's website at www.sec.gov. You may also read and copy any document we file with the SEC at the SEC's public reference room located at 100 F Street, NE, Washington, DC 20549, on official business days during the hours of 10:00 a.m. and 3:00 p.m. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room.

Item 1A. Risk Factors.

Our business involves a high degree of risk and uncertainty, including the following risks and uncertainties:

Risks Related to Our Financial Condition and Operations

We have a history of losses and may incur additional losses in the future .

On a cumulative basis we have sustained substantial losses and negative cash flows from operations since our inception. As of October 31, 2017, our accumulated deficit was approximately $156,174,000. As of October 31, 2017, we had approximately $6,839,000 in cash and cash equivalents and short-term investments, and working capital of approximately $6,124,000. We incurred losses of approximately $5,009,000 in fiscal year 2017. We expect to incur material research and development expenses and to continue incurring significant legal and general and administrative expenses in connection with our operations. As a result, we anticipate that we will incur losses in the future.

We will need additional funding in the future which may not be available on acceptable terms, or at all, and, if available, may result in dilution to our stockholders.

Based on currently available information as of January 9, 2018, we believe that our existing cash, cash equivalents, short-term investments and expected cash flows will be sufficient to fund our activities for the next 12 months. However, our projections of future cash needs and cash flows may differ from actual results. If current cash on hand, cash equivalents, short term investments and cash that may be generated from our business operations are insufficient to continue to operate our business, we will be required to obtain more working capital. We may seek to obtain working capital through sales of our equity securities or through bank credit facilities or public or private debt from various financial institutions where possible. We cannot be certain that additional funding will be available on acceptable terms, or at all. If we do identify sources for additional funding, the sale of additional equity securities or convertible debt could result in dilution to our stockholders. Additionally, the sale of equity securities or issuance of debt securities may be subject to certain security holder approvals or may result in the downward adjustment of the exercise or conversion price of our outstanding securities. We can give no assurance that we will generate sufficient cash flows in the future to satisfy our liquidity requirements or sustain future operations, or that other sources of funding, such as sales of equity or debt, would be available or would be approved by our security holders, if needed, on favorable terms or at all. If we fail to obtain additional working capital as and when needed, such failure could have a material adverse impact on our business, results of operations and financial condition. Furthermore, such lack of funds may inhibit our ability to respond to competitive pressures or unanticipated capital needs, or may force us to reduce operating expenses, which would significantly harm the business and development of operations.

Failure to effectively manage our potential growth could place strains on our managerial, operational and financial resources and could adversely affect our business and operating results.

Our business strategy and potential growth may place a strain on managerial, operational and financial resources and systems. Although we may not grow as we expect, if we fail to manage our growth effectively or to develop and expand our managerial, operational and financial resources and systems, our business and financial results will be materially harmed.

Risks Related to our Biotechnology Research & Development Activities

Our cancer diagnostic and cancer therapeutics businesses are pre-revenue, and subject to the risks of an early stage biotechnology company.

Since the Company's primary focus for the foreseeable future will likely be our cancer diagnostics and therapeutics businesses, shareholders should understand that we are primarily an early stage biotechnology company with no history of revenue-generating operations, and our only assets consist of our proprietary and licensed technologies and the know-how of our officers. Therefore we are subject to all the risks and uncertainties inherent in a new business, in particular new businesses engaged in the early detection of certain cancers and CAR-T cancer therapeutics. CchekÔ and our CAR-T ovarian cancer therapeutics are in their early stages of development, and we still must establish and implement many important functions necessary to commercialize the technologies.

Accordingly, you should consider the Company's prospects in light of the costs, uncertainties, delays and difficulties frequently encountered by companies in their pre-revenue generating stages, particularly those in the biotechnology field. Shareholders should carefully consider the risks and uncertainties that a business with no operating history will face. In particular, shareholders should consider that there is a significant risk that we will not be able to:

- demonstrate the effectiveness of Cchek Ô;
- successfully complete studies necessary to submit an Investigational New Drug Application to the FDA for our ovarian cancer therapeutic;
- implement or execute our current business plan, or that our current business plan is sound;
- raise sufficient funds in the capital markets or otherwise to fully effectuate our business plan;
- maintain our management team, including the members of our scientific advisory board;
- determine that the processes and technologies that we have developed or will develop are commercially viable; and/or
- attract, enter into or maintain contracts with potential commercial partners such as licensors of technology and suppliers.

Any of the foregoing risks may adversely affect the Company and result in the failure of our business. In addition, we expect to encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors. At some point, we will need to transition from a company with a research and development focus to a company capable of supporting clinical trials and commercial activities. We may not be able to reach such achievements, which would have a material adverse effect on our Company.

We may have difficulty in raising capital for our cancer diagnostics and therapeutics businesses and may consume resources faster than expected.

We currently do not generate any revenue from Cchek Ô or our ovarian cancer therapeutic nor do we generate any other recurring revenues and as of October 31, 2017, the Company only had $6,839,000 in cash, cash equivalents and short-term investments. Therefore, we have a limited source of cash to meet our future capital requirements, which may include the expensive process of obtaining FDA approvals for our ovarian cancer therapeutic and for CchekÔ for each type of cancer for which we desire to launch a diagnostic test. We do not expect to generate revenues for the foreseeable future, and we may not be able to raise funds in the future, which would leave us without resources to continue our operations and force us to resort to the Company raising additional capital in the form of equity or debt financings, which may not be available to us. We may have difficulty raising needed capital in the near or longer term as a result of, among other factors, the very early stage of our diagnostic business and our lack of revenues as well as the inherent business risks associated with an early stage, biotechnology company and present and future market conditions. Also, we may consume available resources more rapidly than currently anticipated, resulting in the need for additional funding sooner than anticipated. Our inability to raise funds could lead to decreases in the price of our common stock and the failure of our cancer diagnostic business which would have a material adverse effect on the Company.

If we are unable to obtain and maintain intellectual property protection, our competitive position will be harmed.

Our ability to compete and to achieve sustained profitability will be impacted by our ability to protect our CchekÔ cancer diagnostic technologies, our CAR-T cancer therapeutics technologies and other proprietary discoveries and technologies. We expect to rely on a combination of patent protection, copyrights, trademarks, trade secrets, know-how, and regulatory approvals to protect CchekÔ, our CAR-T cancer therapeutics and any of our other technologies. Our intellectual property strategy is intended to help develop and maintain our competitive position. While we have been granted one patent and received a notice of allowance for an additional patent related to CchekÔ, there is no assurance that we will be able to obtain further patent protection for CchekÔ, our CAR-T cancer therapeutics and any other technologies, nor can we be certain that the steps we will have taken will prevent the misappropriation and unauthorized use of our technologies. If we are not able to obtain and maintain patent protection our competitive position may be harmed.

Third parties may initiate legal proceedings alleging that we are infringing their intellectual property rights, the outcome of which would be uncertain and could have a material adverse effect on the success of our business.

Our commercial success depends upon our ability to develop, manufacture, market and sell our CchekÔ cancer diagnostic technologies and other proprietary discoveries and technologies without infringing, misappropriating or otherwise violating the proprietary rights or intellectual property of third parties. We may become party to, or be threatened with, future adversarial proceedings or litigation regarding intellectual property rights with respect to our CchekÔ cancer diagnostic technologies and other proprietary discoveries and technologies. Third parties may assert infringement claims against us based on existing patents or patents that may be granted in the future. If we are found to infringe a third-party's intellectual property rights, we could be required to obtain a license from such third-party to continue developing our CchekÔ cancer diagnostic technologies and other proprietary discoveries and technologies. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. We could be forced, including by court order, to cease developing the infringing technology or product. In addition, we could be found liable for monetary damages. Claims that we have misappropriated the confidential information or trade secrets of third parties can have a similar negative impact on our business.

Risks Related to CchekÔ

While our CchekÔ diagnostic technology has shown favorable results from initial testing, we cannot guarantee that these results will be replicated in future testing nor can we guarantee the success of the technology at all.

We have initially used CchekÔ to test the blood of small groups of individuals consisting of cancer patients and healthy patients and have reported sensitivity and specificity of over 90%. While these preliminary results far exceed existing diagnostic testing, there is no guarantee that these results will be replicable when we test a larger group of patients or at all. If we are unable to consistently attain results that are necessary for commercialization of CchekÔ, our diagnostic technology will not have any monetary value and we will be unable to generate any revenue from this technology.

Even if we are able to attain results necessary for the commercialization of CchekÔ, our ability to commercialize the technology in the future will depend on our ability to provide evidence of clinical utility.

Our ability to successfully commercialize CchekÔ will depend on numerous factors, including whether health care providers believe that CchekÔ provides sufficient incremental clinical utility; whether the medical community accepts that CchekÔ has sufficient sensitivity (there are no or very few false positives), specificity (detects the cancer the test is supposed to detect) and predictive value to be meaningful in patient care and treatment decisions; whether the cost of the test is reasonably priced and commercially viable; and whether health insurers, government health programs and other third-party payers will cover and pay for CchekÔ and the amount that they will reimburse for such tests. These factors may present obstacles to commercial acceptance of CchekÔ. To the extent these obstacles arise, we will need to devote substantial time and resources to overcome these obstacles, and we might not be successful. Failure to achieve widespread market acceptance of CchekÔ would materially harm our business, financial condition and results of operations.

We are unable to give any assurance that we will be successful in providing sufficient evidence of clinical utility or any assurance that we will have adequate managerial, technical or financial resources to support the studies necessary to provide sufficient evidence of clinical utility of CchekÔ or to adequately differentiate our test from other diagnostic products in the manner, timeframe or cost parameters we anticipate, if at all. If we are unable to provide evidence of clinical utility and differentiate CchekÔ, we will not be able to generate the revenues and market growth that we seek. Our failure to generate revenue from the sale of our products would materially adversely impact our business, financial condition, results of operations and prospects.

Diagnostic test development involves a lengthy and complex process, and we may be unable to commercialize CchekÔ on a timely basis, or at all.

We have begun to devote considerable resources to research and development for CchekÔ, however there can be no assurance that CchekÔ will be capable of reliably predicting the occurrence or recurrence of any cancers with the sensitivity and specificity necessary to be clinically and commercially useful, or, even if such technology is clinically and commercially useful, that it will result in commercially successful products. In addition, before we can fully develop CchekÔ and commercialize any new products, we will need to:

- conduct substantial research and development;
- conduct validation studies;
- expend significant funds;
- enter into agreements and maintain relationships with third party vendors to provide third party blood samples;
- obtain regulatory approval (either CLIA, FDA or both); and
- establish or contract with the owner of a CLIA certified laboratory to process test samples.

Accordingly, our product development process involves a high degree of risk and may take several years, especially if the Company seeks FDA approval for each of its diagnostic tests. If CchekÔ should fail at the research or development stage, not produce sufficient clinical validation data to support the effectiveness of the product or not gain regulatory approval or if we should run out of cash to devote towards the commercialization of the technology or fail to establish agreements with necessary third party vendors, we will not be able to commercialize CchekÔ and we will not generate any revenue from the technology.

If we fail to obtain, or if there are delays in obtaining, required regulatory approvals, we will not be able to commercialize our CchekÔ technology, and our ability to generate revenue and the viability of our Company will be materially impaired.

Commercialization of CchekÔ will require that we obtain either CLIA certification, FDA approval or both. If we are unable to obtain regulatory approval for CchekÔ, we will be unable to commercialize and generate revenue from the technology which would have a material adverse effect on our business, financial condition and results of operations.

Until we obtain FDA approval for CchekÔ, and unless we establish a CLIA certified laboratory, we will be dependent on laboratory contractors for testing of patient samples that are essential to the development and validation of CchekÔ.

To pursue the development and validation of CchekÔ, we will require access to test results obtained from patient blood samples. We have currently contracted with Wistar to provide these services. Unless and until CchekÔ receives FDA approval, or we establish our own CLIA certified laboratory, we will continue to be dependent on contractors or collaborators such as Wistar for testing of patient blood samples to develop and validate CchekÔ.

We will be dependent on third parties for the patient samples that are essential to the development and validation of CchekÔ.

To pursue our development and validation of CchekÔ, we are likely to need access, over time, to patient blood samples and such patients will need to consent to the use of their blood. As a result, we have made arrangements with Wistar and neighboring hospitals and medical practices to give us access to patient samples for the development and validation of CchekÔ. In the event that we are unable to obtain patient samples, or access to patient samples becomes more limited due to changes in privacy laws governing the use and disclosure of medical information or due to changes in the laws restricting our ability to obtain patient samples and associated information, our ability to pursue the development of CchekÔ may be slowed or halted, which could have a material adverse effect on our business, financial condition and results of operations.

Our business could be harmed from the loss or suspension of a license or imposition of a fine or penalties under, or future changes in, or changing interpretations of, the law or regulations of the Clinical Laboratory Improvement Act of 1967, the Clinical Laboratory Improvement Amendments of 1988, or the FDA or other federal, state or local agencies.

We will need to seek regulatory approval in order to market CchekÔ. The clinical laboratory testing industry is subject to extensive federal and state regulation, and many of these statutes and regulations have not been interpreted by the courts. The Clinical Laboratory Improvement Act of 1967, the Clinical Laboratory Improvement Amendments of 1988 are federal regulatory standards that apply to virtually all clinical laboratories (regardless of the location, size or type of laboratory), including those operated by physicians in their offices, by requiring that they be certified under federal law. CLIA does not pre-empt state law, which in some cases may be more stringent than federal law and require additional personnel qualifications, quality control, record maintenance and proficiency testing. The sanction for failure to comply with CLIA and state requirements may be suspension, revocation or limitation of a laboratory's CLIA certificate, which is necessary to conduct business, as well as significant fines and/or criminal penalties. Several states have similar laws and we may be subject to similar penalties. The FDA regulates diagnostic products and periodically inspects and reviews their manufacturing processes and product performance. We may choose to seek FDA approval for one or more CchekÔ tests, as opposed to seeking CLIA certification. We cannot assure that applicable statutes and regulations will not be interpreted or applied by a prosecutorial, regulatory or judicial authority in a manner that would adversely affect our business. Potential sanctions for violation of these statutes and regulations include significant fines and the suspension or loss of various licenses, certificates and authorizations, which could have a material adverse effect on our business. In addition, compliance with future legislation could impose additional requirements on us, which may be costly, including FDA regulation of laboratory developed tests.

Health insurers and other third-party payers may decide not to reimburse our CchekÔ diagnostic testing or may provide inadequate reimbursement, which could jeopardize our commercial prospects and require customers to pay for the tests out of pocket.

In the United States, the regulatory process that allows diagnostic tests to be marketed is independent of any coverage determinations made by third-party payers. For new diagnostic tests, private and government payers decide whether to cover the test, the reimbursement amount for a covered test and the specific conditions for reimbursement. Physicians may order diagnostic tests that are not reimbursed by third-party payers, but coverage determinations and reimbursement levels and conditions are critical to the commercial success of a diagnostic product. Each third-party payer makes its own decision about which tests it will cover and how much it will pay, although many payers will follow the lead of Medicare. As a result, the coverage determination process will be a time-consuming and costly process that requires us to provide scientific, clinical and economic support for the use of CchekÔ diagnostic testing to each payer separately, with no assurance that approval will be obtained. If third-party payers decide not to cover CchekÔ or if they offer inadequate payment amounts, our ability to generate revenue from CchekÔ could be limited since patients who want to take the diagnostic tests would have to pay for it out of pocket. Even if one or more third-party payers decide to reimburse for CchekÔ diagnostic testing, a third-party payer may stop or lower payment at any time, which could reduce revenue. We cannot predict whether third-party payers will cover CchekÔdiagnostic testing or offer adequate reimbursement. We also cannot predict the timing of such decisions. In addition, physicians or patients may decide not to order CchekÔ tests if third-party payments are inadequate, especially if ordering the test could result in financial liability for the patient.

Whether or not health insurers and other third-party payers decide to reimburse CchekÔ, the technology may cost patients more than we anticipate.

We believe that our CchekÔ diagnostic testing will significantly reduce the cost to patients of screening and confirmatory testing for certain types of cancer. If, however, the cost to utilize CchekÔ is more expensive than we anticipate, many patients and third-party payers may elect not to utilize the technology which would significantly impact our ability to generate revenue on the technology.

We operate in a competitive market and expect to face intense competition, often from companies with greater resources and experience than us.

The clinical diagnostics industry is highly competitive and subject to rapid change. We are aware of many different types of diagnostic tests available to detect cancer that are currently in use or being developed and many more types of diagnostic tests may be developed in the future. If we are able to successfully commercialize CchekÔ, all of these tests will compete with our product. If CchekÔ is more expensive than and/or does not have sufficient specificity, sensitivity or predictive value to compete with tests that are currently on the market, or if any other diagnostic tests that are under development, once successfully developed and commercialized, have greater specificity, sensitivity or predictive value and/or are cheaper than our technology, we may be unable to compete successfully with such products which would have a material adverse effect on our business, financial condition and results of operations.

Furthermore, as the industry continues to expand and evolve, an increasing number of competitors and potential competitors may enter the market. Many of these competitors and potential competitors have substantially greater financial, technological, managerial and research and development resources and experience than we do. Some of these competitors and potential competitors have more experience than we do in the development of diagnostic products, including validation procedures and regulatory matters. In addition, CchekÔ will compete with product offerings from large and well established companies that have greater marketing and sales experience and capabilities than we do. If we are unable to compete successfully, we may be unable to sustain and grow our revenue.

We are dependent upon a few key personnel and the loss of their services could adversely affect us.

Our future success of developing CchekÔ will depend on the efforts of the inventor of the technology, our President and Chief Executive Officer Dr. Amit Kumar. We do not maintain "key person" life insurance on Dr. Kumar. The loss of the services of Dr. Kumar could have a material adverse effect on our business and operating results.

Risks Related to our CAR-T therapeutics

While our CAR-T technology has shown favorable results from in-vitro and in-vivo testing by others, we cannot guarantee that these results will be replicated in future testing nor can we guarantee the success of the technology at all.

While early studies done by others have shown promising results in small numbers of mice in multiple different models, there is no guarantee that these results will be replicable when we test a larger number of animals under the Good Laboratory Practice ("GLP") conditions necessary for inclusion in an IND application. Further, no toxicity studies have as yet been performed, and there can be no assurance that the results of these toxicity studies will be favorable. If we are unable to obtain results consistent with earlier studies and if our toxicity studies are not positive, we will not be able to file an IND application nor commence human clinical trials and our CAR-T technology may not have any monetary value and we may be unable to generate any revenue from this technology.

While CAR-T technology has shown positive results in B-cell cancers by others, its safety and efficacy has not been seen in solid tumors and we cannot guarantee our CAR-T technology will be safe or effective in ovarian cancer.

CAR-T therapies function through the binding of a genetically engineered killer T-cell to a cancer cell. However, these engineered T-cells destroy the cell they are bound to whether it is a cancer cell or a healthy cell. Therefore, the engineered T-cells must be designed to only bind to cancer cells to minimize toxicity. Our CAR-T technology relies on the natural affinity of FSH to FSH-Receptor. Research by others has shown that the FSH-Receptor protein is found on ovarian cancer cells and no other healthy tissue, and therefore, we engineer our T-cells with FSH. However, as the research in this field is still new, we cannot guarantee that there is no FSH-Receptor on any other healthy tissue in the human body.

We are dependent on third parties to perform the necessary studies to file an IND application with the FDA.

While we have contracted with Moffitt to perform the necessary studies to file an IND to begin human clinical testing of our ovarian cancer therapeutic, unless or until we have an in-house scientific team to perform these pre-clinical studies, we will remain reliant on third parties for these services.

Risks Related to Legacy Patent Licensing Activities

In connection with our legacy patent licensing activities, we may not be able to license our patent portfolios which may have an adverse impact on our future operations.

We may generate revenues and related cash flows from the licensing and enforcement of patents that we currently own and from the rights to license and enforce additional patents we have obtained from third parties. However, we can give no assurances that we will be able to identify opportunities to exploit such patents or that such opportunities, even if identified, will generate sufficient revenues to sustain future operations.

We, in certain circumstances, rely on representations, warranties and opinions made by third parties that, if determined to be false or inaccurate, may expose us to certain material liabilities.

From time to time, we may rely upon the opinions of purported experts. In certain instances, we may not have the opportunity to independently investigate and verify the facts upon which such opinions are made. By relying on these opinions, we may be exposed to liabilities in connection with the licensing and enforcement of certain patents and patent rights which could have a material adverse effect on our operating results and financial condition.

In connection with patent licensing activities conducted by certain of our subsidiaries, a court that has ruled unfavorably against us may also impose sanctions or award attorney's fees, exposing us and our operating subsidiaries to certain material liabilities.

In connection with any of our patent licensing activities, it is possible that a court that has ruled against us may also impose sanctions or award attorney's fees to defendants, exposing us or our operating subsidiaries to material liabilities, which could materially harm our operating results and our financial condition.

Our patented technologies have an uncertain market value.

Many of our patents and technologies are in the early stages of adoption in the commercial and consumer markets. Demand for some of these technologies is untested and is subject to fluctuation based upon the rate at which our licensees will adopt our patents and technologies in their products and services.

Risks Related to Our Common Stock

The issuance or sale of shares in the future to raise money or for strategic purposes could reduce the market price of our common stock.

In the future, we may issue securities to raise cash for operations, to pay down then existing indebtedness, as consideration for the acquisition of assets, as consideration for receipt of goods or services, to pay for the development of our CchekÔ platform, to pay for the development of our CAR-T cancer therapeutics and for acquisitions of companies. We have and in the future may issue securities convertible into our common stock. Any of these events may dilute stockholders' ownership interests in our company and have an adverse impact on the price of our common stock.

In addition, sales of a substantial amount of our common stock in the public market, or the perception that these sales may occur, could reduce the market price of our common stock. This could also impair our ability to raise additional capital through the sale of our securities.

Any actual or anticipated sales of shares by our stockholders may cause the trading price of our common stock to decline. The sale of a substantial number of shares of our common stock by our stockholders, or anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales.

Delaware law and our charter documents contain provisions that could discourage or prevent a potential takeover of our company that might otherwise result in our stockholders receiving a premium over the market price of their shares.

Provisions of Delaware General Corporation Law ("DGCL") and our certificate of incorporation, as amended (the "Certificate of Incorporation") and by-laws ("By-Laws") could make the acquisition of our company by means of a tender offer, proxy contest or otherwise, and the removal of incumbent officers and directors, more difficult. These provisions include:

- Section 203 of the DGCL, which prohibits a merger with a 15%-or-greater stockholder, such as a party that has completed a successful tender offer, until three years after that party became a 15%-or-greater stockholder;

- The authorization in our Certificate of Incorporation of undesignated preferred stock, which could be issued without stockholder approval in a manner designed to prevent or discourage a takeover; and

- Provisions in our By-Laws regarding stockholders' rights to call a special meeting of stockholders limit such rights to stockholders holding together at least a majority of shares of the Company entitled to vote at the meeting, which could make it more difficult for stockholders to wage a proxy contest for control of our Board of Directors or to vote to repeal any of the anti-takeover provisions contained in our Certificate of Incorporation and By-Laws.

Together, these provisions may make the removal of management more difficult and may discourage transactions that could otherwise involve payment of a premium over prevailing market prices for our common stock.

We may fail to meet market expectations because of fluctuations in quarterly operating results, which could cause the price of our common stock to decline.

Our reported revenues and operating results have fluctuated in the past and may continue to fluctuate significantly from quarter to quarter in the future, specifically as we continue to devote more of our resources towards our CchekÔ diagnostic technology and our CAR-T cancer therapeutics. It is possible that in future periods, we will have no revenue or, in any event, revenues could fall below the expectations of securities analysts or investors, which could cause the market price of our common stock to decline. The following are among the factors that could cause our operating results to fluctuate significantly from period to period:

- clinical trial results relating to our diagnostic technology;

- pre-clinical testing results relating to our CAR-T cancer therapeutics;

- progress with regulatory authorities towards the certification/approval of our diagnostic technology or our CAR-T cancer therapeutics;

- costs related to acquisitions, alliances and licenses.

Biotechnology company stock prices are especially volatile, and this volatility may depress the price of our common stock.

The stock market has experienced significant price and volume fluctuations, and the market prices of biotechnology companies have been highly volatile. We believe that various factors may cause the market price of our common stock to fluctuate, perhaps substantially, including, among others, the following:

- announcements of developments in the cancer diagnostic testing industry or in the field of CAR-T therapeutics;
- developments in relationships with third party vendors and laboratories;
- announcements of developments in our remaining patent enforcement actions;
- developments or disputes concerning our patents and other intellectual property;
- our or our competitors' technological innovations;
- variations in our quarterly operating results;
- our failure to meet or exceed securities analysts' expectations of our financial results;
- a change in financial estimates or securities analysts' recommendations;
- changes in management's or securities analysts' estimates of our financial performance;
- announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures, capital commitments, new technologies, or patents; and
- the timing of or our failure to complete significant transactions.

In addition, we believe that fluctuations in our stock price during applicable periods can also be impacted by changes in governmental regulations in the diagnostic testing and drug development industries and/or court rulings and/or other developments in our remaining patent licensing and enforcement actions. For example, if government regulators no longer allow for the use of diagnostic technology that has not been granted FDA approval (e.g. denying products that have only received CLIA certification), the time and cost to bring our technology to market will increase which will likely have an adverse impact on our stock price.

In the past, companies that have experienced volatility in the market price of their stock have been the objects of securities class action litigation. If our common stock was the object of securities class action litigation, it could result in substantial costs and a diversion of management's attention and resources, which could materially harm our business and financial results.

Our common stock is currently listed on NASDAQ Capital Market, however if our common stock is delisted for any reason, it will become subject to the SEC's penny stock rules which may make our shares more difficult to sell.

If our common stock is delisted from NASDAQ Capital Market, our common stock will then fit the definition of a penny stock and therefore would be subject to the rules adopted by the SEC regulating broker-dealer practices in connection with transactions in penny stocks. The SEC rules may have the effect of reducing trading activity in our common stock making it more difficult for investors to sell their shares. The SEC's rules require a broker or dealer proposing to effect a transaction in a penny stock to deliver the customer a risk disclosure document that provides certain information prescribed by the SEC, including, but not limited to, the nature and level of risks in the penny stock market. The broker or dealer must also disclose the aggregate amount of any compensation received or receivable by him in connection with such transaction prior to consummating the transaction. In addition, the SEC's rules also require a broker or dealer to make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction before completion of the transaction. The existence of the SEC's rules may result in a lower trading volume of our common stock and lower trading prices.

We currently have a limited number of unissued shares of common stock authorized for issuance pursuant to our Certificate of Incorporation which will limit our ability to issue shares in a financing transaction, as compensation to our officers, directors, employees or consultants or as consideration in a strategic transaction.

Our Certificate of Incorporation authorizes our Board of Directors to issue up to 24,000,000 shares of common stock. As of the date hereof, there are 16,609,399 shares of common stock issued and outstanding with only 2,278,355 shares available for future issuance. Unless and until we receive stockholder approval to increase the number of shares of common stock that are authorized for issuance (or take another corporate action to increase the number of shares that may be issued under the Certificate of Incorporation), we will be limited in our ability to issue shares of common stock in a financing transaction, as compensation to our officers, directors, employees or consultants or as consideration in a strategic transaction. Such limitation will adversely impact our business.

We do not anticipate declaring any cash dividends on our common stock which may adversely impact the market price of our stock.

We have never declared or paid cash dividends on our common stock and do not plan to pay any cash dividends in the near future. Our current policy is to retain all funds and any earnings for use in the operation and expansion of our business. If we do not pay dividends, our stock may be less valuable to you because a return on your investment will only occur if our stock price appreciates.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

We lease approximately 2,000 square feet of office space at 3150 Almaden Expressway, San Jose, California (our principal executive offices) from an unrelated party pursuant to a lease that expires September 30, 2019. Our base rent is approximately $4,000 per month and the lease provides for annual increases of approximately 3% and an escalation clause for increases in certain operating costs. We also lease approximately 3,000 square feet of office space at 12100 Wilshire Boulevard, Los Angeles, California (our former executive offices) from an unrelated party pursuant to a lease that expires May 31, 2019. We vacated this space during the fourth quarter of fiscal year 2017 and are currently marketing the space for sublease. Our base rent is approximately $11,000 per month and the lease provides for annual increases of approximately 3% and an escalation clause for increases in certain operating costs.

Item 3. Legal Proceedings.

Other than suits we bring to enforce our patent rights we are not a party to any material pending legal proceedings other than that which arise in the ordinary course of business. We believe that any liability that may ultimately result from the resolution of these matters will not, individually or in the aggregate, have a material adverse effect on our financial position or results of operations.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock trades on the NASDAQ Capital Market under the symbol "ITUS". The high and low sales prices as reported by the NASDAQ Capital Market for each quarterly fiscal period during our fiscal years ended October 31, 2017 and 2016 is as follows:

Fiscal Period	High	Low
4th quarter 2017	$ 5.25	$ 0.60
3rd quarter 2017	2.05	0.71
2nd quarter 2017	5.50	1.85
1st quarter 2017	6.60	4.20
4th quarter 2016	$ 6.82	$ 2.85
3rd quarter 2016	3.70	2.55
2nd quarter 2016	3.31	1.88
1st quarter 2016	4.85	2.01

Holders

As of January 4, 2018, the approximate number of record holders of our common stock was 315 and the closing price of our common stock was $2.40 per share.

Securities Authorized for Issuance Under Equity Compensation Plans

See "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

Dividend Policy

No cash dividends have been paid on our common stock since our inception. We have no present intention to pay any cash dividends in the foreseeable future.

Recent Sales of Unregistered Securities

During the three months ended October 31, 2017, the Company issued an aggregate of 6,000 shares of our common stock to a company in payment of investor relations services. The common stock was issued in reliance on an exemption from registration under Section 4(a)(2) of the Securities Act as they were issued to accredited investors, without a view to distribution, and were not issued through any general solicitation or advertisement.

Item 6. Selected Financial Data.

Not required for a smaller reporting company.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

General

In reviewing Management's Discussion and Analysis of Financial Condition and Results of Operations, you should refer to our Consolidated Financial Statements and the notes related thereto.

Results of Operations

Fiscal Year ended October 31, 2017 compared with Fiscal Year ended October 31, 2016

Revenue

In fiscal year 2017, we recorded revenue of approximately $363,000 from one license agreement. In fiscal year 2016, we recorded revenue of $300,000 from two license agreements. The license agreements each provided for a one-time, non-recurring, lump sum payment in exchange for non-exclusive retroactive and future licenses, and/or covenants not to sue. Accordingly, the earnings process from this license was complete and 100% of the revenue was recognized upon execution of the license agreement.

Inventor Royalties and Contingent Legal Fees

Inventor royalties and contingent legal fees decreased by approximately $20,000 in fiscal year 2017, to approximately $91,000, from approximately $111,000 in fiscal year 2016. We did not incur any royalties in fiscal year 2017, resulting in the decrease in inventor royalties and contingent legal fees. Inventor royalties and contingent legal fees are expensed in the period that the related revenues are recognized. The economic terms of patent agreements and contingent legal fee arrangements vary across the patent portfolios owned or controlled by the Company.

Litigation and Licensing Expenses

Litigation and licensing expenses decreased by approximately $93,000 to approximately $13,000 in fiscal year 2017, from approximately $106,000 in fiscal year 2016 as a result of decreased litigation and licensing activities.

Amortization of Patents

Amortization of patents was approximately $325,000 in fiscal years 2017 and 2016. We capitalize patent and patent rights acquisition costs and amortize the cost over the estimated economic useful life. During fiscal year 2017, we did not capitalize any patents or patent rights.

Research and Development Expenses

Research and development expenses increased by approximately $41,000 to approximately $1,598,000 in fiscal year 2017, from approximately $1,556,000 in fiscal 2016. The increase in research and development expenses was primarily due to an increase in costs in connection with the development of CchekÔ, including increased costs related to our collaboration with Wistar of approximately $98,000 as a result of greater involvement by Wistar under the renewed collaboration agreement, an increase in patent development costs of approximately $30,000, an approximate $46,000 of expense associated with the sale of no longer necessary lab equipment and increased costs related to obtaining blood samples of approximately $45,000, offset by a decrease in employee compensation and related costs of approximately $108,000 and reduced development costs associated with our legacy thin-film display technology of approximately $58,000.

Marketing, General and Administrative Expenses

Marketing, general and administrative expenses increased by approximately $1,701,000 to approximately $4,411,000 in fiscal year 2017, from approximately $2,710,000 in fiscal 2016. The increase in marketing, general and administrative expenses was principally due to an increase in board compensation expense of approximately $454,000 resulting from the grant of shares of Company common stock to our independent directors, an increase in employee compensation and related costs, other than stock option expense, of approximately $326,000 resulting primarily from the severance arrangement with our former chief executive officer, an increase in employee stock option expense of approximately $321,000 resulting primarily from the re-pricing of stock options held by current employees and directors, an increase in legal and accounting fees of approximately $237,000 resulting primarily from an increase in corporate transactions including the redemption of our Series A preferred stock, filing of registration statements and management turnover, an increase in investor and public relations expenses of approximately $189,000 resulting primarily from increased investor outreach programs and an increase in rent expense of approximately $166,000 resulting from the relocation of our principal executive offices.

Gain on Extinguishment of Patent Acquisition Obligation

The gain on extinguishment of patent acquisition obligation of approximately $1,548,000 in fiscal year 2017 resulted from the difference in the carrying value of the patent acquisition obligation and the fair value of the shares of common stock issued to satisfy the obligation on the date of extinguishment.

Interest Expense

Interest expense decreased by approximately $20,000 to approximately $500,000 in fiscal year 2017, from approximately $520,000 in fiscal 2016. The decrease in interest expense was due to the early extinguishment of the patent acquisition obligation which reduced interest expense from fiscal year 2016 by approximately $292,000, offset by the approximately $272,000 of interest associated with the secured debenture entered into during fiscal year 2017.

Interest Income

Interest income increased to approximately $19,000 in fiscal year 2017 compared to approximately $13,000 in fiscal year 2016, due to an increase in funds available for short-term investments.

Deemed Dividend to Preferred Stockholder

The deemed dividend to preferred stockholder of approximately $2,008,000 in fiscal year 2017 resulted from the redemption of our Series A preferred stock. The difference between the fair value of the consideration given to the holder of our Series A preferred stock and the carrying value of the Series A preferred stock represented a return to the preferred stockholder and was treated in a similar manner as that of dividends paid on preferred stock.

Liquidity and Capital Resources

Our primary sources of liquidity are cash, cash equivalents and short term investments.

As of the date of filing of our last annual report on Form 10-K, there was substantial doubt about our ability to continue as a going concern due to the limited amount of cash, cash equivalents and short-term investments we held as compared to our projected cash needs for the ensuing twelve months. We evaluated our cash position and future plans for the Company and embarked on a plan to ensure we had sufficient resources to execute our plans. Accordingly, over the past twelve months, we raised nearly $12 million through multiple financing arrangements, including a shareholder rights offering, a registered direct offering, and an at-the-market equity offering, and satisfied debt obligations through payments of cash and common stock. With no significant debt and approximately $6.8 million in cash, cash equivalents and short-term investments as of October 31, 2017, we believe that we have alleviated substantial doubt about our ability to continue as a going concern.

Based on currently available information as of January 9, 2018, we believe that our existing cash, cash equivalents, short-term investments and expected cash flows will be sufficient to fund our activities for the next 12 months. However, our projections of future cash needs and cash flows may differ from actual results. If current cash on hand, cash equivalents, short term investments and cash that may be generated from our business operations are insufficient to continue to operate our business, or if we elect to invest in or acquire a company or companies that are synergistic with or complimentary to our technologies, we may be required to obtain more working capital. We may seek to obtain working capital during our fiscal year ended 2018 or thereafter through sales of our equity securities or through bank credit facilities or public or private debt from various financial institutions where possible. We cannot be certain that additional funding will be available on acceptable terms, or at all. If we do identify sources for additional funding, the sale of additional equity securities or convertible debt could result in dilution to our stockholders. Additionally, the sale of equity securities or issuance of debt securities may be subject to certain security holder approvals or may result in the downward adjustment of the exercise or conversion price of our outstanding securities. We can give no assurance that we will generate sufficient cash flows in the future to satisfy our liquidity requirements or sustain future operations, or that other sources of funding, such as sales of equity or debt, would be available or would be approved by our security holders, if needed, on favorable terms or at all. If we fail to obtain additional working capital as and when needed, such failure could have a material adverse impact on our business, results of operations and financial condition. Furthermore, such lack of funds may inhibit our ability to respond to competitive pressures or unanticipated capital needs, or may force us to reduce operating expenses, which would significantly harm the business and development of operations.

During the year ended October 31, 2017, cash used in operating activities was approximately $3,797,000. Cash used in investing activities was approximately $2,735,000, resulting from the purchase of certificates of deposit totaling $5,501,000 which was offset by the proceeds on maturities of certificates of deposit totaling $2,751,000 and the sale of property and equipment of approximately $45,000 offset by the purchase of property and equipment of approximately $30,000. Cash provided by financing activities was approximately $7,383,000, resulting from the sale of common stock in a shareholder rights offering, an at-the-market offering and a registered direct offering of approximately $4,203,000, $3,461,000 and $3,212,000, respectively, offset by payments made on a secured debenture of approximately $3,000,000 and redemption of convertible preferred stock of approximately $500,000. As a result, our cash, cash equivalents, and short-term investments at October 31, 2017 increased approximately $3,601,000 to approximately $6,839,000 from approximately $3,238,000 at the end of fiscal year 2016.

In November 2017, the Company entered into an At-the-Market Issuance Sales Agreement (the "Agreement") with B. Riley FBR, Inc. ("B. Riley FBR") to create an at-the-market equity program under which it may sell up to 3,000,000 shares of its common stock from time to time through B. Riley FBR, as sales agent. In December 2017, the Company terminated the Agreement. The Company did not sell any shares under the Agreement and has no further obligations under the Agreement.

Off-Balance Sheet Arrangements

We have no variable interest entities or other significant off-balance sheet obligation arrangements.

Critical Accounting Policies

The Company's consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. In preparing these financial statements, we make assumptions, judgments and estimates that can have a significant impact on amounts reported in our consolidated financial statements. We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. On a regular basis, we evaluate our assumptions, judgments and estimates and make changes accordingly.

We believe that, of the significant accounting policies discussed in Note 2 to our consolidated financial statements, the following accounting policies require our most difficult, subjective or complex judgments:

Revenue Recognition; and

Stock-Based Compensation

Revenue Recognition

Revenue is recognized when (i) persuasive evidence of an arrangement exists, (ii) all obligations have been substantially performed pursuant to the terms of the arrangement, (iii) amounts are fixed or determinable, and (iv) the collectability of amounts is reasonably assured.

Patent Licensing

In certain instances, our past revenue arrangements have provided for the payment of contractually determined fees in settlement of litigation and in consideration for the grant of certain intellectual property rights for patented technologies owned or controlled by the Company. These arrangements typically include some combination of the following: (i) the grant of a non-exclusive, retroactive and future license to manufacture and/or sell products covered by patented technologies owned or controlled by the Company, (ii) a covenant-not-to-sue, (iii) the release of the licensee from certain claims, and (iv) the dismissal of any pending litigation. In such instances, the intellectual property rights granted have been perpetual in nature, extending until the expiration of the related patents. Pursuant to the terms of these agreements, we have no further obligations. As such, the earnings process was complete and revenue has been recognized upon the execution of the agreement, when collectability was reasonably assured, and when all other revenue recognition criteria were met.

Stock-Based Compensation

We account for stock options granted to employees and directors using the accounting guidance in ASC 718. We recognize compensation expense for stock option awards over the requisite or implied service period of the grant. We recorded stock-based compensation expense, related to stock options granted to employees and directors, of approximately $1,223,000 and $874,000 during the years ended October 31, 2017 and 2016, respectively. We account for stock options granted to consultants using the accounting guidance under ASC 505-50. We recognized stock-based compensation expense for stock options granted to non-employee consultants during the years ended October 31, 2017 and 2016, of approximately $3,000 and $-0-, respectively.

As of October 31, 2017, there was unrecognized compensation cost related to non-vested share-based compensation arrangements for stock options granted to employees and directors of approximately $1,091,000, which will be recognized in future periods upon vesting of the stock options. As of October 31, 2017, there was unrecognized consulting expense related to non-vested stock options granted to consultants, related to service based options of approximately $44,000, which will be recognized in future periods upon vesting of the stock options.

Determining the appropriate fair value model and calculating the fair value of stock-based awards requires judgment, including estimating stock price volatility, forfeiture rates and expected term. If factors change and we employ different assumptions in the application of ASC 718 and ASC 505-50 in future periods, the compensation expense that we record may differ significantly from what we have recorded in the current period. See Note 2 to the consolidated financial statements for additional information.

Effect of Recent Accounting Pronouncements

We discuss the effect of recently issued pronouncements in Note 2 to the consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Not required for a smaller reporting company.

Item 8. Financial Statements and Supplementary Data.

See accompanying “Index to Consolidated Financial Statements.”

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Operating Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15 and 15d-15 of the Exchange Act. Based upon that evaluation, our President and Chief Executive Officer and our Chief Operating Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of fiscal year 2017.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Our management, including the principal executive officer and principal financial officer, does not expect that our internal controls over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, cannot provide full assurance that the objectives of the control system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

Under the supervision and with the participation of our management, including the principal executive officer and principal financial officer, we conducted an evaluation as to the effectiveness of our internal control over financial reporting as of October 31, 2017. In making this assessment, our management used the criteria for effective internal control set forth by the Committee of Sponsoring Organizations of the Treadway Commission in the *2013 Internal Control – Integrated Framework*. Based on this assessment, our management concluded that our internal control over financial reporting was effective as of October 31, 2017.

This Annual Report on Form 10-K does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's independent registered public accounting firm pursuant to a permanent exemption of the Commission that permits the Company to provide only management's report in this Annual Report on Form 10-K. Accordingly, our management's assessment of the effectiveness of our internal control over financial reporting as of October 31, 2017 has not been audited by our auditors, Haskell & White LLP.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the fourth quarter of fiscal year 2017 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

(a) Our Directors and Executive Officers

The following table sets forth certain information with respect to all of our directors and executive officers:

Name	Position with the Company and Principal Occupation	Age	Director and/or Executive Officer Since
Dr. Amit Kumar	Chairman of the Board, President and Chief Executive Officer	53	2012
Bruce F. Johnson	Director	75	2017
Dr. John Monahan	Director	71	2016
Lewis H. Titterton, Jr.	Director	73	2017
Richard H. Williams	Director	81	2017
Michael J. Catelani	Chief Operating Officer and Chief Financial Officer	51	2016

We believe that our Board represents a desirable mix of backgrounds, skills, and experiences. The principal occupation and business experience during the last five years for our executive officers and directors and some of the specific experiences, qualifications, attributes or skills that led to the conclusion that each person should serve as one of our directors in light of our business and structure is as follows:

Dr. Amit Kumar, 53, Chairman of the Board, President and Chief Executive Officer. Dr. Kumar has served as our President and Chief Executive Officer since July 2017, as a director of the Company since November 2012 and as Chairman of the Board since August 2016. From June 2015 until August 2016, Dr. Kumar served as Vice Chairman of the Board. Dr. Kumar served as a strategic advisor to the Company since September 2012. Dr. Kumar has been Executive Chairman of the board of directors of Anixa Diagnostics Corporation, a wholly-owned subsidiary of the Company since June 2015. Upon his appointment as Executive Chairman of Anixa, Dr. Kumar resigned from his position as the CEO of Geo Fossil Fuels LLC, an energy company, which he had held since December 2010. From September 2001 to June 2010, Dr. Kumar was President and CEO of CombiMatrix Corporation, a NASDAQ listed biotechnology company and also served as director from September 2000 to June 2012. Dr. Kumar was Vice President of Life Sciences of Acacia Research Corporation, a publicly traded investment company, from July 2000 to August 2007 and also served as a director from January 2003 to August 2007. Dr. Kumar has served as Chairman of the board of directors of Ascent Solar Technologies, Inc., a publicly-held solar energy company, since June 2007, and as a director of Aeolus Pharmaceuticals, Inc. since June 2004. Dr. Kumar is Chairman of BioCeryx, Inc., a private diagnostic company, and Actym Therapeutics, a private biotechnology company. Dr. Kumar holds an A.B. in Chemistry from Occidental College and Ph.D. from Caltech and completed his post-doctoral training at Harvard University. Dr. Kumar has experience in technology driven startups, both at the board of directors and operating levels, in a broad variety of areas including finance, acquisitions, research and development, and marketing, and, as described above, has served as a director and/or officer of various publicly traded companies.

Bruce F. Johnson, 75, Director. Mr. Johnson has served on our Board since September 2017 and he previously served on our Board from August 2012 until August 2016. Mr. Johnson has been a commodity trader on the Chicago Mercantile Exchange for over 40 years. He served as a member of the board of directors of CME Group Inc. from 1998 to May 2015. From 1969 to 2003, he served as President, Director and part-owner of Packers Trading Company, a former futures commissions merchant/clearing firm at the CME. He also serves on the board of directors of the Chicago Crime Commission. Mr. Johnson holds a B.S. in Marketing from Bradley University and a J.D. from John Marshall Law School. Mr. Johnson has been involved with the Company as an investor for over 14 years, and has over 30 years' experience in the capital markets as a result of his investment background.

Dr. John Monahan, 71, Director. Dr. Monahan has served on our Board since August 2016. He is an experienced executive and has served on a number of biotechnology company boards over the years. He is currently a Scientific Advisory Consultant for Synthetic Biologics, Inc. (NYSE MKT: SYN) and from 2010 through 2015 he was the Sr. Executive Vice President of Research & Development at Synthetic Biologics, Inc. He is also a director of Heat Biologics, Inc. (Nasdaq: HTBX), a position that he has held since 2011, and was a director of Tacere Therapeutics, Inc., a wholly-owned subsidiary of Benitec Biopharma Limited (Nasdaq: BNTC) from 2006 to 2015. In addition to his work with public companies, Dr. Monahan is also currently a member of the Scientific Advisory Board of Agilis Biotherapeutics, Inc., a position that he has held since 2014, and is a board member of several other biotechnology companies. In addition, in 1992 he founded Avigen, Inc., a biotech company that pioneered the development of gene medicines based on adeno-associated virus vectors, now an industry standard. Over a 12-year period as its CEO, Dr. Monahan took Avigen public through an initial public offering raising over $235M and led the company through several Investigational New Drug (IND) applications. Prior to Avigen, Dr. Monahan served as Vice President - Research and Development at Somatix B.V., and Director of Molecular & Cell Biology at Triton Biosciences, Inc. He was also previously Research Group Chief, Department of Molecular Genetics at Hoffmann-LaRoche Inc., and Adjunct Assistant Professor, Department of Cell Biology at New York University. Dr. Monahan earned a Ph.D. in Biochemistry from McMaster University, Hamilton, Canada, and a B.S. in Science from University College, Dublin, Ireland. Dr. Monahan has over 50 publications in scientific literature and has made hundreds of presentations and public TV appearances, to scientific groups, investors and the general public over the years.

Lewis H. Titterton, Jr., 73, Director. Mr. Titterton has served as a director since July 2017. He previously served as a director from August 2010 through August 2016, as the Chairman of the Board from July 2012 through August 2016, and interim Chief Executive Officer from August 2012 until September 2012. Mr. Titterton is currently Chairman of the Board of NYMED, Inc., a diversified health services company. His background is in high technology with an emphasis on health care and he has been with NYMED, Inc. since 1989. Mr. Titterton founded MedE America, Inc. in 1986 and was Chief Executive Officer of Management and Planning Services, Inc. from 1978 to 1986. Mr. Titterton also served as one of our Directors from July 1999 to January 2003. He holds a M.B.A. from the State University of New York at Albany, and a B.A. degree from Cornell University. Mr. Titterton has been involved with our Company as a director or investor for over twenty years. Mr. Titterton also has substantial experience with advising on the strategic development of technology companies and over forty years of experience in various aspects of the technology industry.

Richard H. Williams, 81, Director. Mr. Williams has served on our Board since September 2017. Mr. Williams, an experienced businessman and entrepreneur, has served as a consultant to emerging growth companies since 1980. Mr. Williams currently serves as a special advisor to the Chairman and CEO of ParkerVision, Inc., a NASDAQ listed wireless technology company, in the areas of business development, acquisitions, and investment banking. Mr. Williams was Chairman and Chief Executive Officer of Sky Titan, Inc, a developer of air cargo aircraft from 2011 to 2013. Mr. Williams was a director of Iris International, Inc., a NASDAQ listed medical diagnostics company from 2003 to 2009, serving as Chairman of the Board from 2004 to 2007. Under his guidance, Iris became the world's largest automated urinalysis company with revenues of over $100 million. In 1994, Mr. Williams became a director and helped structure, finance and take public InTime Systems International, a software company selling human resource payroll products to Fortune 1000 companies. In 1988, Mr. Williams was appointed Chairman and Chief Executive Officer of Restor Industries, a telecommunications service company that he acquired with a group of investors. After several acquisitions, Restor went public and later divested. Previously, he was Chairman or Chief Executive Officer of several private companies, including an oil and gas exploration company and a telecommunications engineering service company. From 1970 to 1980, he was Vice President of a $100 million consumer product division of Pfizer Inc. Mr. Williams holds a B.S. in Business and Finance from New York University.

Michael J. Catelani, 51, Chief Operating Officer and Chief Financial Officer. Mr. Catelani has served as our Chief Operating Officer since July 2017 and as Chief Financial Officer since November 2016. Mr. Catelani is a seasoned executive with over 25 years of experience in finance and operations. From October 2012 to July 2017, Mr. Catelani served as a contract Chief Financial Officer to a number of established privately held businesses in the biotechnology field. Previously, in July 2006, Mr. Catelani co-founded Tacere Therapeutics, Inc., a privately held biotechnology company, and served as its Chairman, President and Chief Financial Officer until its sale in October 2012. Prior to Tacere, Mr. Catelani served on the Board of Directors and was the Chief Financial Officer of Benitec Biopharma Limited, an Australian Stock Exchange-listed biotechnology company. Prior to Benitec, Mr. Catelani served as Vice President and Chief Financial Officer at Axon Instruments, a U.S. corporation publicly traded on the Australian Stock Exchange that was a leading designer and manufacturer of instrumentation and software systems for biotechnology and diagnostics research. Prior to Axon, Mr. Catelani served as the Vice President of Finance for Media Arts Group, Inc., an NYSE-listed company. Mr. Catelani has also worked with several early stage start-up companies in a variety of industries, including biotechnology, retail, waste water recovery, and distributed power generation, in both advisory and management roles. Mr. Catelani began his professional career at Ernst & Young and is a CPA. He holds a B.S. degree in business administration, with a concentration in accountancy, from Sacramento State University and a M.B.A. from the University of California, Davis.

Except for Drs. Kumar and Monahan, none of our current directors or executive officers has served as a director of another public company within the past five years.

(c) Our Significant Employees

We have no significant employees other than our executive management team.

(d) Family Relationships

There are no family relationships between or among the directors, executive officers or persons nominated or chosen by the Company to become directors or executive officers.

(e) Involvement of Certain Legal Proceedings

To the best of our knowledge, during the past ten years, none of the following occurred with respect to a present or former director or executive officer of the Company: (1) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (2) any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses); (3) being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities or banking activities; (4) being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodities Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended or vacated; (5) being subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree or finding relating to an alleged violation of the federal or state securities, commodities, banking or insurance laws or regulations or any settlement thereof or involvement in mail or wire fraud in connection with any business entity not subsequently reversed, suspended or vacated and (6) being subject of, or a party to, any disciplinary sanctions or orders imposed by a stock, commodities or derivatives exchange or other self-regulatory organization.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers and ten percent stockholders to file initial reports of ownership and reports of changes in ownership of our common stock with the Commission. Directors, executive officers and ten percent stockholders are also required to furnish us with copies of all Section 16(a) forms that they file. Based upon a review of these filings, we believe that all required Section 16(a) reports were made on a timely basis during fiscal year 2017.

Code of Ethics

We have adopted a formal code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. We will provide a copy of our code of ethics to any person without charge, upon request. For a copy of our code of ethics write to Secretary, ITUS Corporation, 3150 Almaden Expressway, Suite 250, San Jose, California 95118.

Nomination Procedures

On July 9, 2015, the Board established a nominating and corporate governance committee (the "Nominating Committee"). The Nominating Committee has a charter which will be reviewed on an annual basis by members of the committee and will be at all times composed of exclusively independent directors. The principal duties and responsibilities of the Nominating Committee are to identify qualified individuals to become board members, recommend to the Board individuals to be designated as nominees for election as directors at the annual meetings of stockholders, and develop and recommend to the Board the Company's corporate governance guidelines. In selecting directors, the Nominating Committee will consider candidates that possess qualifications and expertise that will enhance the composition of the Board, including the considerations set forth below. The considerations set forth below are not meant as minimum qualifications, but rather as guidelines in weighing all of a candidate's qualifications and expertise.

- Candidates should be individuals of personal integrity and ethical character.
- Candidates should have background, achievements, and experience that will enhance our Board. This may come from experience in areas important to our business, substantial accomplishments or prior or current associations with institutions noted for their excellence.
- Candidates should have demonstrated leadership ability, the intelligence and ability to make independent analytical inquiries and the ability to exercise sound business judgment.
- Candidates should be free from conflicts that would impair their ability to discharge the fiduciary duties owed as a director to ITUS and its stockholders, and we will consider directors' independence from our management and stockholders.
- Candidates should have, and be prepared to devote, adequate time and energy to the Board and its committees to ensure the diligent performance of their duties, including by attending meetings of the Board and its committees.
- Due consideration will be given to the Board's overall balance of diversity of perspectives, backgrounds and experiences, as well as age, gender and ethnicity.
- Consideration will also be given to relevant legal and regulatory requirements.

We are of the view that the continuing service of qualified incumbents promotes stability and continuity in the board room, contributing to the Board's ability to work as a collective body, while giving us the benefit of the familiarity and insight into our affairs that our directors accumulate during their tenure. Accordingly, the process of the Nominating Committee for identifying nominees for directors will reflect our practice of generally re-nominating incumbent directors who continue to satisfy the Board's criteria for membership on the Board, whom the Nominating Committee believes continue to make important contributions and who consent to continue their service on the Board. If the Nominating Committee determines that an incumbent director consenting to re-nomination continues to be qualified and has satisfactorily performed his or her duties as director during the preceding term, and that there exist no reasons, including considerations relating to the composition and functional needs of the Board as a whole, why in the Nominating Committee's view the incumbent should not be re-nominated, the Nominating Committee will, absent special circumstances, generally propose the incumbent director for re-election. Although we do not have a formal policy regarding the consideration of diversity in identifying and evaluating potential director candidates, the Nominating Committee will take into account the personal characteristics (gender, ethnicity and age), skills and experience, qualifications and background of current and prospective directors' diversity as one factor in identifying and evaluating potential director candidates, so that the Board, as a whole, will possess what the nominating and corporate governance committee believes are appropriate skills, talent, expertise and backgrounds necessary to oversee our Company's business.

If the incumbent directors are not nominated for re-election or if there is otherwise a vacancy on the Board, the Nominating Committee may solicit recommendations for nominees from persons that the Nominating Committee believes are likely to be familiar with qualified candidates, including from members of the Board and management. While the Nominating Committee may also engage a professional search firm to assist in identifying qualified candidates, the Nominating Committee did not engage any third party to identify or evaluate or assist in identifying or evaluating the Director Nominees. We do not have a policy with regard to the consideration of director candidates recommended by stockholders. Due to the size of our Company and Board, the Nominating Committee does not believe that such a policy is necessary.

Depending on its level of familiarity with the candidates, the Nominating Committee may choose to interview certain candidates that it believes may possess qualifications and expertise required for membership on the Board. It may also gather such other information it deems appropriate to develop a well-rounded view of the candidate. Based on reports from those interviews or from Board members with personal knowledge and experience with a candidate, and on all other available information and relevant considerations, the Nominating Committee will select and nominate candidates who, in its view, are most suited for membership on the Board.

The members of the nominating committee are Dr. John Monahan (Chairman), Richard H. Williams and Bruce F. Johnson.

Audit Committee and Audit Committee Financial Expert

On July 9, 2015, the Board established a separately-designated standing audit committee (the "Audit Committee") established in accordance with Section 3(a)(58)(A) of the Exchange Act, and Nasdaq Listing Rules. The Audit Committee has a charter which will be reviewed on an annual basis by members of the committee and will be at all times composed of exclusively independent directors who are "financially literate," meaning they are able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. In addition, the committee will have at least one member who qualifies as an "audit committee financial expert" as defined in rules and regulations of the SEC.

The principal duties and responsibilities of the Company's Audit Committee are to appoint the Company's independent auditors, oversee the quality and integrity of the Company's financial reporting and the audit of the Company's financial statements by its independent auditors and in fulfilling its obligations, the Company's Audit Committee will review with the Company's management and independent auditors the scope and result of the annual audit, the auditors' independence and the Company's accounting policies.

The Audit Committee will be required to report regularly to the Board to discuss any issues that arise with respect to the quality or integrity of the Company's financial statements, its compliance with legal or regulatory requirements and the performance and independence of the Company's independent auditors.

The members of the Audit Committee are Lewis H. Titterton, Jr. (Chairman), Richard H. Williams and Bruce F. Johnson. Our Board has determined that Mr. Titterton qualifies as an Audit Committee financial expert as defined by SEC rules, based on his education, experience and background. Please see Mr. Titterton's biographical information above for a description of his relevant experience.

Item 11. Executive Compensation.

The following table sets forth certain information for the fiscal years ended October 31, 2017 and 2016, with respect to compensation awarded to, earned by or paid to our Chairman of the Board, our President and Chief Executive Officer and our Chief Operating Officer and Chief Financial Officer (the "Named Executive Officers"). No other executive officer received total compensation in excess of $100,000 during fiscal year 2017.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Option Awards ($) (2)	All Other Compensation ($) (3)	Total Compensation ($)
Dr. Amit Kumar (1) Chairman of the Board, President and Chief Executive Officer	2017	$ 300,000	$ -	$ 141,938	$ 12,000	$ 453,938
	2016	$ 300,000	$ 200,000	$ 566,896	$ 12,000	$ 1,078,896
Robert A. Berman (4) Chief Executive Officer and Director	2017	$ 228,077	$ -	$ -	$ 300,000	$ 528,077
	2016	$ 300,000	$ 200,000	$ 566,896	$ -	$ 1,066,896
Michael J. Catelani (5) Chief Operating Officer and Chief Financial Officer	2017	$ 174,561	$ -	$ 385,859	$ -	$ 560,420

(1) Dr. Kumar has served as the Company's Executive Chairman of the Board since August 2016. On July 6, 2017 Dr. Kumar was appointed President and Chief Executive Officer of the Company.

(2) Amounts in the Option Awards column represent the aggregate grant date fair value of stock option awards made during the fiscal years ended October 31, 2017 and 2016 for each Named Executive Officer in accordance with Accounting Standards Codification ("ASC") 718 and also reflects the repricing of outstanding options for Dr. Kumar and Mr. Catelani on September 6, 2017. See the section entitled "Option Re-Pricing" below. A discussion of assumptions used in valuation of option awards may be found in Note 2 to our Consolidated Financial Statements for fiscal year ended October 31, 2017, included elsewhere in this Annual Report on Form 10-K.

(3) Amounts in the All Other Compensation column reflect, for each Named Executive Officer, the sum of the incremental cost to us of all perquisites and personal benefits, which for Dr. Kumar consisted solely of compensation for use of a home office, and for Mr. Berman consisted solely of severance obligations related to his resignation on July 6, 2017.

(4) Mr. Berman resigned his position as President and Chief Executive Officer and as a director on July 6, 2017.

(5) Mr. Catelani has served as the Company's Chief Financial Officer since November 1, 2016. On July 6, 2017, Mr. Catelani was appointed Chief Operating Officer of the Company.

Employment Agreements

Consulting Agreement with Dr. Amit Kumar

On September 19, 2012, the Company entered into a Consulting Agreement with Dr. Amit Kumar (the "Kumar Agreement") pursuant to which Dr. Kumar agreed to provide business consulting services for an initial annual consulting fee of $120,000. On June 15, 2015, Dr. Kumar was appointed Vice Chairman of the Company and Executive Chairman of Anixa Diagnostics Corporation, a wholly-owned subsidiary of the Company. As a result of this appointment, Dr. Kumar's cash compensation was increased to $300,000 by the Board. On August 23, 2016, Dr. Kumar was appointed Executive Chairman of the Company, and on July 6, 2017 Dr. Kumar was appointed President and Chief Executive Officer of the Company. The terms of the Kumar Agreement still remain in effect.

If Dr. Kumar's services are terminated by the Company or he terminates his services for any reason or no reason, the Company shall be obligated to pay to Dr. Kumar only any earned compensation and/or bonus due under the Kumar Agreement and any unpaid reasonable and necessary expenses, due to him through the date of termination. All such payments shall be made in a lump sum immediately following termination.

Employment Agreement with Robert Berman

On September 19, 2012, the Company entered into an Employment Agreement with Mr. Berman (the "Berman Agreement") to serve as President and Chief Executive Officer of the Company. Pursuant to the Berman Agreement, Mr. Berman initially received an annual base salary of $290,000, which was increased to $300,000 by the Board effective November 1, 2013.

On July 6, 2017, Mr. Berman resigned as President and Chief Executive Officer and as a director. Pursuant to the terms of a separation agreement entered into on August 16, 2017 between Mr. Berman and the Company, Mr. Berman is entitled to receive severance payments in an aggregate amount of $300,000 to be paid in four separate tranches with the final payment occurring on June 1, 2018.

Stock Options

The following table sets forth certain information with respect to unexercised stock options held by the Named Executive Officers outstanding on October 31, 2017:

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END TABLE

	Option Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Un-Exercisable	Option Exercise Price ($)	Option Expiration Date
Dr. Amit Kumar	320,000		$0.67	9/19/2022
	106,667		$0.67	9/19/2022
	213,333		$0.67	9/19/2022
	40,000(1)		$0.67	11/8/2023
	111,111(2)	88,889(2)	$0.67	2/18/2026
Robert A. Berman	320,000		$2.575	7/6/2022
	106,667		$2.575	7/6/2022
	213,333		$2.575	7/6/2022
	40,000(1)		$2.575	7/6/2022
	200,000(3)		$2.920	7/6/2022
Michael J. Catelani		50,000(4)	$0.67	11/15/2026
		200,000(5)	$0.67	7/6/2027

(1) Options vested and became exercisable in 36 consecutive monthly installments, beginning December 31, 2013 and continuing through November 30, 2016.

(2) Options vest and become exercisable in 36 consecutive monthly installments, beginning March 31, 2016 and continuing through February 28, 2019.

(3) Options were to vest and become exercisable in 36 consecutive monthly installments, beginning March 31, 2016 and continuing through February 28, 2019. However, pursuant to a separation agreement between the Company and Mr. Berman, the options vested and became exercisable upon Mr. Berman's resignation on July 6, 2017.

(4) Options vest and become exercisable in one installment of 16,666 on November 1, 2017 and the remainder in eight consecutive quarterly installments, beginning January 31, 2018 and continuing through October 31, 2019.

(5) Options vest and become exercisable in one installment of 50,000 on July 6, 2018 and the remainder in twelve consecutive quarterly installments, beginning October 31, 2018 and continuing through July 31, 2021.

The following table summarizes stock option grants during fiscal year 2017.

GRANTS OF PLAN BASED AWARDS TABLE				
Name	Grant Date	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise Price of Option Awards ($)	Grant Date Fair Value ($) (1)
Michael J. Catelani	11/15/16 7/6/17	50,000 200,000	$0.67 $0.67	$ 215,330 $ 170,529

(1) Grant date fair value reflects the repricing of options on September 6, 2017.

During fiscal 2017, no stock options were exercised by Named Executive Officers.

Option Re-Pricing

On September 6, 2017, the compensation committee of the Company re-priced certain issued and outstanding stock options to purchase in the aggregate 2,029,600 shares of Company common stock for all of the current officers, directors and employees of the Company (the "Re-Priced Options") pursuant to the authority granted to the compensation committee by the Board of Directors of the Company. The new exercise price of the Re-Priced Options is $0.67, the closing sales price of the Company's common stock on September 6, 2017.

All other terms of the previously granted Re-Priced Options remain the same, including without limitation, the number of shares underlying the options granted, the vesting periods of the options, and the expiration dates of the options.

The Company recorded additional stock-based compensation expense resulting from the incremental value of the fair value of the Re-Priced Options compared to the fair value of the original options immediately prior to the re-pricing of approximately $261,000 in fiscal year ended October 31, 2017.

The following stock option grants and related stock option agreements issued to the Company's Named Executive Officers and directors were affected by the re-pricing:

Name	# of Shares	Old Option Price	New Option Price	Expiration Date
Dr. Amit Kumar	320,000	$2.575	$0.67	9/19/22
	106,667	$2.575	$0.67	9/19/22
	213,333	$2.575	$0.67	9/19/22
	40,000	$2.575	$0.67	11/8/23
	200,000	$2.92	$0.67	2/18/26
Dr. John Monahan	6,000	$3.13	$0.67	8/23/26
	12,000	$5.30	$0.67	1/3/27
Lewis H. Titterton, Jr.	2,400	$2.575	$0.67	11/30/17
	30,000	$2.575	$0.67	9/19/22
	16,000	$2.575	$0.67	12/31/22
	40,000	$2.575	$0.67	2/15/23
	120,000	$2.575	$0.67	11/8/23
	16,000	$2.575	$0.67	12/31/23
	16,000	$2.575	$0.67	1/2/25
	16,000	$2.92	$0.67	1/14/26
	6,000	$0.82	$0.67	7/17/27
Dr. Arnold Baskies	6,000	$3.13	$0.67	8/23/26
	12,000	$5.30	$0.67	1/3/27
Dale Fox	6,000	$2.575	$0.67	8/8/24
	12,000	$2.575	$0.67	1/2/25
	12,000	$2.92	$0.67	1/14/26
	12,000	$5.30	$0.67	1/3/27
Michael J. Catelani	50,000	$4.85	$0.67	11/15/26
	200,000	$0.96	$0.67	7/6/27

Potential Payments upon Termination or Change in Control

Dr. Amit Kumar

Options granted Dr. Kumar on February 18, 2016 provide for the vesting of the unvested portion of his options to be accelerated and such accelerated options to become immediately exercisable if Dr. Kumar is terminated without cause or upon a change in control as defined below. The intrinsic value of options granted on February 18, 2016 would be $122,667, which was calculated by multiplying (a) 88,889 options (being the number of options granted to him on February 18, 2016 that would be accelerated) by (b) an amount equal to the excess of (x) our closing share price on October 31, 2017 of $2.05 and (y) the options' exercise price of $0.67 per share.

Michael J. Catelani

Options granted Mr. Catelani on July 6, 2017 provide for the vesting of the unvested portion of his options to be accelerated and such accelerated options to become immediately exercisable if Mr. Catelani is terminated without cause or upon a change in control as defined below. The intrinsic value of options granted on July 6, 2017 would be $276,000, which was calculated by multiplying (a) 200,000 options (being the number of options granted to him on July 6, 2017 that would be accelerated) by (b) an amount equal to the excess of (x) our closing share price on October 31, 2016 of $2.05 and (y) the options' exercise price of $0.67 per share.

Under the 2010 Share Incentive Plan, "change in control" means:

- Change in Ownership: A change in ownership of the Company occurs on the date that any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of the Company, excluding the acquisition of additional stock by a person or more than one person acting as a group who is considered to own more than 50% of the total fair market value or total voting power of the stock of the Company.

- Change in Effective Control: A change in effective control of the Company occurs on the date that either:
  - Any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company possessing 30% or more of the total voting power of the stock of the Company; or
  - a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; provided, that this paragraph will apply only to the Company if no other corporation is a majority shareholder.
- Change in Ownership of Substantial Assets: A change in the ownership of a substantial portion of the Company's assets occurs on the date that any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 40% of the total gross fair market value of the assets of the Company immediately before such acquisition or acquisitions. For this purpose, "gross fair market value" means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

It is the intent that this definition be construed consistent with the definition of "Change of Control" as defined under Code Section 409A and the applicable treasury regulations, as amended from time to time.

Director's Compensation

There is no present arrangement for cash compensation of directors for services in that capacity. Consistent with the non-employee director compensation approved on March 28, 2013 for calendar year 2013, on November 8, 2013, the Board approved an amendment to the 2010 Share Incentive Plan to provide that on January 1st of each year commencing on January 1, 2014, each non-employee director (a "Director Participant") of the Company at that time shall automatically be granted a 10 year nonqualified stock option to purchase 12,000 shares of common stock (or 16,000 in the case of the Chairman of the Board to the extent he qualifies as a Director Participant), with an exercise price equal to the closing price on the date of grant, that will vest in four equal quarterly installments in the year of grant. In addition, each person who is a Director Participant and joins the Board after January 1 of any year, shall be granted on the date such person joins the Board, a nonqualified stock option to purchase 12,000 shares of common stock (or 16,000 in the case of the Chairman of the Board) pro-rated based upon the number of calendar quarters remaining in the calendar year in which such person joins the Board (rounded up for partial quarters). In addition to the foregoing, Dr. Monahan and Mr. Titterton, and in lieu of the foregoing, Messrs. Johnson and Williams, were each granted a nonqualified stock option to purchase 50,000 shares of common stock on September 22, 2017. Further, on September 22, 2017, Mr. Williams was granted an additional nonqualified stock option to purchase 50,000 shares of common stock.

Our employee directors, Dr. Amit Kumar and Robert A. Berman, did not receive any additional compensation for services provided as a director during fiscal year 2017. The following table sets forth compensation of Bruce F. Johnson, Dr. John Monahan, Lewis H. Titterton, Jr., and Richard H. Williams, our non-employee directors, and Dr. Arnold Baskies and Dale Fox, our former non-employee directors, for fiscal year 2017:

DIRECTORS' COMPENSATION

Name	Option Awards ($) (1)	All Other Compensation ($) (2)	Total Compensation ($)
Bruce F. Johnson (3)	$ 94,722	$ 113,500	$ 208,222
Dr. John Monahan	$ 150,195	$ 113,500	$ 263,695
Lewis H. Titterton, Jr.	$ 137,255	$ 113,500	$ 250,755
Richard H. Williams (3)	$ 189,444	$ 113,500	$ 302,944
Dr. Arnold Baskies (3)	$ 79,109	$ -	$ 79,109
Dale Fox (3)	$ 58,739	$ -	$ 58,739

(1) Amounts in the Option Awards column represent the aggregate grant date fair value of stock option awards made during the fiscal year ended October 31, 2017, in accordance with ASC 718 and also reflects the repricing of outstanding options for Drs. Monahan and Baskies and Messrs. Titterton and Fox on September 6, 2017. See the section entitled "Option Re-Pricing" above. A discussion of assumptions used in valuation of option awards may be found in Note 2 to our Consolidated Financial Statements for fiscal year ended October 31, 2017, included elsewhere in this Annual Report on Form 10-K. At October 31, 2017, Bruce Johnson, Dr. John Monahan, Lewis Titterton and Richard Williams held unexercised stock options to purchase 100,400, 68,000, 310,000 and 100,000 shares respectively, of our common stock.

(2) On September 22, 2017, each non-employee director was awarded 50,000 shares of common stock under the 2010 Share Incentive Plan. The closing price of the Company's common stock on the date of the award was $2.27. Amounts in the All Other Compensation column represent the market value of the shares on the date they were awarded.

(3) Dr. Baskies and Mr. Fox resigned as directors, and Messrs. Johnson and Williams became directors, on September 22, 2017.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table sets forth certain information with respect to our common s tock beneficially owned as of January 4, 2018 (or exercisable within 60 days of such date) by (a) each person who is known by our management to be the beneficial owner of more than 5% of our outstanding common stock, (b) each of our directors and executive officers, and (c) all directors and executive officers as a group:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)(2)(3)(4)	Percent of Class (5)
Directors and Officers of the Company		
Dr. Amit Kumar 3150 Almaden Expressway, Suite 250 San Jose, CA 95118	939,741	5.4%
Bruce F. Johnson 3150 Almaden Expressway, Suite 250 San Jose, CA 95118	665,317	4.0%
Dr. John Monahan 3150 Almaden Expressway, Suite 250 San Jose, CA 95118	80,500	*%
Lewis H. Titterton, Jr. 3150 Almaden Expressway, Suite 250 San Jose, CA 95118	1,109,044	6.6%
Richard H. Williams 3150 Almaden Expressway, Suite 250 San Jose, CA 95118	125,000	*%
Michael J. Catelani 3150 Almaden Expressway, Suite 250 San Jose, CA 95118	20,838	*%
All Directors and Executive Officers as a Group (6 persons)	2,940,440	16.5%
5% Stockholders of the Company		
Bruce Eames 3 Greenway Plaza, Ste. 200 Houston, TX 77046	1,088,046	6.6%

* Less than 1%.

(1) A beneficial owner of a security includes any person who directly or indirectly has or shares voting power and/or investment power with respect to such security or has the right to obtain such voting power and/or investment power within sixty (60) days. Except as otherwise noted, each designated beneficial owner in this Annual Report on Form 10-K has sole voting power and investment power with respect to the shares of common stock beneficially owned by such person.

(2) Includes 173,333 shares, 48,500 shares, 30,500 shares, 186,500 shares, 25,000 shares, 20,838 shares and 484,671 shares which Dr. Amit Kumar, Bruce F. Johnson, Dr. John Monahan, Lewis H. Titterton, Jr., Richard H. Williams, Michael J. Catelani and all directors and executive officers as a group, respectively, have the right to acquire within 60 days upon exercise of options granted pursuant to the 2010 Share Incentive Plan.

(3) Includes 2,000 shares, 2,000 shares and 4,000 shares that Dr. Amit Kumar, Lewis H. Titterton, Jr. and all directors and executive officers as a group, respectively, have the right to acquire within 60 days upon exercise of warrants purchased by them in the private placement on July 15, 2014.

(4) Includes 640,000 shares, 12,000 shares, 86,000 shares and 738,000 shares which Dr. Amit Kumar, Bruce F. Johnson, Lewis H. Titterton, Jr. and all directors and executive officers as a group, respectively, have the right to acquire within 60 days pursuant to option agreements with the Company.

(5) Based on 16,609,399 shares of common stock outstanding as of January 4, 2018.

Change in Control

We are not aware of any arrangement that might result in a change in control of the Company in the future.

Equity Compensation Plan Information

The following is information as of October 31, 2017 about shares of our common stock that may be issued upon the exercise of options, warrants and rights under all equity compensation plans in effect as of that date, including our 2003 Share Incentive Plan and our 2010 Share Incentive Plan. See Note 5 to Consolidated Financial Statements for more information on these plans.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans not approved by security holders (1)(2)	3,447,846	$1.56	69,226

(1) On April 23, 2003 the Board adopted the 2003 Share Incentive Plan. Officers, key employees and non-employee directors of, and consultants to, the Company or any of its subsidiaries and affiliates were eligible to participate in the 2003 Share Incentive Plan. The 2003 Share Incentive Plan provided for the grant of stock options, stock appreciation rights, stock awards, performance awards and stock units (the "2003 Benefits"). The maximum number of shares of common stock available for issuance under the 2003 Share Incentive Plan was 2,800,000. The 2003 Share Incentive Plan was administered by the Stock Option Committee through June 2004, from June 2004 through July 2010, by the Board of Directors, from July 2010 through August 2012, by the Stock Option Committee, from August 2012 through November 2012, by the Executive Committee of the Board of Directors, from November 2012 to July 2015, by the Board of Directors and since July 2015 by the Compensation Committee, which determined the option price, term and provisions of the 2003 Benefits. The 2003 Share Incentive Plan contains provisions for equitable adjustment of the 2003 Benefits in the event of a merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, spinoff, combination of shares, exchange of shares, dividends in kind or other like change in capital structure or distribution (other than normal cash dividends) to stockholders of the Company. The 2003 Share Incentive Plan terminated with respect to additional grants on April 21, 2013.

(2) On July 14, 2010 the Board adopted the 2010 Share Incentive Plan. Officers, key employees and non-employee directors of, and consultants to, the Company or any of its subsidiaries and affiliates are eligible to participate in the 2010 Share Incentive Plan. The 2010 Share Incentive Plan provides for the grant of stock options, stock appreciation rights, stock awards, and performance awards and stock units (the "2010 Benefits"). The maximum number of shares of common stock available for issuance under the 2010 Share Incentive Plan was initially 600,000 shares. On July 6, 2011 and August 29, 2012, the 2010 Share Incentive Plan was amended by our Board to increase the maximum number of shares of common stock that may be granted to 1,080,000 and 1,200,000 shares, respectively. On November 8, 2013, the Board approved an amendment to provide that effective and following November 8, 2013, the maximum aggregate number of shares available for issuance will be 800,000 shares. Additionally, commencing on the first business day in 2014 and on the first business day of each calendar year thereafter, the maximum aggregate number of shares available for issuance shall be replenished such that, as of such first business day, the maximum aggregate number of shares available for issuance shall be 800,000 shares. Current and future non-employee directors are automatically granted a 10 year nonqualified stock option to purchase 12,000 shares of Common Stock (or 16,000 in the case of the Chairman of the Board) on January 1st of each year that will vest in four equal quarterly installments . The 2010 Share Incentive Plan was administered by the Stock Option Committee through August 2012, from August 2012 through November 2012, by the Executive Committee of the Board of Directors, from November 2012 through July 2015, by the Board of Directors and since July 2015, by the Compensation Committee, which determines the option price, term and provisions of the 2010 Benefits. The 2010 Share Incentive Plan terminates with respect to additional grants on July 14, 2020. The Board may amend, suspend or terminate the 2010 Share Incentive Plan at any time.

Item 13. Certain Relationships and Related Transactions, and Director Independence .

Transactions with Related Persons

Aside from compensation arrangements with executive officers described above, there are no other transactions entered into by the Company with related persons.

Related Person Transaction Approval Policy

While we have no written policy regarding approval of transactions between us and a related person, our Board, as matter of appropriate corporate governance, reviews and approves all such transactions, to the extent required by applicable rules and regulations. Generally, management would present to the Board for approval at the next regularly scheduled Board meeting any related person transactions proposed to be entered into by us. The Board may approve the transaction if it is deemed to be in the best interests of our stockholders and the Company.

Director Independence

Our Board oversees the activities of our management in the handling of the business and affairs of our company. Our common stock trades on the NASDAQ Capital Markets and we are subject to listing requirements which include the requirement that our Board be comprised of a majority of "independent" directors. Bruce Johnson, Dr. John Monahan, Lewis Titterton and Richard Williams currently meet the definition of "independent" as defined by the SEC. The Board of Directors has separately designated audit, nominating and compensation committees. Our director, Dr. Amit Kumar, is an employee of the Company and as such does not qualify as an "independent" director.

Item 14. Principal Accounting Audit Fees and Services .

The following table describes fees for professional audit services rendered and billed by Haskell & White LLP, our present independent registered public accounting firm and principal accountant, for the audit of our consolidated financial statements and for other services during fiscal years 2017 and 2016.

Type of Fee	2017	2016
Audit Fees (1)	$ 81,125	$ 79,910
Audit Related Fees (2)	19,620	7,500
Tax Fees (3)	24,000	25,025
All Other Fees (4)	49,350	12,450
Total	$ 174,095	$ 124,885

(1) Audit fees for fiscal years 2017 and 2016 represent fees billed for services rendered by Haskell & White LLP for the audit of our consolidated financial statements and review of our quarterly reports on Form 10-Q.

(2) Audit related fees for fiscal years 2017 and 2016 represent fees billed for services rendered by Haskell & White LLP in connection with our Registration Statements filed during fiscal years 2017 and 2016.

(3) Tax Fees for fiscal years 2017 and 2016 represent fees billed for services rendered by Haskell & White LLP for the preparation of Federal and State income tax returns.

(4) All other fees for fiscal years 2017 and 2016 represent fees billed for services rendered by Haskell & White LLP in connection with the preparation of comfort letters and research of various tax subjects.

Procedures For Board of Directors Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditor

Our Board was responsible for reviewing and approving, in advance, any audit and any permissible non-audit engagement or relationship between us and our independent registered public accounting firm. On July 9, 2015, the Board established an Audit Committee which assumed these responsibilities. Haskell & White LLP's engagement to conduct our fiscal year 2017 audit was approved by our Board on July 17, 2017.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a)(1)(2) Financial Statement Schedules

See accompanying "Index to Consolidated Financial Statements."

(b) Exhibits

3.1	Certificate of Incorporation, as amended. (Incorporated by reference to Form 10-Q for the fiscal quarter ended July 31, 1992 and Form S-3, dated February 11, 2014.)
3.2	Amendment to the Certificate of Incorporation. (Incorporated by reference to Form 10-K for the fiscal year ended October 31, 2013.)
3.3	Certificate of Amendment to the Certificate of Incorporation. (Incorporated by reference to Exhibit 3.1 on Form 8-K, dated September 4, 2014.)
3.4	Certificate of Designations, Preferences and Rights of Series A Convertible Preferred Stock. (Incorporated by reference to Exhibit 3.1 of our Form 8-K, dated September 10, 2014.)
3.5	Amended and Restated By-laws. (Incorporated by reference to Exhibit 3.1 to our Form 8-K dated, November 8, 2012.)
3.6	Certificate of Amendment to the Certificate of Incorporation (Incorporated by reference to Exhibit 3.1 on Form 8-K, dated June 25, 2015.)
4.1	Form of Warrant issued to investors in connection with the Company's registered direct offering. (Incorporated by reference to Exhibit 4.1 to Form 8-K, dated July 15, 2014.)
4.2	Form of Warrant to be issued to Adaptive Capital LLC (Incorporated by reference to Exhibit 4.2 to our Form 10-K, dated December 7, 2016.).
10.1	2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4 to our Form S-8 dated May 5, 2003.)
10.2	Amendment No. 1 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4(e) to our Form S-8 dated November 9, 2004.)
10.3	Amendment No. 2 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2006.)

10.4	Amendment No. 3 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2006.)
10.5	Amendment No. 4 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4(g) to our Form S-8 dated September 21, 2007.)
10.6	Amendment No. 5 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4(g) to our Form S-8 dated January 21, 2009.)
10.7	Amendment No. 6 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 10.5 to our Form 8-K, dated July 20, 2010.)
10.8	2010 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Form 8-K, dated July 20, 2010.)
10.9	Amendment No. 1 to the 2010 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Form 8-K, dated July 7, 2011.)
10.10	Amendment No. 2 to the 2010 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Form 8-K, dated September 5, 2012.)
10.11	Amendment No. 3 to the 2010 Share Incentive Plan (Incorporated by reference to Exhibit 10.1 to our Form 10-Q for the fiscal quarter ended January 31, 2014.)
10.12	Consulting Agreement, dated as of September 19, 2012, between the Company and Amit Kumar. (Incorporated by reference to Exhibit 10.37 to our Form 10-K for the fiscal year ended October 31, 2012.) (Portions of Section 4 of this exhibit have been redacted and filed separately with the Commission in accordance with a request for, and related Order by the Commission, dated May 3, 2013, File No. 0-11254-CF#29240, granting confidential treatment for portions of Section 4 of this exhibit to pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.)
10.13	Letter Agreement, dated October 17, 2016, between the Company and Mike Catelani. (Incorporated by reference to Exhibit 10.21 to our Form 10-K, dated December 7, 2016.)
10.14	License Agreement, dated November 13, 2017, between Certainty Therapeutics, Inc. and The Wistar Institute of Anatomy and Biology. (Filed herewith) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission)
10.15	Collaboration Agreement, dated November 17, 2017, between Certainty Therapeutics, Inc. and H. Lee Moffitt Cancer Center and Research Institute, Inc. (Filed herewith) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission)
21	Subsidiaries of ITUS Corporation. (Filed herewith.)
23.1	Consent of Haskell & White LLP. (Filed herewith.)
31.1	Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated January 9, 2018. (Filed herewith.)
31.2	Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated January 9, 2018. (Filed herewith.)
32.1	Statement of Chief Executive Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated January 9, 2018. (Furnished herewith.)

32.2	Statement of Chief Financial Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated January 9, 2018. (Furnished herewith.)
99.1	Collaborative Research Agreement, dated July 14, 2015, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology (Incorporated by reference to Exhibit 99.1 to our Form 10-K, dated December 7, 2016.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)
99.2	First Amendment to The Collaborative Research Agreement, dated August 4, 2016, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology (Incorporated by reference to Exhibit 99.2 to our Form 10-K, dated December 7, 2016.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)
99.3	Second Amendment to The Collaborative Research Agreement, dated August 1, 2017, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology (Filed herewith.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)
99.4	Collaborative Research Agreement, dated August 4, 2016, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology. (Incorporated by reference to Exhibit 99.2 to our Form 10-K, dated December 7, 2016.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

ITUS CORPORATION

By: /s/ Amit Kumar
Dr. Amit Kumar
Chairman of the Board, President and
January 9, 2018 Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

By: /s/ Amit Kumar
Dr. Amit Kumar
Chairman of the Board, President and
Chief Executive Officer
January 9, 2018 (Principal Executive Officer)

By: /s/ Michael J. Catelani
Michael J. Catelani
Chief Operating Officer and
Chief Financial Officer
(Principal Financial
January 9, 2018 and Accounting Officer)

By: /s/ Bruce F. Johnson
Bruce F. Johnson
January 9, 2018 Director

By: /s/ John Monahan
Dr. John Monahan
January 9, 2018 Director

By: /s/ Lewis H. Titterton, Jr.
Lewis H. Titterton, Jr.
January 9, 2018 Director

By: /s/ Richard H. Williams
Richard H. Williams
January 9, 2018 Director

EXHIBITS

3.1	Certificate of Incorporation, as amended. (Incorporated by reference to Form 10-Q for the fiscal quarter ended July 31, 1992 and Form S-3, dated February 11, 2014.)
3.2	Amendment to the Certificate of Incorporation. (Incorporated by reference to Form 10-K for the fiscal year ended October 31, 2013.)
3.3	Certificate of Amendment to the Certificate of Incorporation. (Incorporated by reference to Exhibit 3.1 on Form 8-K, dated September 4, 2014.)
3.4	Certificate of Designations, Preferences and Rights of Series A Convertible Preferred Stock. (Incorporated by reference to Exhibit 3.1 of our Form 8-K, dated September 10, 2014.)
3.5	Amended and Restated By-laws. (Incorporated by reference to Exhibit 3.1 to our Form 8-K dated, November 8, 2012.)
3.6	Certificate of Amendment to the Certificate of Incorporation (Incorporated by reference to Exhibit 3.1 on Form 8-K, dated June 25, 2015.)
4.1	Form of Warrant issued to investors in connection with the Company's registered direct offering. (Incorporated by reference to Exhibit 4.1 to Form 8-K, dated July 15, 2014.)
4.2	Form of Warrant to be issued to Adaptive Capital LLC (Incorporated by reference to Exhibit 4.2 to our Form 10-K, dated December 7, 2016.).
10.1	2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4 to our Form S-8 dated May 5, 2003.)
10.2	Amendment No. 1 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4(e) to our Form S-8 dated November 9, 2004.)
10.3	Amendment No. 2 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2006.)
10.4	Amendment No. 3 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2006.)
10.5	Amendment No. 4 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4(g) to our Form S-8 dated September 21, 2007.)
10.6	Amendment No. 5 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 4(g) to our Form S-8 dated January 21, 2009.)
10.7	Amendment No. 6 to the 2003 Share Incentive Plan. (Incorporated by reference to Exhibit 10.5 to our Form 8-K, dated July 20, 2010.)
10.8	2010 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Form 8-K, dated July 20, 2010.)
10.9	Amendment No. 1 to the 2010 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Form 8-K, dated July 7, 2011.)
10.10	Amendment No. 2 to the 2010 Share Incentive Plan. (Incorporated by reference to Exhibit 10.1 to our Form 8-K, dated September 5, 2012.)
10.11	Amendment No. 3 to the 2010 Share Incentive Plan (Incorporated by reference to Exhibit 10.1 to our Form 10-Q for the fiscal quarter ended January 31, 2014.)
10.12	Consulting Agreement, dated as of September 19, 2012, between the Company and Amit Kumar. (Incorporated by reference to Exhibit 10.37 to our Form 10-K for the fiscal year ended October 31, 2012.) (Portions of Section 4 of this exhibit have been redacted and filed separately with the Commission in accordance with a request for, and related Order by the Commission, dated May 3, 2013, File No. 0-11254-CF#29240, granting confidential treatment for portions of Section 4 of this exhibit to pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.)

10.13	Letter Agreement, dated October 17, 2016, between the Company and Mike Catelani. (Incorporated by reference to Exhibit 10.21 to our Form 10-K, dated December 7, 2016.)
10.14	License Agreement, dated November 13, 2017, between Certainty Therapeutics, Inc. and The Wistar Institute of Anatomy and Biology. (Filed herewith) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission)
10.15	Collaboration Agreement, dated November 17, 2017, between Certainty Therapeutics, Inc. and H. Lee Moffitt Cancer Center and Research Institute, Inc. (Filed herewith) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission)
21	Subsidiaries of ITUS Corporation. (Filed herewith.)
23.1	Consent of Haskell & White LLP. (Filed herewith.)
31.1	Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated January 9, 2018. (Filed herewith.)
31.2	Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated January 9, 2018. (Filed herewith.)
32.1	Statement of Chief Executive Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated January 9, 2018. (Furnished herewith.)
32.2	Statement of Chief Financial Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated January 9, 2018. (Furnished herewith.)
99.1	Collaborative Research Agreement, dated July 14, 2015, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology (Incorporated by reference to Exhibit 99.1 to our Form 10-K, dated December 7, 2016.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)
99.2	First Amendment to The Collaborative Research Agreement, dated August 4, 2016, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology (Incorporated by reference to Exhibit 99.2 to our Form 10-K, dated December 7, 2016.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)
99.3	Second Amendment to The Collaborative Research Agreement, dated August 1, 2017, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology (Filed herewith.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)
99.4	Collaborative Research Agreement, dated August 4, 2016, between Anixa Diagnostic Corporation and The Wistar Institute of Anatomy and Biology. (Incorporated by reference to Exhibit 99.2 to our Form 10-K, dated December 7, 2016.) (Portions of this exhibit have been redacted pursuant to a request for confidential treatment. The redacted portions have been separately filed with the Securities and Exchange Commission.)

Table of Contents

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2017

Additional information required by schedules called for under Regulation S-X is either not applicable or is included in the consolidated financial statements or notes thereto.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
ITUS Corporation

We have audited the accompanying consolidated balance sheets of ***ITUS Corporation*** (the "Company") as of October 31, 2017 and 2016, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the years ended October 31, 2017 and 2016. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company has determined that it is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of October 31, 2017 and 2016, and the consolidated results of its operations and its cash flows for each of the years ended October 31, 2017 and 2016, in conformity with accounting principles generally accepted in the United States.

/s/ Haskell & White LLP
HASKELL & WHITE LLP

Irvine, California
January 9, 2018

ITUS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	October 31, 2017	October 31, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,339,374	$ 2,488,323
Short–term investments in certificates of deposit	3,500,000	750,000
Prepaid expenses and other current assets	174,566	162,069
Total current assets	7,013,940	3,400,392
Patents, net of accumulated amortization of $1,290,336 and $965,040, respectively	1,745,775	2,071,071
Property and equipment, net of accumulated depreciation of $35,725 and $46,950, respectively	52,701	156,644
Total assets	$ 8,812,416	$ 5,628,107
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 480,324	$ 373,224
Accrued expenses	409,169	95,532
Total current liabilities	889,493	468,756
Patent acquisition obligation (Note 4)	-	4,171,876
Total liabilities	889,493	4,640,632
Commitments and contingencies (Notes 6 and 7)		
Shareholders' equity:		
Preferred stock, par value $100 per share; 19,860 shares authorized; no shares issued or outstanding	-	-
Series A convertible preferred stock, par value $100 per share; 140 shares authorized, -0- and 140 shares issued and outstanding at October 31, 2017 and 2016, respectively	-	14,000
Common stock, par value $.01 per share; 24,000,000 shares authorized; 16,602,759 and 8,752,387 shares issued and outstanding at October 31, 2017 and 2016, respectively	166,028	87,524
Additional paid-in capital	163,931,079	152,051,144
Accumulated deficit	(156,174,184)	(151,165,193)
Total shareholders' equity	7,922,923	987,475
Total liabilities and shareholders' equity	$ 8,812,416	$ 5,628,107

The accompanying notes are an integral part of these statements.

ITUS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the years ended October 31,	
	2017	2016
Revenue	$ 362,500	$ 300,000
Operating costs and expenses:		
Inventor royalties and contingent legal fees	91,451	111,192
Litigation and licensing expenses	13,105	106,224
Amortization of patents	325,296	325,296
Research and development expenses (including non-cash stock option compensation expenses of $288,187 and $259,930, respectively)	1,597,550	1,556,459
Marketing, general and administrative expenses (including non-cash stock option compensation expense of $934,585 and $613,631, respectively)	4,410,682	2,709,841
Total operating costs and expenses	6,438,084	4,809,012
Loss from operations	(6,075,584)	(4,509,012)
Gain on extinguishment of patent acquisition obligation (Note 4)	1,547,608	-
Interest expense (Notes 4 and 5)	(500,455)	(519,946)
Interest income	19,440	12,530
Loss before income taxes	(5,008,991)	(5,016,428)
Provision for income taxes (Note 7)	-	-
Net loss	(5,008,991)	(5,016,428)
Deemed dividend to preferred stockholder (Note 5)	(2,008,775)	-
Net loss attributable to common stockholders	$ (7,017,766)	$ (5,016,428)
Net loss per share:		
Basic and diluted	$ (0.58)	$ (0.57)
Weighted average common shares outstanding:		
Basic and diluted	12,197,340	8,739,453

The accompanying notes are an integral part of these statements.

ITUS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED OCTOBER 31, 2017 and 2016

	Series A Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Shareholders' Equity
	Shares	Par Value	Shares	Par Value			
BALANCE, October 31, 2015	140	$ 14,000	8,724,878	$ 87,249	$ 151,101,117	$ (146,148,765)	$ 5,053,601
Stock option compensation to employees and consultants	-	-	-	-	873,561	-	873,561
Common stock issued upon exercise of stock options	-	-	12,676	127	33,454	-	33,581
Common stock issued to consultants	-	-	10,833	108	31,252	-	31,360
Common stock issued to acquire patents	-	-	4,000	40	11,760	-	11,800
Net Loss	-	-	-	-	-	(5,016,428)	(5,016,428)
BALANCE, October 31, 2016	140	14,000	8,752,387	87,524	152,051,144	(151,165,193)	987,475
Stock option compensation to employees and consultants	-	-	-	-	1,222,772	-	1,222,772
Common stock issued upon exercise of stock options	-	-	40,220	402	6,871	-	7,273
Common stock issued to consultants and directors	-	-	209,463	2,095	484,329	-	486,424
Redemption of convertible preferred stock	(140)	(14,000)	-	-	(3,486,000)	-	(3,500,000)
Common stock issued to repay patent acquisition obligation	-	-	947,606	9,476	2,842,818	-	2,852,294
Common stock issued in shareholder rights offering	-	-	1,989,207	19,892	4,183,410	-	4,203,302
Common stock issued in registered direct offering	-	-	3,425,376	34,254	3,177,534	-	3,211,788
Common stock issued in at-the-market offering	-	-	1,238,500	12,385	3,448,201	-	3,460,586
Net Loss	-	-	-	-	-	(5,008,991)	(5,008,991)
BALANCE, October 31, 2017	-	$ -	16,602,759	$ 166,028	$ 163,931,079	$ (156,174,184)	$ 7,922,923

The accompanying notes are an integral part of this statement.

ITUS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended October 31,	
	2017	2016
Cash flows from operating activities:		
Net loss	$ (5,008,991)	$ (5,016,428)
Stock option compensation to employees and consultants	1,222,772	873,561
Common stock issued to consultants and directors	486,424	31,360
Amortization of patents	325,296	325,296
Accretion of interest on patent acquisition obligations to interest expense	228,026	519,946
Common stock issued to acquire patent license	-	11,800
Depreciation and amortization of property and equipment	43,216	33,333
Loss on disposal of property and equipment	45,915	-
Gain on extinguishment of patent acquisition obligation	(1,547,608)	-
Change in operating assets and liabilities:		
Prepaid expenses and other current assets	(12,497)	(35,541)
Accounts payable	107,100	(1,479)
Accrued expenses	313,637	89,470
Royalties and contingent legal fees payable	-	(213,017)
Net cash used in operating activities	(3,796,710)	(3,381,699)
Cash flows from investing activities:		
Disbursements to acquire short-term investments in certificates of deposit	(5,501,000)	(1,900,000)
Proceeds from maturities of short-term investments in certificates of deposit	2,751,000	3,550,000
Proceeds from sale of property and equipment	45,000	-
Purchase of property and equipment	(30,188)	(146,521)
Net cash (used in) provided by investing activities	(2,735,188)	1,503,479
Cash flows from financing activities:		
Proceeds from sale of common stock in shareholder rights offering	4,203,302	-
Proceeds from sale of common stock in registered direct offering	3,211,788	-
Proceeds from sale of common stock in at-the-market offering	3,460,586	-
Redemption of convertible preferred stock	(500,000)	-
Payments made on secured debenture	(3,000,000)	-
Proceeds from exercise of employee stock options	7,273	33,581
Royalty payment applied to patent acquisition obligation	-	(36,257)
Net cash provided by (used in) financing activities	7,382,949	(2,676)
Net increase (decrease) in cash and cash equivalents	851,051	(1,880,896)
Cash and cash equivalents at beginning of year	2,488,323	4,369,219
Cash and cash equivalents at end of year	$ 3,339,374	$ 2,488,323
Supplemental cash flow information:		
Cash payments for interest	$ 272,429	$ -
Supplemental disclosure of non-cash financing activities:		
Redemption of Series A convertible preferred stock into secured debenture (Note 5)	$ 3,000,000	$ -
Common stock issued to pay patent acquisition obligation (Note 4)	$ 2,852,294	$ -

The accompanying notes are an integral part of these statements.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS AND FUNDING

Description of Business

As used herein, "we," "us," "our," the "Company" or "ITUS" means ITUS Corporation and its wholly-owned subsidiaries. From inception through October 2012, our primary operations involved the development of patented technologies in the areas of thin-film displays and encryption. Commencing in October 2012 the primary operations of the Company involved the development, acquisition, licensing, and enforcement of patented technologies that were either owned or controlled by the Company.

In June of 2015, the Company announced the formation of a new subsidiary, Anixa Diagnostics Corporation ("Anixa"), to develop a platform for non-invasive blood tests for the early detection of cancer. That platform is called CchekÔ. In July of 2015, ITUS announced a collaborative research agreement with The Wistar Institute ("Wistar"), the nation's first independent biomedical research institute and a leading National Cancer Institute designated cancer research center, for the purpose of validating our cancer detection methodologies and establishing protocols for identifying certain biomarkers in the blood which we identified and which are known to be associated with malignancies. In August of 2016 and again in August of 2017, ITUS announced the renewal and expansion of our relationship with Wistar.

From October of 2015 through January of 2017, ITUS announced that we had demonstrated the efficacy of our Cchek Ô early cancer detection platform with 15 different types of cancer, including: breast, lung, colon, melanoma, ovarian, liver, thyroid, pancreatic, appendiceal, uterine, osteosarcoma, leiomyosarcoma, liposarcoma, vulvar and prostate. Breast, lung, colon and prostate cancers represent the four largest categories of cancer worldwide.

In November of 2017, the Company announced the formation of a new subsidiary, Certainty Therapeutics, Inc. ("Certainty"), to develop immuno-therapy drugs against cancer. Certainty entered into a license agreement with Wistar pursuant to which Certainty was granted an exclusive worldwide, royalty-bearing license to use certain intellectual property owned or controlled by Wistar relating to Wistar's chimeric endocrine receptor targeted therapy technology (such technology being akin to chimeric antigen receptor T-cell ("CAR-T") technology). We plan to initially focus on the development of a treatment for ovarian cancer, but we also may pursue future applications of the technology for the development of treatments for additional solid tumors.

On November 20, 2017, we announced that Certainty entered into a collaboration agreement with the H. Lee Moffitt Cancer Center and Research Institute, Inc. ("Moffitt") to advance toward human clinical testing the CAR-T technology licensed by Certainty from Wistar aimed initially at treating ovarian cancer. Certainty intends to work with researchers at Moffitt to complete studies necessary to submit an Investigational New Drug application with the U.S. Food and Drug Administration.

Over the next several quarters, we expect Cchek™ and Certainty's ovarian cancer treatment to be the primary focus of the Company. As part of our legacy operations, the Company remains engaged in limited patent licensing activities in the area of encrypted audio/video conference calling. We do not expect these activities to be a significant part of the Company's ongoing operations nor do we expect these activities to require material financial resources or attention of senior management.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Over the past several quarters, our revenue was derived from technology licensing and the sale of patented technologies, including revenue from the settlement of litigation. In addition to Anixa and Certainty, the Company may make investments in and form new companies to develop additional emerging technologies.

Funding

As of the date of filing of our last annual report on Form 10-K, there was substantial doubt about our ability to continue as a going concern due to the limited amount of cash, cash equivalents and short-term investments we held as compared to our projected cash needs for the ensuing 12 months. We evaluated our cash position and future plans for the Company and embarked on a plan to ensure we had sufficient resources to execute our plans. Accordingly, over the past twelve months, we raised nearly $12 million through multiple financing arrangements, including a shareholder rights offering, a registered direct offering, and an at-the-market equity offering, and satisfied debt obligations through payments of cash and common stock. With no significant debt and approximately $6.8 million in cash, cash equivalents and short-term investments as of October 31, 2017, we believe that we have alleviated substantial doubt about our ability to continue as a going concern.

Based on currently available information as of January 9, 2018, we believe that our existing cash, cash equivalents, short-term investments and expected cash flows will be sufficient to fund our activities for the next 12 months. However, our projections of future cash needs and cash flows may differ from actual results. If current cash on hand, cash equivalents, short term investments and cash that may be generated from our business operations are insufficient to continue to operate our business, or if we elect to invest in or acquire a company or companies that are synergistic with or complimentary to our technologies, we may be required to obtain more working capital. We may seek to obtain working capital during our fiscal year ended 2018 or thereafter through sales of our equity securities or through bank credit facilities or public or private debt from various financial institutions where possible. We cannot be certain that additional funding will be available on acceptable terms, or at all. If we do identify sources for additional funding, the sale of additional equity securities or convertible debt could result in dilution to our stockholders. Additionally, the sale of equity securities or issuance of debt securities may be subject to certain security holder approvals or may result in the downward adjustment of the exercise or conversion price of our outstanding securities. We can give no assurance that we will generate sufficient cash flows in the future to satisfy our liquidity requirements or sustain future operations, or that other sources of funding, such as sales of equity or debt, would be available or would be approved by our security holders, if needed, on favorable terms or at all. If we fail to obtain additional working capital as and when needed, such failure could have a material adverse impact on our business, results of operations and financial condition. Furthermore, such lack of funds may inhibit our ability to respond to competitive pressures or unanticipated capital needs, or may force us to reduce operating expenses, which would significantly harm the business and development of operations.

During the year ended October 31, 2017, cash used in operating activities was approximately $3,797,000. Cash used in investing activities was approximately $2,735,000, resulting from the purchase of certificates of deposit totaling $5,501,000 which was offset by the proceeds on maturities of certificates of deposit totaling $2,751,000 and the sale of property and equipment of $45,000 offset by the purchase of property and equipment of approximately $30,000. Cash provided by financing activities was approximately $7,383,000, resulting from the sale of common stock in a shareholder rights offering, an at-the-market offering and a registered direct offering of approximately $4,203,000, $3,461,000 and $3,212,000, respectively, and the proceeds from exercise of stock options of approximately $7,000, offset by payments made on a secured debenture of $3,000,000 and redemption of convertible preferred stock of $500,000. As a result, our cash, cash equivalents, and short-term investments at October 31, 2017 increased approximately $3,601,000 to approximately $6,839,000 from approximately $3,238,000 at the end of fiscal year 2016.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements include the accounts of ITUS Corporation and its wholly owned subsidiaries. All intercompany transactions have been eliminated.

Revenue Recognition

Revenue is recognized when (i) persuasive evidence of an arrangement exists, (ii) all obligations have been substantially performed pursuant to the terms of the arrangement, (iii) amounts are fixed or determinable, and (iv) the collectability of amounts is reasonably assured.

Patent Licensing

In certain instances, our past revenue arrangements have provided for the payment of contractually determined fees in settlement of litigation and in consideration for the grant of certain intellectual property rights for patented technologies owned or controlled by the Company. These arrangements typically include some combination of the following: (i) the grant of a non-exclusive, retroactive and future license to manufacture and/or sell products covered by patented technologies owned or controlled by the Company, (ii) a covenant-not-to-sue, (iii) the release of the licensee from certain claims, and (iv) the dismissal of any pending litigation. In such instances, the intellectual property rights granted have been perpetual in nature, extending until the expiration of the related patents. Pursuant to the terms of these agreements, we had no further obligations. As such, the earnings process was complete and revenue has been recognized upon the execution of the agreement, when collectability was reasonably assured, and when all other revenue recognition criteria were met.

Inventor Royalties and Contingent Legal Fees

Inventor royalties and contingent legal fees are expensed in the consolidated statements of operations in the period that the related revenues are recognized.

Research and Development Expenses

Research and development expenses, consisting primarily of employee compensation, payments to third parties for research and development activities and other direct costs associated with developing a platform for non-invasive blood tests for early detection of cancer, are expensed in the consolidated financial statements in the year incurred.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Fair Value Measurements

Accounting Standards Codification ("ASC") 820 "Fair Value Measurements and Disclosures" ("ASC 820") defines fair value, establishes a framework for measuring fair value under GAAP, and expands disclosures about fair value measurements. In accordance with ASC 820, we have categorized our financial assets and liabilities, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy as set forth below. If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded in the accompanying consolidated balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1 - Financial instruments whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market which we have the ability to access at the measurement date.

Level 2 - Financial instruments whose values are based on quoted market prices in markets where trading occurs infrequently or whose values are based on quoted prices of instruments with similar attributes in active markets.

Level 3 – Financial instruments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the instrument.

The following table presents the hierarchy for our financial assets measured at fair value on a recurring basis as of October 31, 2017:

	Level 1	Level 2	Level 3	Total
Money market funds – Cash and cash equivalents	$ 3,079,282	$ -	$ -	$ 3,079,282
Certificates of deposit - Short term investments	-	3,500,000	-	3,500,000
Total financial assets	$ 3,079,282	$ 3,500,000	$ -	$ 6,579,282

The following table presents the hierarchy for our financial assets measured at fair value on a recurring basis as of October 31, 2016:

	Level 1	Level 2	Level 3	Total
Money market funds – Cash and cash equivalents	$ 1,899,136	$ -	$ -	$ 1,899,136
Certificates of deposit - Short term investments	-	750,000	-	750,000
Total financial assets	$ 1,899,136	$ 750,000	$ -	$ 2,649,136

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table presents the hierarchy for our financial liabilities measured at fair value on the transaction date and then adjusted for the subsequent accretion of interest, as of October 31, 2016:

	Level 1	Level 2	Level 3	Total
Patent acquisition obligation	-	-	$ 4,171,876	$ 4,171,876

The following table sets forth a summary of the changes in the fair value of the Company's Level 3 financial liabilities that are measured at fair value on a recurring basis:

Patent acquisition obligation:	
Balance October 31, 2015	$ 3,688,187
Accretion of interest on patent obligation	519,946
Royalty payment applied to patent acquisition obligation	(36,257)
Balance October 31, 2016	4,171,876
Accretion of interest on patent obligation	228,026
Extinguishment of patent obligation	(4,399,902)
Balance October 31, 2017	$ -

Our non-financial assets that are measured on a non-recurring basis include our patents and property and equipment which are measured using fair value techniques whenever events or changes in circumstances indicate a condition of impairment exists. The estimated fair value of prepaid expenses, accounts payable and accrued expenses approximates their individual carrying amounts due to the short-term nature of these measurements.

Cash and Cash Equivalents

Cash equivalents consists of highly liquid, short-term investments with original maturities of three months or less when purchased.

Short-term Investments

At October 31, 2017 and 2016, we had certificates of deposit with maturities greater than 90 days and less than 12 months when acquired of $3,500,000 and $750,000, respectively, that were classified as short-term investments and reported at fair value.

Patents

Our only identifiable intangible assets are patents and patent rights. We capitalize patent and patent rights acquisition costs and amortize the cost over the estimated economic useful life. No patent acquisition costs were capitalized during the years ended October 31, 2017 and 2016. We recorded patent amortization expense of approximately $325,000 and $325,000 during the years ended October 31, 2017 and 2016, respectively.

Impairment

Long-lived assets, including intangible assets that are amortized, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company evaluates potential impairment by comparing the carrying amount of the assets with the estimated undiscounted future cash flows associated with them. Should the analysis indicate that an asset is not recoverable, the carrying value of the asset would be reduced to fair value and a corresponding charge would be recognized.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Intangible assets that are not amortized are reviewed for impairment at least annually. The Company evaluates potential impairment by comparing the carrying amount of the asset with its estimated fair value. Should the carrying amount exceed the estimated fair value, a corresponding charge would be recognized for the difference.

Income Taxes

We recognize deferred tax assets and liabilities for the estimated future tax effects of events that have been recognized in our financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Stock-Based Compensation

We maintain stock equity incentive plans under which we may grant non-qualified stock options, incentive stock options, stock appreciation rights, stock awards, performance and performance-based awards, or stock units to employees, non-employee directors and consultants.

Stock Option Compensation Expense

We account for stock options granted to employees and directors using the accounting guidance in ASC 718 “Stock Compensation” (“ASC 718”). In accordance with ASC 718, we estimate the fair value of service based options and performance based options on the date of grant, using the Black-Scholes pricing model. For options vesting if the trading price of the Company’s common stock achieves a defined target, we use a Monte Carlo simulation in estimating the fair value at grant date. We recognize compensation expense for stock option awards over the requisite or implied service period of the grant. With respect to performance based awards, compensation expense is recognized when the performance target is deemed probable. We recorded stock-based compensation expense, related to stock options granted to employees and directors, of approximately $1,223,000 and $874,000, during the years ended October 31, 2017 and 2016, respectively.

Included in stock-based compensation cost for employees and directors during the years ended October 31, 2017 and 2016 was approximately $967,000 and $393,000, respectively, related to the amortization of compensation cost for stock options granted in prior periods but not yet vested. As of October 31, 2017, there was unrecognized compensation cost related to non-vested stock options granted to employees and directors, related to service based options of approximately $1,091,000, which will be recognized over a weighted-average period of 1.7 years.

We account for stock options granted to consultants using the accounting guidance included in ASC 505-50 “Equity-Based Payments to Non-Employees” (“ASC 505-50”). In accordance with ASC 505-50, we estimate the fair value of service based stock options and performance based options at each reporting period, using the Black-Scholes pricing model. For options vesting if the trading price of the Company’s common stock achieves a defined target we estimate the fair value at each reporting period using a Monte Carlo simulation. We recognize compensation expense for service based stock options and options subject to market conditions over the requisite or implied service period of the grant. For performance based awards, compensation expense is recognized when the performance target is achieved.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

We recorded consulting expense, related to stock options granted to consultants, during the years ended October 31, 2017 and 2016 of approximately $3,000 and $-0-, respectively. Stock-based consulting expense for the years ended October 31, 2017 and 2016 did not include any amortization of compensation cost for stock options granted in prior periods but vested in the current period. As of October 31, 2017, there was unrecognized consulting expense related to non-vested stock options granted to consultants, related to service based options of approximately $44,000, which will be recognized over a weighted-average period of 2.1 years.

Fair Value Determination

We use the Black-Scholes pricing model in estimating the fair value of stock options which vest over a specific period of time. The stock options we granted during the year ended October 31, 2017 consisted of awards with 10-year terms that vest over 6 to 48 months. The stock options we granted during the year ended October 31, 2016 consisted of awards with 10-year terms that vest over 6 to 36 months

The following weighted average assumptions were used in estimating the fair value of stock options granted during the years ended October 31, 2017 and 2016:

	For the Year Ended October 31,	
	2017	2016
Weighted average fair value at grant date	$1.72	$2.84
Valuation assumptions:		
Expected life (years)	5.63	5.70
Expected volatility	119.2%	181.1%
Risk-free interest rate	1.94%	1.26%
Expected dividend yield	0%	0%

The expected term of stock options represents the weighted average period the stock options are expected to remain outstanding. We use the simplified method, which is a weighted average of the vesting term and contractual term, to determine expected term. The simplified method was adopted since we do not believe that historical experience is representative of future performance because of the impact of the changes in our operations and the change in terms from historical options which vested immediately to terms including vesting periods of up to three years. Under the Black-Scholes pricing model, we estimated the expected volatility of our shares of common stock based upon the historical volatility of our share price over a period of time equal to the expected term of the options. We estimated the risk-free interest rate based on the implied yield available on the applicable grant date of a U.S. Treasury note with a term equal to the expected term of the underlying grants. We made the dividend yield assumption based on our history of not paying dividends and our expectation not to pay dividends in the future.

Under ASC 718, the amount of stock-based compensation expense recognized is based on the portion of the awards that are ultimately expected to vest. Accordingly, if deemed necessary, we reduce the fair value of the stock option awards for expected forfeitures, which are forfeitures of the unvested portion of surrendered options. Based on our historical experience and future expectations, we have not reduced the amount of stock-based compensation expenses for anticipated forfeitures.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

We will reconsider use of the Black-Scholes pricing model if additional information becomes available in the future that indicates another model would be more appropriate. If factors change and we employ different assumptions in the application of ASC 718 in future periods, the compensation expense that we record under ASC 718 may differ significantly from what we have recorded in the current period.

Net Loss Per Share of Common Stock

In accordance with ASC 260, “Earnings Per Share”, basic net loss per common share (“Basic EPS”) is computed by dividing net loss by the weighted average number of common shares outstanding. Diluted net loss per common share (“Diluted EPS”) is computed by dividing net loss by the weighted average number of common shares and dilutive common share equivalents and convertible securities then outstanding. Diluted EPS for all years presented is the same as Basic EPS, as the inclusion of the effect of common share equivalents then outstanding would be anti-dilutive. For this reason, excluded from the calculation of Diluted EPS for the years ended October 31, 2017 and 2016, were options to purchase 3,447,846 and 3,086,472 shares, respectively, warrants to purchase 829,400 shares and 707,379 shares, respectively, preferred stock convertible into -0- and 739,958 shares, respectively.

Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are used for, but not limited to, determining stock-based compensation, asset impairment evaluations, tax assets and liabilities, license fee revenue, the allowance for doubtful accounts, depreciation lives and other contingencies. Actual results could differ from those estimates.

Effect of Recently Issued Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2014-09 (“ASU 2014-09”), Revenue from Contracts with Customers. This amendment updates addressing revenue from contracts with customers, which clarifies existing accounting literature relating to how and when a company recognizes revenue. Under the standard, a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. This standard update is effective for interim and annual reporting periods beginning after December 15, 2016, and were to be applied retrospectively or the cumulative effect as of the date of adoption, with early application not permitted. In July 2015, a one-year deferral of the effective date of the new guidance was approved. We do not expect the adoption of ASU 2014-09 to have a material impact on our consolidated financial statements and related disclosures.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In August 2014, the FASB issued Accounting Standards Update 2014-15 ("ASU 2014-15"). This amendment requires management to assess an entity's ability to continue as a going concern every reporting period including interim periods, and to provide related footnote disclosure in certain circumstances. Adoption of this standard is required for annual periods ending after December 15, 2016 and are to be applied retrospectively or the cumulative effect as of the date of adoption. We have provided additional footnote disclosure to our consolidated financial statements in accordance with ASU 2014-15 upon adoption of this amendment.

In November 2015, the FASB issued Accounting Standards Update 2015-17 ("ASU 2015-17") to simplify the presentation of deferred taxes. This amendment requires that all deferred tax assets and liabilities, along with any related valuation allowances, be classified as noncurrent on the balance sheet. Adoption of this standard is required for annual periods beginning after December 15, 2016. We do not anticipate that the adoption of this amendment will have an impact on our consolidated financial statements and related disclosures as we currently do not present deferred tax assets or liabilities.

In February 2016, the FASB issued Accounting Standards Update 2016-02 ("ASU 2016-02") which requires lessees to recognize most leases on the balance sheet. This is expected to increase both reported assets and liabilities. The new lease standard does not substantially change lessor accounting. For public companies, the standard will be effective for the first interim reporting period within annual periods beginning after December 15, 2018, although early adoption is permitted. Lessees and lessors will be required to apply the new standard at the beginning of the earliest period presented in the financial statements in which they first apply the new guidance, using a modified retrospective transition method. The requirements of this standard include a significant increase in required disclosures. We began a detailed assessment of the impact that this guidance will have on our consolidated financial statements and related disclosures, and our analysis is currently ongoing.

In March 2016, the FASB issued Accounting Standards Update 2016-09 ("ASU 2016-09") that changes the accounting for certain aspects of share-based payments to employees. The new guidance requires all income tax effects of awards to be recognized in the income statement when the awards vest or are settled. It also allows an employer to repurchase more of an employee's shares than it can today for tax withholding purposes without triggering liability accounting and to make a policy election for forfeitures as they occur. The guidance is effective for public business entities for fiscal years beginning after December 15, 2016, and interim periods within those years. We adopted ASU 2016-09 on November 1, 2017. We do not expect the adoption of this new guidance to have a material impact on our consolidated financial statements and related disclosures.

In May 2017, the FASB issued Accounting Standards Update 2017-09 ("ASU 2017-09") that provides guidance on determining which changes to the terms and conditions of share-based payment awards require an entity to apply modification accounting. This update is effective for all entities for fiscal years beginning after December 15, 2017, and interim periods within those years. Early adoption is permitted. We began a detailed assessment of the impact that this guidance will have on our consolidated financial statements and related disclosures, and our analysis is ongoing.

In July 2017, the FASB issued Accounting Standards Update 2017-11 ("ASU 2017-11") which changes the accounting for equity instruments that include a down round feature. For public entities, this update is effective for fiscal years beginning after December 15, 2018, and interim periods within those years. Early adoption is permitted. We do not anticipate the adoption of this amendment will have an impact on our consolidated financial statements and related disclosures as we currently do not have any such equity instruments.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Concentration of Credit Risks

Financial instruments that potentially subject us to concentrations of credit risk are cash equivalents, short-term investments and accounts receivable. Cash equivalents are primarily highly rated money market funds. Short-term investments are certificates of deposit within federally insured limits. Where applicable, management reviews our accounts receivable and other receivables for potential doubtful accounts and maintains an allowance for estimated uncollectible amounts. Our policy is to write-off uncollectable amounts at the time it is determined that collection will not occur.

One licensee accounted for 100% of revenues from patent licensing activities during fiscal year 2017. Two licensees accounted for 67% and 33%, respectively, of revenues from patent licensing activities during fiscal year 2016.

3. ACCRUED EXPENSES

Accrued liabilities consist of the following as of:

	October 31,	
	2017	2016
Accrued severance costs	$ 237,563	$ -
Payroll and related expenses	51,643	49,901
Accrued other	119,963	45,631
	$ 409,169	$ 95,532

4. PATENT ACQUISITION OBLIGATION

In November 2013, we incurred a patent acquisition obligation due no later than November 2017 related to the acquisition of patents. The payment due in November 2017 was payable at the option of the Company in cash or common stock. We recorded interest expense of approximately $228,000 and $520,000, respectively, for the years ended October 31, 2017 and 2016, for the accretion of interest on patent acquisition obligation.

On March 27, 2017, the Company issued 947,606 shares of common stock in satisfaction of the obligation. The carrying value of the patent acquisition obligation at the date of extinguishment was approximately $4,400,000. The fair value of the shares of common stock issued to satisfy the obligation on the date of extinguishment was approximately $2,843,000, resulting in the recognition of a gain on the debt extinguishment of approximately $1,548,000.

5. SHAREHOLDERS' EQUITY

Common Stock Issuances

We account for stock granted to employees, directors and consultants based on the grant date market price of the underlying common stock. During the years ended October 31, 2017 and 2016, we issued 9,463 shares and 10,833 shares, respectively, of common stock to consultants for services rendered. We recorded consulting expense for the years ended October 31, 2017 and 2016 of approximately $32,000 and $31,000, respectively, for shares of common stock issued to consultants. During the year ended October 31, 2017 we issued 200,000 shares to directors for services rendered and recorded expense of $454,000.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Stock Option Plans

As of October 31, 2017, we have two stock option plans: the ITUS Corporation 2003 Share Incentive Plan (the "2003 Share Plan") and the ITUS Corporation 2010 Share Incentive Plan (the "2010 Share Plan") which were adopted by our Board of Directors on April 21, 2003 and July 14, 2010, respectively.

The 2003 Share Plan provided for the grant of nonqualified stock options, stock appreciation rights, stock awards, performance awards and stock units to key employees and consultants. The 2003 Share Plan was administered by the Board of Directors or committees thereof, which determined the option price, term and provisions of each option. The exercise price with respect to all of the options granted under the 2003 Share Plan since its inception was equal to the fair market value of the underlying common stock at the grant date. In accordance with the provisions of the 2003 Share Plan, the plan terminated with respect to the grant of future options on April 21, 2013.

Information regarding the 2003 Share Plan for the two years ended October 31, 2017 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options Outstanding at October 31, 2015	366,200	$ 17.86	
Exercised	(11,080)	$ 2.58	
Forfeited	(129,520)	$ 17.72	
Options Outstanding at October 31, 2016	225,600	$ 18.69	
Exercised	(5,800)	$ 1.39	
Forfeited	(189,200)	$ 21.55	
Options Outstanding and Exercisable at October 31, 2017	30,600	$ 3.16	$ 20,148

The following table summarizes information about stock options outstanding and exercisable under the 2003 Share Plan as of October 31, 2017:

Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$ 0.67 - $ 17.50	30,600	1.13	$3.16

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The 2010 Share Plan provides for the grant of nonqualified stock options, stock appreciation rights, stock awards, performance awards and stock units to key employees and consultants. On the first business day of each calendar year the maximum aggregate number of shares available for future issuance is replenished such that 800,000 shares are available. The 2010 Share Plan is administered by the Board of Directors or committees thereof, which determines the option price, term and provisions of each option. The exercise price with respect to all of the options granted under the 2010 Share Plan was equal to the fair market value of the underlying common stock at the grant date. As of October 31, 2017, the 2010 Share Plan had 69,226 shares available for future grants.

Information regarding the 2010 Share Plan as of October 31, 2017 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options Outstanding at October 31, 2015	526,272	$ 3.33	
Granted	557,000	$ 2.92	
Exercised	(2,400)	$ 4.25	
Options Outstanding at October 31, 2016	1,080,872	$ 3.12	
Granted	682,000	$ 2.03	
Exercised	(44,400)	$ 0.67	
Forfeited	(81,226)	$ 6.20	
Options Outstanding at October 31, 2017	1,637,246	$ 1.50	$ 1,381,380
Options Exercisable at October 31, 2017	909,024	$ 1.72	$ 721,433

The following table summarizes information about stock options outstanding under the 2010 Share Plan as of October 31, 2017:

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$0.67	1,001,000	8.14	$0.67	522,778	7.09	$0.67
$2.27 - $7.00	636,246	6.69	$2.80	386,246	4.62	$3.14

In addition to options granted under the 2003 Share Plan and the 2010 Share Plan, during the years ended October 31, 2012 and 2013, the Board of Directors approved the grant of stock options to purchase 1,660,000 shares and 120,000 shares, respectively.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Information regarding stock options that were not granted under the 2003 Share Plan or the 2010 Share Plan for the two years ended October 31, 2017 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options Outstanding and exercisable at October 31, 2016	1,780,000	$ 2.70	
Options Outstanding and exercisable at October 31, 2017	1,780,000	$ 1.58	$ 1,443,480

The following table summarizes information about stock options outstanding and exercisable that were not granted under the 2003 Share Plan or the 2010 Share Plan as of October 31, 2017:

Range of Exercise Prices	Number Outstanding and Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$0.67	1,046,000	4.91	$0.67
$ 2.58 - $ 5.56	734,000	4.36	$2.88

Re-Priced Stock Options

On September 6, 2017 the Board of Directors re-priced 2,029,600 issued and outstanding stock options (the "Re-Priced Options") for all of the officers, directors and employees of the Company. The new exercise price of the Re-Priced Options is $0.67, the closing sales price of the Company's common stock on September 6, 2017. All other terms of the previously granted Re-Priced Options remain the same. The Company recorded additional stock-based compensation of approximately $261,000, as of September 6, 2017, related to this re-pricing. This amount was determined to be the incremental value of the fair value of the Re-Priced Options compared to the fair value of the original option immediately before the re-pricing. Accordingly, 18,200 stock options in the 2003 Share Plan with exercise prices of $2.58, 965,400 stock options in the 2010 Share Plan with exercise prices ranging from $0.82 to $5.30 and 1,046,000 stock options that were not granted under the 2003 Share Plan or the 2010 Share plan with exercise prices of $2.58, were re-priced.

Preferred Stock

On November 11, 2016, the holder of all our outstanding Series A Preferred Stock (the "Series A Preferred") with an aggregate stated value of $3,500,000 exercised its right of redemption to receive such amount from proceeds from the sale of the Company's equity securities. On December 6, 2016, we entered into an agreement with the holder of the Series A Preferred setting forth the terms under which such redemption would take place (the "Series A Redemption Terms"). Pursuant to the Series A Redemption Terms, on December 9, 2016 the holder of the Series A Preferred received (i) $500,000 in cash, (ii) a 12% secured debenture evidencing the remaining $3,000,000 amount to be redeemed, $1,000,000 of which was due on or before June 1, 2017 and the remainder of which was due November 11, 2017 (the "Redemption Debenture"), and (iii) a 5 year warrant to purchase 500,000 shares of the Company's common stock at an exercise price equal to 10% below the thirty (30) day volume weighted average closing price of our common stock at closing (the "Redemption Warrant"). The Redemption Debenture was secured by a lien on the Company's assets and prohibited the Company from incurring any senior indebtedness other than equipment financing in connection with the Company's business. The Redemption Debenture was paid in full during fiscal year 2017. Interest expense during the year ended October 31, 2017 in connection with the Redemption Debenture was approximately $272,000.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The difference between the fair value of the consideration given to the holder of our Series A Preferred and the carrying value of the Series A Preferred represents a return to the preferred stockholder which is treated in a similar manner as that of dividends paid on preferred stock. In the redemption, the Series A Preferred holder received $500,000 in cash, the Redemption Debenture with a present value of approximately $2,999,000 and the Redemption Warrant with a fair value of approximately $2,801,000, determined using the Black Scholes pricing model, and waived the Series A Preferred's conversion right with an intrinsic value of approximately $792,000, resulting in total consideration given to the Series A Preferred holder of approximately $5,508,000. The difference between the fair value of the consideration and the $3,500,000 carrying value of the Series A Preferred resulted in a deemed dividend to the Series A Preferred holder of approximately $2,008,000.

Common Stock Purchase Warrants

As of October 31, 2017, we had warrants to purchase 10,000 shares and 10,000 shares of common stock at $9.25 and $13.875 per share, respectively, expiring on August 19, 2019, warrants to purchase 309,400 shares of common stock at $10.00 per share expiring on July 15, 2019 and warrants to purchase 500,000 shares of common stock at $5.03 per share expiring on November 30, 2021.

6. COMMITMENTS AND CONTINGENCIES

Leases

We lease approximately 2,000 square feet of office space at 3150 Almaden Expressway, San Jose, California (our principal executive offices) from an unrelated party pursuant to a lease that expires September 30, 2019. Our base rent is approximately $4,000 per month and the lease provides for annual increases of approximately 3% and an escalation clause for increases in certain operating costs. We also lease approximately 3,000 square feet of office space at 12100 Wilshire Boulevard, Los Angeles, California (our former executive offices) from an unrelated party pursuant to a lease that expires May 31, 2019. Our base rent is approximately $11,000 per month and the lease provides for annual increases of approximately 3% and an escalation clause for increases in certain operating costs.

During the fourth quarter of fiscal 2017 we vacated the office space at 12100 Wilshire Boulevard, Los Angeles, California and as of October 31, 2017 we have accrued an expense of approximately $84,000 related to future rents of the unused facilities. As of October 31, 2017, our non-cancelable operating lease commitments for the years ending October 31, 2018 and 2019 were approximately $182,000 and $125,000, respectively. Rent expense for the years ended October 31, 2017 and 2016, was approximately $229,000 and $188,000, respectively.

Litigation Matters

Other than suits we bring to enforce our patent rights we are not a party to any material pending legal proceedings other than that which arise in the ordinary course of business. We believe that any liability that may ultimately result from the resolution of these matters will not, individually or in the aggregate, have a material adverse effect on our financial position or results of operations.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. INCOME TAXES

Income tax provision (benefit) consists of the following:

	Year Ended October 31,	
	2017	2016
Federal:		
Current	$ -	$ -
Deferred	(12,534,000)	(1,631,000)
State:		
Current	-	-
Deferred	(4,351,000)	(134,000)
Adjustment to valuation allowance related to net deferred tax assets	16,885,000	1,765,000
	$ -	$ -

The tax effects of temporary differences that give rise to significant portions of the deferred tax asset, net, at October 31, 2017 and 2016, are as follows:

	2017	2016
Long-term deferred tax assets:		
Federal and state NOL and tax credit carryforwards	$ 18,961,000	$ 33,079,000
Deferred compensation	3,718,000	6,232,000
Intangibles	543,000	713,000
Other	205,000	289,000
Subtotal	23,427,000	40,313,000
Less: valuation allowance	(23,427,000)	(40,313,000)
Deferred tax asset, net	$ -	$ -

As of October 31, 2017, we had tax net operating loss and tax credit carryforwards of approximately $83,579,000 and $1,257,000, respectively, available within statutory limits (expiring at various dates between 2018 and 2037), to offset any future regular Federal corporate taxable income and taxes payable. If the tax benefits relating to deductions of option holders' income are ultimately realized, those benefits will be credited directly to additional paid-in capital. Certain changes in stock ownership can result in a limitation on the amount of net operating loss and tax credit carryovers that can be utilized each year. As of October 31, 2017, management has not determined the extent of any such limitations, if any.

As a result of the change in future Federal statutory tax rates due to the passing of the Tax Cuts and Jobs Act of 2017, management has determined that the deferred tax assets and liabilities should no longer be valued at a federal statutory rate of 34% but rather at the rate in which the benefit of the deferred tax asset or liability will be realized by the Company. As such, the Federal statutory rate used to value the Company's deferred tax assets and liabilities is 21%.

We had New York and California tax net operating loss carryforwards of approximately $72,483,000 and $9,656,000, respectively, as of October 31, 2017, available within statutory limits (expiring at various dates between 2018 and 2037), to offset future corporate taxable income and taxes payable, if any, under certain computations of such taxes.

ITUS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

We have provided a valuation allowance against our deferred tax asset due to our current and historical pre-tax losses and the uncertainty regarding their realizability. The primary differences from the Federal statutory rate of 34% and the effective rate of 0% is attributable to certain permanent differences and a change in the valuation allowance. The following is a reconciliation of income taxes at the Federal statutory tax rate to income tax expense (benefit):

	Year Ended October 31,			
	2017		2016	
Income tax benefit at U.S. Federal statutory income Tax rate	$ (1,703,000)	(34.0%)	$ (1,706,000)	(34.0%)
State income taxes	(443,000)	(8.84%)	(411,000)	(8.2%)
Permanent differences	(10,000)	(0.20%)	2,000	0.1%
Expiring net operating losses, credits and other	-	-	350,000	7.0%
Rate Changes	19,041,000	380.13%	-	-
Change in valuation allowance	(16,885,000)	(337.09%)	1,765,000	35.1%
Income tax provision	$ -	0.0%	$ -	0.0%

During the two fiscal years ended October 31, 2017, we incurred no Federal and no State income taxes. We have no unrecognized tax benefits as of October 31, 2017 and 2016 and we account for interest and penalties related to income tax matters in marketing, general and administrative expenses. Tax years to which our net operating losses relate remain open to examination by Federal authorities and other jurisdictions to the extent which the net operating losses have yet to be utilized.

Exhibit 10.14

Confidential Treatment Requested by ITUS Corporation,
IRS Employer Identification No. 11-2622630

*****CONFIDENTIAL TREATMENT REQUESTED*****

NOTE: CONFIDENTIAL TREATMENT REQUESTED WITH RESPECT TO CERTAIN PORTIONS HEREOF DENOTED WITH "[***]"

LICENSE AGREEMENT

This LICENSE AGREEMENT (the "Agreement") Is made as of the 13th day of November, 2017 (the "Effective Date"), by and between THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY, a nonprofit corporation organized and existing under the laws of the Commonwealth of Pennsylvania located at 3601 Spruce Street, Philadelphia, PA 19104 ("Wistar"), and Certainty Therapeutics, Inc., a corporation organized and existing under the laws of the State of Delaware with principal offices located at 3150 Almaden Expressway, Suite 250, San Jose, California 95118 ("Company").

BACKGROUND

WHEREAS, Wistar owns or controls certain intellectual property as specifically described in Schedule I attached hereto and incorporated herein by reference (as further defined hereinafter, the "Licensed Patents");

WHEREAS, Company is a majority owned corporation of ITUS Corporation, a corporation organized and existing under the laws of the State of Delaware with a principal place of business located at 3150 Almaden Expressway, Suite 250, San Jose, California 95118 ("ITUS");

WHEREAS, Wistar and ITUS entered into an exclusive option agreement on May 18, 2017 granting ITUS a period of time in which to **(i)** evaluate the Licensed Patents, potential products arising therefrom and markets therefor and **(ii)** elect to negotiate a license with Wistar for the use of the Licensed Patents (the " Option");

WHEREAS, in accordance with the terms and conditions set forth in the Option, Company wishes to enter into an exclusive license agreement granting to Company certain rights in and to the Licensed Patents;

WHEREAS, Company is capable of and committed to developing and commercializing products utilizing such rights;

WHEREAS, concurrent with the execution of this Agreement, Wistar will be receiving an equity interest in the Company; and

WHEREAS, Wistar is willing to grant such a license to Company, in consideration of Company's satisfaction of its obligations hereunder, and for other good and valuable consideration as set forth herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE 1 - DEFINITIONS

The following terms, as used herein, shall have the following meanings:

1.1. "Affiliate" means, when used with reference to a Person, any Person directly or indirectly controlling, controlled by or under common control with, such Person. For the purposes of this definition, "control" means the direct or indirect ownership of over fifty percent (50%) of the outstanding voting securities of a Person, or the right to receive over fifty percent (50%) of the profits or earnings of a Person, or the ability to control the decisions of a Person.

1.2. "Agreement" has the meaning set forth in the Preamble.

1.3. "Anti-Corruption Laws" shall mean any anti-bribery and anti-corruption laws, rules, regulations applicable to a party under this Agreement (each as amended from time to time) including the Prevention of Corruption Act (cap.241) of Singapore, the U.S. Anti-Kickback Law, U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010 and the OECD Convention Against the Bribery of Foreign Government Officials in International Business Transactions, together with any applicable implementing legislation, including any applicable local law addressing bribery or corruption.

1.4. "Bankruptcy Event" means, with respect to any Person, any of the following:

(i) such Person shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing;

(ii) an involuntary case or other proceeding shall be commenced against such Person seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days; or an order for relief shall be entered against such Person under the federal bankruptcy laws as now or hereafter in effect; or

(iii) a receiver or trustee shall be appointed with respect to such Person or all or substantially all of the assets of such Person.

1.5. "Bar Date" has the meaning set forth in Section 7.1.1.

1.6. "Calendar Quarter" means each three (3) month period, or any portion thereof, beginning on January 1, April 1, July 1 and October 1 of each year.

1.7. "Clinical Trials" means any administration of Licensed Products to humans for the purpose of demonstrating the safety or efficacy of the Licensed Product.

1.8. "Commercialization Plan" has the meaning set forth in Section 4.2.1.

1.9. "Company" has the meaning set forth in the Preamble.

1.10. "Company Confidential Information" has the meaning set forth in Section 8.1.1.

1.11. "Company IP" has the meaning set forth in Section 9.6(iii).

1.12. "Confidential Information" has the meaning set forth in Section 8.1.1.

1.13. "Control" or "Controlled" means, with respect to the Licensed Technical Information, possession of the ability (whether by sole, joint or other ownership interest, license or otherwise, other than pursuant to this Agreement) to, without violating the terms of any agreement with a third party, grant a license or sublicense or provide access or other rights in, to or under such Licensed Technical Information.

1.14. "Dilution Protection Cap" has the meaning set forth in Section 3.1.2(ii).

1.15. "Documentation and Approvals" has the meaning set forth in Section 9.6(i).

1.16. "EAR" or "Export Administration Regulations" has the meaning set forth in Section 4.5.2.

1.17. "Effective Date" has the meaning set forth in the Preamble.

1.18. "Equity Securities" has the meaning set forth in Section 1.1.3.1.2(v)

1.19. "First Commercial Sale" means the first sale, transfer, disposition, performance, or practice for value of a Licensed Product.

1.20. "Fully Diluted Capitalization" has the meaning set forth in Section 3.1.2(i).

1.21. "Funding Agency Interest" has the meaning set forth in Section 2.2.2.

1.22. "IND Filing" means the preparation and filing of a "Notice of Claimed Investigational Exemption for a New Drug" with the U.S. Food and Drug Administration (FDA), or any comparable filing in a foreign jurisdiction.

1.23. "Indemnified Party" and "Indemnified Parties" have the meaning set forth in Section 6.3.

1.24. "ITAR" or "International Traffic in Arms Regulations" has the meaning set forth in Section 4.5.2.

1.25. "Liability" and "Liabilities" have the meaning set forth in Section 6.2.

1.26. "Licensed Field" means chimeric endocrine receptor targeted therapy for any human therapeutic and diagnostic use.

1.27. "Licensed Patents" means **(i)** the patent applications set forth on Schedule I hereto, **(ii)** all patents issuing from such applications, **(iii)** all continuations, continuations-in-part, additions, divisions, renewals, extensions, reexaminations and reissues of any of the foregoing, that claim the benefit of priority to the applications or patents referenced in (i) or (ii) hereof, and **(iv)**any patents in the Territory issuing from any applications filed after the Effective Date from which any of the patents or patent applications identified in (i), (ii), or (iii) claim priority.

1.28. "Licensed Products" means:

(i) any product, the making, using, selling, offering for sale, or importing of which product would (without the license granted under this Agreement) infringe at least one pending Valid Claim (were it to have issued) or issued Valid Claim of the Licensed Patents in any country;

(ii) any service, process or method, the performing or providing of which process or method would (without the license granted under this Agreement) infringe at least one pending Valid Claim (were it to have issued) or issued Valid Claim of the Licensed Patents in any country; and

(iii) any product or process that is not covered by the foregoing clauses (i) or (ii), but that uses, incorporates or is made, identified, developed, optimized, characterized, selected, derived or determined to have utility, in whole or in part, by the use or modification of **(a)** any Licensed Patent or any technology or invention covered thereby, **(b)** any Licensed Technical Information, or **(c)** any Licensed Product covered by the foregoing clauses (i) or (ii) or (iii).

1.29. "Licensed Technical Information" means technical information, know-how, protocols, data, techniques and other information that are not generally known laboratory techniques that pertain to the Licensed Patents and are necessary in the manufacture, sale, or use of the Licensed Products (i) made or developed by Dr. Jose Conejo-Garcia or laboratory personnel working directly under his supervision at Wistar, (ii) owned and Controlled by Wistar, and (iii) in Wistar's possession as of the Effective Date. Licensed Technical Information shall exclude any of the foregoing information that is included in the written description of any of the Licensed Patents or any other patents or patent applications and shall also exclude (i) information that the Company can demonstrate by documentation: (a) was already known without restriction on use or disclosure prior to receipt of such information directly or indirectly from or on behalf of Wistar; (b) was or is independently developed without reference to or use of any of the Licensed Technical Information; (c) was or becomes generally known by the public other than by breach of this Agreement by Company, or other wrongful act of, Company; or (d) was received by Company from a third party who was not, at the time of receipt, under any obligation to Wistar or any other person to maintain the confidentiality of such information.

1.30. "Minimum Annual Royalties" has the meaning set forth in Section 3.4.

1.31. "Net Sales" means for each Licensed Product for any period, the gross amount actually collected by Company, its Affiliates and Sublicensees from third parties or end users for such Licensed Product including consideration in addition to cash less the following deductions: **(i)** customary trade, quantity and cash discounts actually allowed for Licensed Products, **(ii)** taxes levied on sale or transportation of Licensed Products and paid by or on behalf of Company, its Affiliates, or Sublicensees, and **(iii)** freight allowances, insurance and custom duties for Licensed Products. In the case of a sale or other transfer of a Licensed Product for which Company or a Sublicensee does not bill, Net Sales shall mean the amount received by Company and Sublicensees for the sale of such Licensed Product. If a Licensed Product is sold or otherwise transferred for consideration other than solely cash (whether or not at a discount), or if Licensed Product is billed or otherwise sold at a discounted price that is substantially lower than the customary prices charged by Company or Sublicensee, Net Sales shall mean what is actually received by the Company or Sublicensee in cash or other non-cash consideration, such non-cash consideration shall be calculated based on the fair market value of the consideration received.

1.32. "Non-Royalty Sublicensing Income" means the fair market value of any and all consideration received by Company and its Affiliates from Sublicensees (or which Company is entitled to receive, whether or not offset against amounts payable to Sublicensee under the Sublicense) under or otherwise in connection with its Sublicenses, including license issue fees, lump sum payments and other licensing fees, option fees, milestone payments, minimum annual royalties, distribution fees, joint marketing fees, equity or other payments of any kind whatsoever, irrespective of whether such consideration is received in the form of cash, barter, credit, stock, warrants, release from debt, goods or services, licenses back, a premium on the sale of equity (i.e., payments for equity that exceed the pre-Sublicense fair market value of the equity), equity exchanges, or any other form whatsoever. Notwithstanding the foregoing, Non-Royalty Sublicensing Income specifically excludes: (i) royalties on Net Sales pursuant to Section 3.2; and (ii) payments made by Sublicensee as consideration for the issuance of equity or debt securities of Company at the pre-Sublicense fair market value, provided that if a Sublicensee pays more than such fair market value for equity or debt securities then the portion in excess of fair market value shall be considered Non-Royalty Sublicensing Income and (iii) payments to Company for the purposes of funding the costs of future bona fide documented research of a Licensed Product to be conducted by the Company and (iv) payments received directly for Patenting Costs. For the purposes of Non-Royalty Sublicensing Income, the term "fair market value" means the cash consideration which Company, its Affiliates or any Sublicensees would realize from an unaffiliated, unrelated buyer in an arm's length sale of an identical item sold in the same quantity and at the same time and place of the transaction. Non-Royalty Sublicensing Income that is a percentage of milestone payments received by Company from a Sublicensee shall be available for credit against miles tone payments payable to Wistar by Company under Section 3.7.

1.33. "OFAC" or "Office of Foreign Assets Control " has the meaning set forth in Section 4.5.2.

1.34. "Option" has the meaning set forth in the Background.

1.35. "Past Patenting Costs" has the meaning set forth in Section 7.1.1.

1.36. "Patent Challenge" means any direct or indirect dispute, challenge, or assistance in the challenge of the validity, patentability, scope, construction, enforceability, non-infringement or Wistar's ownership of any issued patent comprising the Licensed Patents or any claims thereof, or opposition or assistance in the opposition of the grant of any letters patent comprising the Licensed Patents, in any legal or, administrative proceedings, including in a court of law, before the United States Patent and Trademark Office or other agency or tribunal in any jurisdiction, or in arbitration.

1.37. "Patent Term Extension" has the meaning set forth in Section 0.

1.38. "Patenting Costs" means any past or ongoing costs incurred or to be incurred, including government fees and attorneys' fees, in the course of Prosecuting the Licensed Patents.

1.39. "Performance Milestone(s)" has the meaning set forth in Section 4.2.

1.40. "Performance Milestone Dates" has the meaning set forth in Section 4.2.

1.41. "Performance Milestone Extension Fee" has the meaning set forth in Section 4.3.

1.42. "Person" or "Persons" means any corporation, partnership, joint venture or any other entity or any natural person.

1.43. "Proposed Product" means an actual or potential Licensed Product that is for an application, product, sub-field or indication in the Licensed Field, but for which a Licensed Product is not being actively developed or commercialized by Company, its Affiliates or Sublicensees.

1.44. "Proposed Product Election Notice" has the meaning set forth in Section 2.5.2.

1.45. "Proposed Product Notice" has the meaning set forth in Section 2.5.1.

1.46. "Proposed Product Sublicense" has the meaning set forth in Section 2.5.4.

1.47. "Proposing Third Party" has the meaning set forth in Section 2.5.1.

1.48. "Prosecution" or "Prosecuting" means preparation, filing, prosecution, issuance and maintenance of the Licensed Patents, including continuations, continuations-in-part, divisionals, extensions, re-examinations, reissues, supplemental examination, appeals, interferences, derivation proceedings, oppositions, all other proceedings before the United States Patent and Trademark Office (including the Patent Trial and Appeal Board) and foreign patent offices, and any judicial or other appeals of the foregoing.

1.49. "Qualified Sublicensee" means a Sublicensee with **(a)** specific experience in the Licensed Field and **(b)** sufficient human and financial resources to develop and commercialize Licensed Products in the Licensed Field.

1.50. "Regulatory Approval" means, with respect to any jurisdiction, any and all approvals (including appropriate pricing and reimbursement approvals), product and/or establishment licenses, registrations or authorizations of any appropriate regulatory agency, department, bureau or other governmental entity, necessary for marketing a Licensed Product in such jurisdiction, as applicable.

1.51. "Royalty Term" has the meaning set forth in Section 3.3.

1.52. "Shares" has the meaning set forth in Section 3.1.2(i).

1.53. "Sublicense" means an agreement in which Company **(i)** grants or otherwise transfers any of the rights licensed to Company hereunder or other rights that are relevant to designing, developing, testing, making, using, selling, importation, exporting or distribution of Licensed Products in the Territory, **(ii)** agrees not to assert such rights or to sue, prevent or seek a legal remedy for the practice of same, or **(iii)** is under an obligation to grant, assign or transfer any such rights or non-assertion, or to forebear from granting or transferring such rights to any other entity, including by means of an option. Agreements expressly considered Sublicenses include licenses, option agreements, "lock up" agreements, right of first refusal agreements, non-assertion agreements, covenants not to sue, distribution agreements research and development agreements or similar agreements. For the avoidance of doubt, any Proposed Product Sublicense shall be a Sublicense as such term is used hereunder.

1.54. "Sublicensee" means any non-Affiliate third party to which Company has granted a Sublicense.

1.55. "Term" means the term of this Agreement, which shall commence on the Effective Date and shall remain in effect until the expiration of the Royalty Term in all countries in the Territory with respect to all Licensed Products, unless earlier terminated in accordance with the provisions of this Agreement.

1.56. "Territory" means the world.

1.57. "Third Party Payment(s)" has the meaning set forth in Section 3.2.2.

1.58. "Third Party Proposed Product" has the meaning set forth in Section 2.5.1.

1.59. "Valid Claim" means a claim of **(i)** a patent application included in the Licensed Patents that has been neither abandoned nor pending for more than ten (10) years or **(ii)** an issued Licensed Patent that has not been withdrawn, canceled or disclaimed or held invalid by a court or governmental authority of competent jurisdiction in an unappealed or unappealable decision no longer subject to discretionary review (for example, by way of writ of certiorari) or other review.

1.60. "Wistar" has the meaning set forth in the Preamble.

1.61. "Wistar Confidential Information" has the meaning set forth in Section 8.1.1.

1.62. "Wistar Proposed Product" has the meaning set forth in Section 2.5.1.

1.63. "Withholding Taxes" has the meaning set forth in Section 3.9.3.

ARTICLE 2 - GRANT OF LICENSE

2.1 Grant of License.

2.1.1. Subject to the terms and conditions contained in this Agreement, Wistar hereby grants to Company an exclusive, royalty-bearing, transferable (as permitted under Section 10.1), sublicensable (as permitted under Section 2.4) license under the Licensed Patents and the Licensed Technical Information (such rights are unencumbered and available for licensing), solely to develop, make, have made, use, sell, offer for sale, export, and import the Licensed Products in the Licensed Field in the Territory during the Term.

2.2 Retained Rights.

2.2.1. Reservation by Wistar. Notwithstanding anything to the contrary in this Agreement, Wistar reserves the right to **(i)** make, use, practice and further develop the Licensed Patents and Licensed Technical Information for non-commercial, educational and research purposes; **(ii)** grant to any academic, government, research or non-profit institution or organization the right to make, use and practice the Licensed Patents and Licensed Technical Information for non-commercial research and educational purposes; **(iii)** grant licenses under the Licensed Patents and Licensed Technical Information to any party for any field, product, service or territory other than the Licensed Products in the Licensed Field in the Territory for so long as Company has an exclusive license to the Licensed Patents and Licensed Technical Information for Licensed Products in the Licensed Field in the Territory. Wistar's reserved rights in research conducted pursuant to another bona fide collaborative research agreement (CRA) or similar contract between Wistar and Company shall be governed by the terms and conditions of such CRA or similar contract, as the case may be.

2.2.2. Funding Agency Interest. Notwithstanding anything to the contrary in this Agreement, any and all licenses and other rights granted hereunder are limited by and subject to the rights and requirements of **(a)** the U.S. Government under any law or agreement, including rights and requirements which may attach as a result of U.S. Government sponsorship of research in connection with which an invention covered by the Licensed Patents was conceived or first actually reduced to practice, as set forth in 35 U.S.C. §§200-212, and 37 C.F.R. Part 401, or any successor statutes or regulations, and in relevant U.S. Government research grants or contracts with Wistar, as such rights and requirements may be amended or modified by law, rule or regulation, and **(b)** any local, state or philanthropic funding agencies or entities in inventions funded in whole or in part under any contract, grant or similar agreement with such agency or entity (collectively, the "Funding Agency Interest"). Such rights and requirements include **(i)** the grant of a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States Government any of the Licensed Patents throughout the world (as set forth in 35 U.S.C. §202(c)(4)), and **(ii)** the requirement that Licensed Products used or sold in the U.S. shall be manufactured substantially in the U.S. (as set forth in 35 U.S.C. §204).

2.3 No Rights or Licenses by Implication . No rights or licenses with respect to the Licensed Patents, Licensed Technical Information, or otherwise are granted or deemed granted hereunder or in connection herewith, other than those rights or licenses expressly granted in this Agreement.

2.4 Right to Sublicense. Company shall have the right to sublicense to any third party the rights conferred upon Company under this Agreement, subject to the following conditions:

2.4.1. Company shall provide *** written notice to Wistar prior to the effective date of any Sublicense.

2.4.2. ***

2.4.3. 2.4.3Any Sublicense shall be in writing, shall be consistent with all of the terms and conditions of this Agreement, and shall incorporate terms and conditions sufficient to enable Company to comply with this Agreement. Without limiting the foregoing, each Sublicense shall ***. Subject to Sections 2.4.2 and 2.4.3, Sublicensees shall be permitted to sublicense further any of their rights under any Sublicense. Each Sublicense shall contain an agreement and acknowledgment by the Sublicensee that such Sublicense and the Sublicensee are subject to the terms and conditions of the license granted to Company under this Agreement.

2.4.4. Notwithstanding any Sublicense, Company shall remain primarily liable to Wistar for all of Company's duties and obligations contained in this Agreement, and any act or omission of a Sublicensee which would be a breach of this Agreement if performed by Company shall be deemed to be a breach by Company of this Agreement.

2.4.5. ***

2.4.6. If Company becomes subject to a Bankruptcy Event, all payments then or thereafter due and owing to Company from its Sublicensees shall thereupon, and without any notice from Wistar to any such Sublicensee, become payable directly to Wistar for the account of Company; *provided*, *however*, that Wistar shall remit to Company any amount by which such payments exceed the amounts owed by Company to Wistar.

2.4.7. Wistar shall have the right to require any Sublicensee, as a condition for effectiveness of a Sublicense, to enter into an agreement with Wistar providing for the redirection of payments to Wistar as provided in Section 2.4.6 in the event that Company becomes subject to a Bankruptcy Event and/or acknowledging that the Sublicense is terminated in the event of any termination of this Agreement, expect as otherwise provided in Section 9.4.

2.4.8. Company shall furnish Wistar with a fully executed copy of any Sublicense agreement within thirty (30) days after execution without redaction.

2.4.9. Any sublicense that is not in compliance with any of the provisions of this Section 2.4 shall be void.

2.5 Wistar or Third Party Proposed Products .

2.5.1. ***

2.5.2. ***

2.5.3. ***

2.5.4. ***

ARTICLE 3 - PAYMENTS

3.1 Compensation.

3.1.1. License Fee. In partial consideration of the license granted hereunder, Company shall pay to Wistar a nonrefundable, non-creditable license fee of *** U.S. dollars ($*** USD) (the "License Fee") due on the following schedule:

(i) *** U.S. dollars ($*** USD) shall be paid upon execution of this Agreement;

(ii) *** U.S. dollars ($*** USD) shall be paid upon the one (1) year anniversary of the Effective Date of this Agreement; and

(iii) *** U.S. dollars ($*** USD) upon the earliest to occur of **(a)** issuance of the first Valid Claim of a Licensed Patent, or **(b)** the third (3rd) anniversary of the Effective Date of this Agreement.

3.1.2. Issuance of Shares.

(i) In partial consideration of the licenses granted hereunder and upon the execution hereof, Company shall issue to Wistar fifty (50) shares of its common stock (the "Shares"), par value $0.01 per share, as will cause Wistar to own five percent (5%) of the Company on a fully diluted basis as of the date hereof that includes **(a)** any outstanding shares, **(b)** all outstanding vested and unvested options to acquire shares, **(c)** all outstanding warrants or other rights to purchase shares (on an as-exercised basis), **(d)** other convertible securities (on an as-converted basis), and (such aggregate number of shares described in clauses (a) through (d) is hereafter referred to as the "Fully Diluted Capitalization"), as of the Effective Date. Company shall have obtained the proper corporate approvals to issue the shares to Wistar as of the Effective Date.

(ii) Dilution Protection. In partial consideration of the licenses granted hereunder, from the Effective Date through the date by which Company has cumulatively raised or expended at least *** U.S. dollars ($*** USD) (the "Dilution Protection Cap"), Company will issue to Wistar, from time to time and at no additional consideration, such additional number of shares of Company as will cause Wistar to continue to hold in the aggregate five percent (5%) of the total shares of Company on a fully diluted basis, assuming the exercise, conversion and exchange of all outstanding securities of Company for or into shares. For the avoidance of doubt, the Dilution Protection Cap specifically excludes non-cash charges incurred by Company. Within forty-five (45) days of the end of each Fiscal Quarter of the Company's October 31 year end Fiscal Year, Company shall provide Wistar with a report that shows total financial proceeds or direct expenditures that are to be counted toward the Dilution Protection Cap for the previous Fiscal Quarter.

(iii) Restrictions on Transferability. The Shares shall not be transferable in the absence of a registration under the Securities Act of 1933, as amended, or an exemption therefrom. Company shall be entitled to give stop transfer instructions to the transfer agent with respect to the Shares in order to enforce the foregoing restrictions. The Shares shall also be subject to the restrictions on transfer set forth in the Equity Documents only so long as all other holders of common stock of the Company are subject to similar restrictions.

(iv) Restrictive Legend. Each certificate representing the Shares shall bear substantially the following legends (in addition to any legends required under applicable securities laws):

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT PURPOSES ONLY AND HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE SHARES MAY NOT BE OFFERED, SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM.

(v) Preemptive Rights. If the Company has raised or expended the Dilution Protection Cap limit and the Company proposes to sell any equity securities or securities that are convertible into equity securities of the Company (collectively, "Equity Securities") in a financing, then Wistar and/or its Assignee (as defined below) will have the right to purchase up to that portion of the Equity Securities that equals Wistar's then current, fully diluted percentage ownership of the Company on the same terms and conditions as are offered with respect to such Equity Securities sold in such financing, provided that upon notification to Wistar that financing is conducted with general terms, Wistar or its Assignee will have five (5) business days to determine whether it will participate in purchasing Equity Securities as permitted under this Section. For the purposes of this clause 3.1.2(v) 1.1, the term "Assignee" means **(1)** any entity to which Wistar's preemptive rights have been assigned either by Wistar or another entity, or **(2)** any entity that is controlled by Wistar.

(vi) Right of Participation. From the date hereof until the date on which the Dilution Protection Cap has been exceeded, upon the sale by the Company of common stock or securities convertible or exercisable into common stock for cash consideration (other than for an acquisition or strategic transaction, a "Subsequent Financing"), Wistar shall have the right to participate in up to an amount of the Subsequent Financing equal to five percent (5%) of the Subsequent Financing (the "Participation Maximum") on the same terms, conditions and price provided for in the Subsequent Financing. The Company shall provide at least ten (10) business days' prior notice to Wistar of a Subsequent Financing. Such notice shall include a description of the proposed terms of the Subsequent Financing and the amount of proceeds intended to be raised thereunder. If Wistar desires to participate in the Subsequent Financing, Wistar shall provide written notice to the Company by not later than 5:30 p.m. (New York City time) on the fifth (5^{th}) business day after notice was received. Such notice shall include the amount of such Wistar's participation, and shall represent and warrant that Wistar has such funds ready, willing, and available for investment on the terms set forth in the Subsequent Financing notice. If the Company receives no such notice from Wistar as of such fifth (5^{th}) business day, Wistar shall be deemed to have notified the Company that it does not elect to participate If Wistar elects to not participate in a Subsequent Financing, such election shall not waive Wistar's Dilution Protection rights under Section 3.1.2(ii).

3.2 Royalties.

3.2.1. Company shall pay to Wistar a running royalty on Net Sales of all Licensed Products in accordance with the table set forth below within thirty (30) days following the last day of the Calendar Quarter in which such royalty accrues:

Royalty Percentage	**for that portion of aggregate Net Sales of Licensed Products:**
***	***
***	***
***	***

3.2.2. In the event that Company, in order to exploit the licenses granted to it under this Agreement in any country, actually makes running royalty payments on net sales of a Licensed Product to one or more third parties ("Third Party Payments") as consideration for a license to patent rights held by such parties that dominate the Licensed Patents in such country, Company shall have the right, on a country-by-country basis, to reduce the royalty payments otherwise due to Wistar under this Section 3.2 for such Licensed Product by fifty percent (50%) of the Third Party Payments actually made in the relevant reporting period; *provided*, *however*, **(a)** Company is entitled to offset the royalties owing to the third party on such net sales by means of an equivalent stacking provision, or one more favorable to Company than the above, **(b)** in no event shall the royalties due to Wistar for any Licensed Product in any country be reduced to less than fifty percent (50%) of the royalties otherwise payable under Section 3.2.1, and

(c) any Third Party Payments that are not offset during the royalty reporting period when such payments are actually made shall not be creditable against payments arising in subsequent royalty reporting periods. As used in this Section 3.2.2, a Licensed Patent is dominated if it cannot be practiced without infringing a valid claim of an issued patent. If Company determines that Third Party Payments are necessary, Company will notify Wistar of said determination in writing within thirty (30) calendar days of reaching said determination.

3.3 Royalty Term. The period during which the royalties set forth in Section 3.2.1 shall be payable, on a Licensed Product-by-Licensed Product basis, shall commence on the Effective Date and continue until the later of **(i)** the expiration or termination of the last to expire Valid Claim of a patent covering the making, having made, use, sale, offering for sale, exportation or importation of such Licensed Product, and **(ii)** the fifteenth (15th) anniversary of the First Commercial Sale of such Licensed Product (each such period, a "Royalty Term").

3.4 Minimum Annual Royalties.

3.4.1. Company shall pay to Wistar as a non-refundable advance against royalties during the ensuing year, a minimum annual royalty of *** U.S. dollars ($*** USD) due on January 1st following the First Commercial Sale of the Licensed Product that is subject to the royalties set forth in Section 3.2.1 and on each January 1st thereafter (the "Minimum Annual Royalties").

3.4.2. Minimum Annual Royalties shall be available for credit against royalties only during the year in which such Minimum Annual Royalties are paid and shall not be available for credit in any other year.

3.5 Non-Royalty Sublicensing Income. Company shall pay to Wistar *** percent (***%) of Non-Royalty Sublicensing Income within thirty (30) days following the last day of the Calendar Quarter in which such Non-Royalty Sublicensing Income is paid to or received by the Company accrues in a form that can be chosen at the Wistar's option, including the form in which Company received or was paid such Non-Royalty Sublicensing Income, provided that if Wistar elects a form other than the form in which the Company received or was paid Non-Royalty Sublicensing Income, that Wistar and the Company will share equally the cost of converting the Non-Royalty Sublicensing Income received to the form that Wistar elects.

3.6 Maintenance Fees. In further consideration of the license granted to Company hereunder, Company shall pay to Wistar nonrefundable, non-creditable annual maintenance fees as follows until the date of the First Commercial Sale of a Licensed Product:

(i) *** U.S. dollars ($*** USD) upon the third and fourth anniversaries of the Effective Date;

(ii) *** U.S. dollars ($*** USD) upon the fifth and sixth anniversaries of the Effective Date; and

(iii) *** U.S. dollars ($*** USD) upon the seventh anniversary of the Effective Date and on each anniversary of the Effective Date thereafter.

3.7 Milestone Payments.

3.7.1. Company shall pay to Wistar milestone payments in the following amounts within thirty (30) days of each of the following events:

(i) *** U.S. dollars ($*** USD) upon the enrollment of the first patient in a Phase I or a Phase I/II Clinical Trial by Company, its Affiliates or any Sublicensee for *** Licensed Products;

(ii) *** U.S. dollars ($*** USD) upon the enrollment of the first patient in a Phase II Clinical Trial by Company, its Affiliates or any Sublicensee for *** Licensed Products (for the avoidance of doubt, Phase II Clinical Trials include Phase IIa and Phase IIb Clinical Trials);

(iii) *** U.S. dollars ($*** USD) upon the enrollment of the first patient in a Phase III Clinical Trial or other pivotal Clinical Trial by Company, its Affiliates or any Sublicensee for *** Licensed Products;

(iv) *** U.S. dollars ($*** USD) upon initial receipt by Company, its Affiliates or any Sublicensee of Regulatory Approval for *** Licensed Products;

(v) *** U.S. dollars ($*** USD) upon the First Commercial Sale of each Licensed Product by Company, its Affiliates or any Sublicensee; and

(vi) *** U.S. dollars ($*** USD) upon Company, its Affiliates and any Sublicensee achieving aggregate Net Sales of *** U.S. dollars ($*** USD) for Licensed Products.

3.7.2. These milestone payments shall not be credited against or otherwise reduce royalties or other compensation provided for in this Agreement. For clarity, each time a milestone is achieved with respect to a Licensed Product, then any milestone payments with respect to earlier milestones that have not yet been paid will be due and payable together with the milestone payment for the milestone that is actually achieved. For additional clarity, milestones are due and payable on Licensed Products and on products that, upon Regulatory Approval, would become Licensed Products.

3.8 Reports. Company shall deliver to Wistar within thirty (30) days after the end of each Calendar Quarter, a complete and accurate report for that Calendar Quarter in the form specified in Schedule IIattached hereto, certified by a senior financial officer of Company.

3.9 Payments. All dollar amounts referred to in this Agreement are expressed in United States dollars. Liability for royalties on Licensed Products manufactured by Company, its Affiliates or any Sublicensee shall accrue when a Licensed Product is sold, used or otherwise disposed of; *provided that*, if a partial payment is made, a royalty shall accrue pro rata to such partial payment. Any payments not paid to Wistar when due hereunder shall accrue interest from the due date until paid at a rate equal to the lesser of six percent (6%) per annum or the maximum interest rate allowed by applicable law, whichever is greater. Notwithstanding the foregoing, Wistar shall be entitled to treat any such late payment as a material breach of this Agreement, notwithstanding the payment of interest.

3.9.1. All payments due hereunder shall be payable in U.S. dollars by a check made payable to the order of "The Wistar Institute of Anatomy and Biology" and drawn on a U.S. bank, or by wire transfer (ACH), and sent to the following:

For Payment By ACH/Wire:	**For Payment By Check (Mail To):**
***	***

3.9.2. Currency. Where it is necessary to convert the amount of royalties due from another currency into U.S. dollars, conversion shall be made using one of the following rates as published or issued on the last business day of the Calendar Quarter in which such royalties have accrued:

(i) the spot rate or the mean of the buy and sell spot rates, if no single rate is published, as published by "The Wall Street Journal;" or

(ii) at the currency conversion rate published or issued at the close of business by a third party selected by Company, *provided* that Company has obtained Wistar's prior written consent to use such third party rate for calculation of royalties due to Wistar.

3.9.3. Fees and Taxes. All payments under this Agreement shall be made without any deduction or withholding for or on account of any tax, except as expressly permitted in this Agreement. If any income or other taxes, withholdings or other deductions required by applicable law to be withheld or deducted from any of the payments made by or on behalf of Company hereunder ("Withholding Taxes") are imposed on a payment by any applicable law, Company shall pay such Withholding Taxes to the proper taxing authority and, if available, evidence of such payment shall be secured and sent to Wistar within one (1) month of such payment. In the case of any Withholding Taxes imposed with respect to any payment hereunder, Company shall pay to Wistar an additional amount as is necessary to ensure that the amount actually received by Wistar with respect to such payment, free and clear of the Withholding Taxes (including any such Withholding Taxes imposed on such additional amount), shall equal the amount of the payment that would have been made if no such Withholding Taxes had applied.

3.10 Records. Company shall keep, and shall cause its Affiliates and Sublicensees to keep, complete and accurate books and records of all Licensed Products sold which enable the royalties and other amounts payable hereunder to be verified. Upon reasonable prior notice to Company, its Affiliates or any Sublicensee and during normal business hours, an auditor paid for and selected by Wistar may inspect such books and records of Company, its Affiliates and Sublicensees for the three (3) year period immediately preceding the date of inspection to verify the correctness of the reports given to Wistar under Section 3.8. If Wistar's auditor determines that Company, its Affiliate or any Sublicensee has underpaid royalties and other amounts payable by ten percent (10%) or more, Company shall pay the costs and expenses of the audit and the right of inspection shall extend to books and records for periods prior to such three (3) year period. Nothing contained in this Section 3.10 shall shorten the period established by any applicable statute of limitations.

ARTICLE 4 - CERTAIN OBLIGATIONS OF COMPANY

4.1 Diligent Efforts. Company, acting itself and/or through its Sublicensees, **(i)** shall use best efforts to develop Licensed Products and to bring Licensed Products to market through a thorough, vigorous and diligent program for exploitation of the Licensed Patents and Licensed Technical Information and to continue active, diligent marketing efforts for Licensed Products throughout the Term, consistent with sound and reasonable business practices, and **(ii)** shall endeavor to keep Licensed Products reasonably available to the public.

4.2 Performance Milestones. In addition to Company's diligence obligations in Section 4.1, Company, acting itself and/or through its Sublicensees, shall perform or fulfill the following obligations (the "Performance Milestone(s)") by the dates set forth below (the " Performance Milestone Date(s)"):

4.2.1. Within forty-five (45) days after the Effective Date, Company shall furnish Wistar with a written research and development plan describing the major tasks to be achieved in order to complete preclinical testing necessary to support clinical testing of Licensed Products, a timeline for achievement of such tasks, and an estimate of the number of staff and financial and other resources to be devoted to such preclinical testing, which for the avoidance of doubt, is the Company's preclinical testing plan with the H. Lee Moffitt Cancer Center and Research Institute, Inc.("Commercialization Plan");

4.2.2. ***;

4.2.3. ***;

4.2.4. ***; and

4.2.5. ***.

4.3 Diligence Failure. ***

4.4 Diligence Reports.

4.4.1. Company shall provide Wistar on December 1 of each year with written reports, setting forth in such detail as Wistar may reasonably request, the progress of the development, evaluation, testing and commercialization of the Licensed Products, including information on **(i)** the progress of matters related to Regulatory Approvals and **(ii)** progress made toward the objectives set forth in the Commercialization Plan, including any progress of securing Sublicenses and any progress of Sublicensees developing Licensed Products. Company also shall notify Wistar within thirty (30) days after the First Commercial Sale of a Licensed Product by Company, its Affiliates or any Sublicensee.

4.4.2. In order that Wistar may provide the United States Department of Health and Human Services with information required under the Funding Agency Interest, Company shall, at its cost, prepare and provide written annual reports to Wistar containing sufficient information to enable the Department of Health and Human Services to evaluate Company's progress in the development of Licensed Products, but shall not contain information considered proprietary or confidential by Company. Such reports shall be provided no later than January 1st of each year.

4.5 Compliance with Laws.

4.5.1. Company shall **(a)** comply with all applicable laws, rules and regulations pertaining to the development, testing, manufacture, marketing, import or export of the Licensed Products; and **(b)** not employ, contract with or retain any Person directly or indirectly if such Person is: **(i)** excluded from a Federal health care program as outlined in Sections 1128 and 1156 of the Social Security Act (see the Office of Inspector General of the Department of Health and Human Services List of Excluded Individuals/Entities at http://www.oig.hhs.gov/fraud/exclusions/exclusions_list.asp), **(ii)** debarred by any Health Authority, including (but not limited to) by the FDA under 21 U.S.C. 335a (see the FDA Office of Regulatory Affairs Debarment List at http://www.fda.gov/ICECI/EnforcementActions/FDADebarmentList/default.htm), or **(iii)** excluded from contracting with the federal government (see the Excluded Parties Listing System at www.sam.gov).

4.5.2. Without limiting Section 4.5.1, Company acknowledges that the transfer and use by foreign nationals of certain commodities and technical data is subject to U.S. laws and regulations controlling the export and use by foreign nationals of such commodities and technical data, including the Arms Export Control Act, the International Traffic in Arms Regulations ("ITAR"), the Export Administration Regulations (" EAR") and the laws and regulations implemented by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"). These laws and regulations, among other things, prohibit or require a license for the export or use by foreign nationals of certain types of technical data to specified countries. Company shall comply with all such applicable U.S. laws and regulations.

4.5.3. Company shall be solely responsible for any violation of the provisions of this Section 4.4 by Company, its Affiliates or any Sublicensees.

4.5.4. Each party hereunder agrees that it has not and will not, either directly or indirectly, engage in bribery, or offer, or promise, or authorize to pay or make any improper payment of any monies or financial or other advantage, including cash, loan, gift, travel, entertainment, hospitality, facilitation payment, kickback, political or philanthropic contribution, anything of value, or any other perceived benefit to improperly obtain or retain a business advantage in violation of any Anti-Corruption Laws and further, each party hereunder agrees that it shall not take any action that would cause the other parties to be in violation of such Anti-Corruption Laws. Any adjudicated breach of this Section 4.5.4 by a party shall allow the other parties hereunder to immediately terminate this Agreement.

4.5.5. To the extent required by the Funding Agency Interest, all Licensed Products to be used or sold in the United States shall be manufactured substantially in the United States, and Company shall take such actions as are necessary to assure that it and its Affiliates and Sublicensees comply with the obligations imposed by this Section4.54.5.

4.6 Conflict of Interest. Company acknowledges that Wistar's employees and staff members are subject to the applicable policies of Wistar, including policies regarding conflicts of interest, intellectual property and other matters. Company shall not enter into any oral or written agreement with such employee or staff member which conflicts with any such policy.

4.7 Patent Notices. Company shall mark the Licensed Products sold in the United States with all applicable patent numbers. All Licensed Products shipped to and/or sold in other countries shall be marked and labeled in such a manner as to conform with all applicable laws of the country where the Licensed Products are sold.

4.8 Regulatory Approvals. Company shall be responsible for obtaining and maintaining, at its cost and expense, all Regulatory Approvals.

4.9 Information Rights. The Company shall furnish the following reports to Wistar during the term of this Agreement: (1) Within ninety (90) days of the Company's fiscal year end, the Company shall provide to Wistar an unaudited balance sheet and statement of operations for such fiscal year; and (2) within forty-five (45) days following the end of the Company's first, second and third fiscal quarters, the Company shall provide to Wistar an unaudited balance sheet and statement of operations for such fiscal quarter. The reports provided by the Company to Wistar shall be in such form as determined in the sole discretion of the Company and shall be consistent with the reports that ITUS prepares for each of ITUS' consolidated subsidiaries when preparing ITUS' annual and quarterly financial statements.

4.10 Stockholders' Agreement. If at any time, the Company enters into a stockholder's agreement affording rights to a stockholder of the Company, Wistar shall have the option to become a party to such agreement.

ARTICLE 5 - REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties.

5.1.1. Company represents and warrants that it is a corporation, duly organized, validly existing and in good standing under the laws of the State of Delaware, and has all requisite corporate power and authority to execute, deliver and perform this Agreement; and Wistar represents and warrants that it is a nonprofit corporation, duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and has all requisite corporate power and authority to execute, deliver and perform this Agreement.

5.1.2. In addition, Company represents and warrants to Wistar **(a)** that the issuance and delivery to Wistar of the Shares have been duly authorized by all requisite corporate action of Company and Company has full corporate power and lawful authority to issue and deliver the Shares on the terms and conditions contemplated herein, and when so issued and delivered, the Shares shall be validly issued and outstanding, fully paid and nonassessable, with no personal liability attaching to the ownership thereof, and not subject to preemptive or any similar rights of the stockholders of Company or any liens or encumbrances arising through Company; and **(b)** that **(i)** the authorized capital stock of Company consists of 5,000 shares of common stock, of which 950 are issued and outstanding, **(ii)** there are no outstanding options, warrants, rights (including conversion or preemptive rights), or agreements for the purchase or acquisitions from the Company of any shares of Company's capital stock, **(iii)** no officer, director or stockholder of the Company or member of his or her immediate family are currently a party to any contract or arrangement (or has any interest in any entity that is a party to any contract or arrangement) with the Company (other than customary employment and equity investment agreements) or is indebted to the Company, nor is the Company indebted (or committed to make loans or extend or guarantee credit) to any of such individuals, and **(iv)** the Company has no liability or obligation, absolute or contingent (individually or in the aggregate), except obligations and liabilities incurred in the ordinary course of business, none of which, individually or in the aggregate, are material.

5.1.3. Company and Wistar each represent and warrant to the other that this Agreement, when executed and delivered by a party to this Agreement, shall be the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms.

5.1.4. Wistar Representations and Warranties. Wistar represents and warrants that, to its knowledge (a) it is the sole and exclusive legal and beneficial owner of the entire right, title, and interest in and to the Licensed Patents, and is the record owner of all patent applications and issued patents that are Licensed Patents; (b) it has not granted any licenses or other contingent or non-contingent right, title, or interest under or relating to Licensed Patents, and is not under any obligation, that conflicts with this Agreement, including any of its representations, warranties, or obligations, or Company's rights or licenses hereunder; (c) there are no encumbrances, liens, or security interests involving any Licensed Patent;

(d) there is no settled, pending, or threatened litigation alleging the unpatentability, invalidity, misuse, unregisterability, unenforceability, or noninfringement of, or error in any Licensed Patent challenging Wistar's ownership of, or right to practice or license, any Licensed Patent, or alleging any adverse right, title, or interest with respect thereto; and (e)it has no knowledge of any factual, legal, or other reasonable basis for any litigation described in this Section and has not received any written, oral, or other notice of any litigation described in this Section. This paragraph expressly does not make any representations and warranties regarding any allegations as to patentability made in unrebutted communications from any patent office as of the Effective Date of this Agreement. Wistar has not brought or threatened any claim against any third party alleging infringement of any Licensed Patent, nor, to its knowledge, is any third party infringing or, to its knowledge, preparing or threatening to infringe any patent, or practicing any claim of any patent application, included as a Licensed Patent.

ARTICLE 6 - LIMITATION ON LIABILITY AND INDEMNIFICATION

6.1 Limitation on Liability. IN NO EVENT SHALL WISTAR, ITS CURRENT AND FORMER TRUSTEES, MANAGERS, OFFICERS, AGENTS, EMPLOYEES, FACULTY, PERSONNEL, STAFF, STUDENTS OR VISITING SCIENTISTS BE LIABLE TO COMPANY, ITS SUCCESSORS, ASSIGNS, AFFILIATES, SUBLICENSEES OR THIRD PARTY FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS, INTERRUPTION OF BUSINESS, OR FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, WHETHER UNDER THIS AGREEMENT OR OTHERWISE, EVEN IF SUCH PERSON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS. WISTAR SHALL NOT BE LIABLE TO COMPANY, ITS SUCCESSORS, ASSIGNS, AFFILIATES, SUBLICENSEES OR ANY THIRD PARTY WITH RESPECT TO ANY CLAIM ON ACCOUNT OF, OR ARISING FROM, THE USE OF THE LICENSED PATENTS OR LICENSED TECHNICAL INFORMATION OR THE MANUFACTURE, USE OR SALE OF LICENSED PRODUCTS OR ANY OTHER MATERIAL OR ITEM DERIVED FROM ANY OF THE FOREGOING.

6.2 Exclusion of Consequential and Other Direct Damages . To the fullest extent permitted by Law, Company shall not be liable to Wistar for any injury to or loss of goodwill, reputation, business production, revenues, profits, anticipated profits, contracts, or opportunities (irrespective of how these are classified as damages), or for any consequential, incidental, indirect, exemplary, special, punitive, or enhanced damages, whether arising out of breach of contract, tort (including negligence), or otherwise (including the entry into, performance or breach of this Agreement), regardless of whether such damage was foreseeable and whether or not the other party has been advised of the possibility of such damages.. Exclusion of Consequential and Other Direct Damages. To the fullest extent permitted by Law, Company shall not be liable to Wistar for any injury to or loss of goodwill, reputation, business production, revenues, profits, anticipated profits, contracts, or opportunities (irrespective of how these are classified as damages), or for any consequential, incidental, indirect, exemplary, special, punitive, or enhanced damages, whether arising out of breach of contract, tort (including negligence), or otherwise (including the entry into, performance or breach of this Agreement), regardless of whether such damage was foreseeable and whether or not the other party has been advised of the possibility of such damages.

OTHER THAN AS SET FORTH IN SETION 5.1.4, THE LICENSED PATENTS AND LICENSED TECHNICAL INFORMATION ARE PROVIDED ON AN "AS IS" BASIS AND WISTAR MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE LICENSED PATENTS, LICENSED TECHNICAL INFORMATION OR ANY LICENSED PRODUCTS INCLUDING REPRESENTATIONS OR WARRANTIES OF COMMERCIAL UTILITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, VALIDITY OR ENFORCEABILITY OF THE LICENSED PATENTS, OR THAT THE USE OF THE LICENSED PATENTS, LICENSED TECHNICAL INFORMATION, LICENSED PRODUCTS OR ANY MATERIALS OR ITEMS DERIVED FROM ANY OF THE FOREGOING WILL NOT INFRINGE ANY PATENT, COPYRIGHT OR TRADEMARK OR OTHER PROPRIETARY OR PROPERTY RIGHTS OF OTHERS. WISTAR EXPRESSLY DISCLAIMS ANY WARRANTY THAT THE LICENSED PATENTS OR LICENSED TECHNICAL INFORMATION ARE FREE FROM THE RIGHTFUL CLAIMS OF ANY THIRD PARTY.

6.3 Indemnification. Company shall indemnify and hold harmless Wistar, its current and former trustees, managers, officers, agents, employees, faculty, personnel, staff, students and visiting scientists (collectively and individually, the "Indemnified Parties" or "Indemnified Party"), from and against any and all liability, loss, damage, action, claim or expense (including attorney's fees) suffered or incurred by the Indemnified Parties due to claims by a Person not a party to this Agreement (individually, a "Liability" and collectively, the "Liabilities") which result from or arise out of **(a)** this Agreement, the license granted hereunder and any Sublicense granted pursuant to this Agreement, **(b)** the development, use, manufacture, promotion, sale or other disposition of the Licensed Patents, Licensed Technical Information, or any Licensed Products by Company, its Affiliates, assignees, Sublicensees, vendors or other third parties, **(c)** the breach of any representation, warranty, or covenant of this Agreement by Company, or of a Sublicense by any Sublicensee, or **(d)** the successful enforcement by an Indemnified Party of its rights under this Section 6.2. Wistar shall indemnify and hold harmless Company from and against any and all liability, loss, damage, action, claim or expense (including attorney's fees) suffered or incurred by the Indemnified Parties due to the breach of any representation, warranty, or covenant of this Agreement by Wistar. This indemnification obligation shall apply regardless of the negligence of the Indemnified Party. Without limiting the foregoing, Company shall indemnify and hold harmless the Indemnified Parties from and against any Liabilities resulting from

6.3.1. any product liability or other claim of any kind related to the use of a Licensed Product manufactured, sold or otherwise disposed of by Company, its assignees, Affiliates, and Sublicensees, vendors or other third parties;

6.3.2. any claim that the Licensed Patents, Licensed Technical Information or the design, composition, manufacture, use, sale or other disposition of any Licensed Product infringes or violates any patent, copyright, trademark or other intellectual property rights of any third party; or

6.3.3. Clinical Trials or studies conducted by or on behalf of Company, its Affiliate or any Sublicensee relating to the Licensed Products, including any claim by or on behalf of a human subject of any such Clinical Trial or study, any claim arising from the procedures specified in any protocol used in any such Clinical Trial or study, any claim of deviation, authorized or unauthorized, from the protocols of any such Clinical Trial or study, and any claim resulting from or arising out of the manufacture or quality control by a third party of any substance administered in any Clinical Trial or study.

6.4 Procedures. The Indemnified Party shall promptly notify Company of any claim or action giving rise to a Liability subject to the provisions of Section **?**6.2. Company shall have the right to defend any such claim or action, at its cost and expense, with counsel reasonably satisfactory to Wistar. Company shall not settle or compromise any such claim or action in a manner that **(i)** imposes any restrictions or obligations on any Indemnified Party without such Indemnified Party's prior written consent, or **(ii)** grants any rights to the Licensed Patents without Wistar's prior written consent. If Company fails or declines to assume the defense of any such claim or action within thirty (30) days after notice thereof, Wistar may assume the defense of such claim or action for the account and at the risk of Company, and any Liability related thereto shall be conclusively deemed a Liability of Company. Company shall pay promptly to the Indemnified Party any Liabilities to which the foregoing indemnity related, as incurred. The indemnification rights of the Indemnified Parties contained herein are in addition to all other rights which such Indemnified Parties may have at law or in equity or otherwise.

6.5 Insurance. Company shall maintain general liability and product liability insurance as follows:

6.5.1. beginning with the Effective Date and for ten (10) years after the date of expiration or termination of this Agreement, general liability insurance in amounts not less than one million U.S. dollars ($1,000,000 USD) per incident and two million U.S. dollars ($2,000,000 USD) in the aggregate; and

6.5.2. beginning with the commencement of Clinical Trials and for ten (10) years after the date of expiration or termination of this Agreement, product liability insurance in amounts not less than ten million U.S. dollars ($10,000,000 USD) per incident and ten million dollars U.S. ($10,000,000 USD) in the aggregate.

6.5.3. Such insurance shall be issued by an insurance company rated AA or better and naming Wistar as an additional insured. The minimum insurance amounts specified herein shall not be deemed a limitation on Company's indemnification liability under this Agreement. Company shall provide Wistar with copies of endorsements to such policies. Company shall notify Wistar at least thirty (30) days prior to cancellation of any such coverage. To the extent Company is awarded a business interruption insurance award which provides for lost profits, Company shall pay to Wistar reasonable royalties for the period of the award which payment shall be based upon projections of Net Sales of Licensed Products and the history of royalties paid hereunder for such Net Sales.

6.5.4. Company shall require any Sublicensee to maintain insurance under the same terms as set forth in Sections 6.4.16.4.16.5.1 and 6.4.26.4.2 above, including naming Wistar as an additional insured.

ARTICLE 7 - PATENTS AND INFRINGEMENT

7.1 Prosecution of Patents.

7.1.1. Subject to Section 7.1 and its subsections, Wistar shall have the exclusive responsibility and control over the Prosecution of the Licensed Patents. Upon execution of this Agreement, Company shall reimburse Wistar for Patenting Costs incurred by Wistar prior to the Effective Date and not previously reimbursed by ITUS or Company under the Option ("Past Patenting Costs"). With respect to any Patenting Costs incurred by or on behalf of Wistar after the Effective Date, Company shall remit payment of such Patenting Costs within thirty (30) days after Company receives invoices for same. Notwithstanding the foregoing, at least sixty (60) days before a particular action is required for the protection of certain rights comprising the Licensed Patents (the "Bar Date"), Wistar shall have the right to request advance payment of reasonable estimated Patenting Costs for such action if such estimated Patenting Costs are at least twenty thousand U.S. dollars ($20,000 USD), and Company shall be obligated to pay the amount of such estimated Patenting Costs no less than thirty (30) days before the Bar Date. So long as Wistar's request is timely made, Wistar shall have no obligation to take or have taken such action, and no liability for failing to take such action, to protect the Licensed Patents at issue, unless the estimated Patenting Costs are timely paid by Company, even if the result is the irrevocable loss of rights.

7.1.2. For each patent application and patent under the Licensed Patents, Wistar shall: prepare, file, and prosecute such patent application: maintain such patent; pay all fees and expenses associated with its activities pursuant to Section 7.1; keep Company currently informed of the filing and progress of all material aspects of the prosecution of such patent application and the issuance of patents from any such patent application; consult with Company concerning any decisions which could affect the scope or enforcement of any issued claims or the potential abandonment of such patent application or patent; and notify Company in writing of any additions, deletions, or changes in the status of such patent or patent application.

7.1.3. Company and Wistar shall mutually determine the jurisdictions, other than the United States, where the Licensed Patents shall be Prosecuted. If Company declines to pay for Patenting Costs in any jurisdiction, Wistar may do so at its cost and expense but such patents and the subject matter of any application relating thereto shall be excluded from the definition of Licensed Patents.

7.1.4. If Wistar elects not to Prosecute any patent or patent application included in the Licensed Patents, it shall notify Company at least sixty (60) days prior to taking, or not taking, any action which would result in abandonment, withdrawal, or lapse of such patent or patent application. Such patent application or patent shall no longer be a Licensed Patent and Company shall not have any further royalty or other payment obligation for such patent application or patent. Company shall then have the right to Prosecute such patent or patent application at its own cost and expense in Wistar's name.

7.1.5. Each party shall cooperate with the other party to execute all lawful papers and instruments and to make all rightful oaths and declarations as may be necessary in the Prosecution of all such patents and other applications and protections referred to in this Article 7.

7.1.6. All non-public information exchanged between the parties or between Wistar's patent counsel and Company regarding Prosecution and enforcement of the Licensed Patents, and all shared information regarding analyses or opinions of third party intellectual property, shall be deemed Confidential Information. In addition, the parties acknowledge and agree that, with regard to Prosecution and enforcement of the Licensed Patents, the interests of the parties as licensor and licensee are to obtain the strongest patent prosecution possible, and as such, are aligned and are legal in nature. The parties agree and acknowledge that they have not waived, and nothing in this Agreement constitutes a waiver of, any legal privilege concerning the Licensed Patents or the Confidential Information, including privilege under the common interest doctrine and similar or related doctrines.

7.2 Ownership. Wistar shall retain all right, title and interest in and to the Licensed Patents, Wistar Confidential Information and Licensed Technical Information regardless of which party Prosecutes the patents, subject to the express license granted to Company under Article 2 hereof.

7.3 Infringement.

7.3.1. Each party shall promptly notify the other party in writing of any infringement or possible infringement of any Licensed Patent in the Licensed Field. Company shall have the first right, but not the obligation, to prosecute such infringement in the Licensed Field at its own expense. Company shall use the same degree of diligence in prosecuting such infringement as it uses or would use in prosecuting infringement of its own patent rights. In the event Company elects to prosecute such infringement, Wistar shall cooperate with Company, at Company's reasonable request and Company's sole expense, in any such infringement action. Company shall reimburse Wistar for any such expense within thirty (30) days after Company's receipt of invoice for the same.

Company shall keep Wistar informed of the status and progress of any action brought under this Section 7.3 and Company shall not settle or compromise any such suit in a manner that imposes any obligations or restrictions on Wistar or grants any rights to the Licensed Patents, Wistar Confidential Information or Licensed Technical Information without Wistar's prior written consent. Prior to commencing any such infringement action, Company shall consult with Wistar and shall consider the views of Wistar regarding the advisability of the proposed action and its effect on the public interest. If Company exercises its right to bring an infringement action against the alleged infringer, Company shall be obligated to defend any cross claim or counterclaim or action for declaratory judgment related to the Licensed Patents or Licensed Product.

7.3.2. If Company fails to prosecute such infringement within ninety (90) days after receiving notice thereof, Wistar shall have the right, but not the obligation, to prosecute such infringement at its own expense. In such event, Company shall cooperate with Wistar, at Company's sole expense. Wistar shall not settle or compromise any such suit in a manner that imposes any limitations or restrictions on the rights granted to Company in Article 2 hereof without Company's written consent. In any such settlement or compromise, consideration will be given in good faith to granting the infringer a Sublicense under the Licensed Patents in the Licensed Field on appropriate terms.

7.3.3. Any recovery obtained by the prosecuting party as a result of such proceeding, by settlement or otherwise, shall be applied first to the prosecuting party, an amount equal to its costs and expenses of the litigation, with the remainder to be paid fifty percent (50%) to Wistar and fifty percent (50%) to Company.

7.4 Certain Notices. Company shall notify Wistar at least sixty (60) days before Company uses or exports the Licensed Patents or any Licensed Product in or to any country outside the United States to allow Wistar to make any patent filings or to take other actions necessary to protect the Licensed Patents.

7.4.1. Patent Term Extension Obligations. Company shall keep Wistar fully informed of Company's and each Sublicensee's progress toward Regulatory Approval for commercial sale of each Licensed Product with respect to each Licensed Patent hereunder. Company shall assist Wistar in determining with respect to such Licensed Products if the Licensed Patents would be eligible for patent term extension pursuant to 35 U.S.C. §§156, and, as appropriate, applicable foreign patent laws (a "Patent Term Extension"). Company acknowledges that time is of the essence with respect to submission of any application for Patent Term Extension. Company shall give Wistar prompt oral notification when each of its or its Sublicensee's Licensed Products with respect to each Licensed Patent have received permission (under the provision of law under which the applicable regulatory review occurred) for commercial marketing or use, and shall confirm such notification in writing within five (5) business days of receipt of written notice of marketing approval from the regulatory agency. Wistar shall consider in good faith any request by Company that it or they apply for Patent Term Extension. Wistar shall have the right, but not the obligation, to apply for Patent Term Extension.

At Wistar's request, Company shall, in a timely manner, assist Wistar in preparing an application for Patent Term Extension in compliance with 35 U.S.C. §156 et seq., and, as appropriate, any applicable foreign patent laws. Company and its Sublicensees shall cooperate fully with Wistar in preparing the applications for Patent Term Extension. Company agrees to join in such applications at Wistar's request. Company shall fully support such applications and shall provide such information as may be requested in support of such applications by Wistar or by the government.

7.5 Licensed Patent Challenges. In the event that Company or a Sublicensee or any of their Affiliates directly or indirectly brings, or assists in bringing, a Patent Challenge, then **(i)** Company shall provide Wistar with at least sixty (60) days' notice prior to taking any such action, **(ii)** the parties consent that Section 10.9 shall apply; **(iii)** Company shall pay all costs, fees and expenses associated with such Patent Challenge that are incurred by Wistar and its trustees, managers, officers, agents, employees, faculty, affiliated investigators, personnel, and staff, including attorneys' fees and all costs associated with administrative, judicial or other proceedings, within thirty (30) days after receiving an invoice from Wistar for same; **(iv)** the exclusive licenses granted in this Agreement shall, as of the date of initiation of said challenge or opposition, automatically convert to a non-exclusive license for the remainder of the Term, and Wistar shall have the right to grant licenses under the Licensed Patents to third parties, subject to the then-existing non-exclusive license provided herein; **(v)** any fees, royalties, milestones or revenues payable to Wistar hereunder shall double in amount if and when any Licensed Patent survives the Patent Challenge such that it remains valid in whole or in part; and **(vi)** at any time after the Patent Challenge is brought, Wistar may, at its option, terminate this Agreement according to Section 9.2; *provided* that if any of subsections (i) through (vi) are held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any of the other said subsections. Notwithstanding any provision of this Agreement to the contrary, Company shall not have the right to assume or participate in the defense, settlement or other disposition of such Patent Challenge through its status as a licensee under this Agreement, but shall pay associated costs, fees and expenses as provided in Section 7.5(iii). The parties agree any challenge or opposition to a Licensed Patent by Company may be detrimental to Wistar, and that the above provisions shall constitute reasonable liquidated damages to reasonably compensate Wistar for any loss it may incur as a result of Company taking such action.

ARTICLE 8 - CONFIDENTIALITY

8.1 Confidentiality.

8.1.1. "Wistar Confidential Information" means **(i)** the Licensed Technical Information; **(ii)** any information provided to Company in connection with Prosecution under this Agreement, and **(iii)** any information or material that is sent to Company by Wistar prior to or after the Effective Date of this Agreement and marked "Confidential" or when the confidential nature of such information or material is apparent from context and subject matter. "Company Confidential Information" means **(a)** the Commercialization Plan, and **(b)** any reports prepared by Company and provided to Wistar pursuant to Sections 3.8, 4.4.1 and 4.9. The terms of this Agreement but not the existence of this Agreement, constitute the Confidential Information of both parties hereunder. "Confidential Information" means the Wistar Confidential Information and Company Confidential Information, as applicable.

8.1.2. For the Term of this Agreement and a period of five (5) years thereafter, **(a)** Company shall maintain in confidence and shall not disclose to any third party any Wistar Confidential Information, and **(b)** Wistar shall maintain in confidence and shall not disclose to any third party any Company Confidential Information. Each party shall take all reasonable steps to protect the Confidential Information of the other party with the same degree of care used to protect its own confidential or proprietary information. Neither party shall use the Confidential Information of the other party for any purpose other than those contemplated by this Agreement. The foregoing obligations under this Section 8.1.2 shall not apply to:

(i) information that is known to the receiving party or independently developed by the receiving party prior to the time of disclosure without use of or reference to the other party's Confidential Information, in each case, to the extent evidenced by written records promptly disclosed to the furnishing party upon receipt of such Confidential Information;

(ii) information disclosed to the receiving party by a third party that has a right to make such disclosure;

(iii) information that becomes patented, published or otherwise part of the public domain as a result of acts by the furnishing party or a third party obtaining such information as a matter of right; or

(iv) information that is required to be disclosed by order of the FDA or similar authority or a court of competent jurisdiction or other government authority or agency; *provided* that the parties shall use their best efforts to obtain confidential treatment of such information by the agency, authority, or court.

8.1.3. Wistar shall not be obligated to accept, and assumes no institutional liability or responsibility for, Company Confidential Information that Company furnishes to any employee of Wistar other than its business or legal officers as provided in this Agreement. If Company desires to furnish any Company Confidential Information to other employees of Wistar, Company shall so inform Wistar and Wistar shall decide whether such individual may receive some or all such Company Confidential Information and, if so, whether such individual shall sign a separate confidentiality agreement to govern the use and disclosure of such information.

8.2 Publication. Company acknowledges that a basic objective of the research and development activities of Wistar is the generation of new knowledge and its expeditious dissemination. To further that objective, Wistar retains the right, at its discretion, to demonstrate, publish or publicize a description of the Licensed Patents and Licensed Technical Information and any results of research conducted by Wistar with or relating to the Licensed Patents or Licensed Technical Information.

8.3 Use of Name; Publicity. Company or ITUS shall not directly or indirectly use Wistar's name, or the name of any current or former trustee, manager, officer, agent, employee, faculty, affiliated investigator, personnel or staff thereof, without Wistar's prior written consent. Subject to Section 8.1, neither party shall issue any press release or other public statements related to this Agreement without the prior written consent of an authorized representative of the other party as to each such use; *provided* that, the parties and ITUS may make the factual statement that Company has an exclusive license from Wistar under one or more of the patents or patent applications comprising the Licensed Patents, and may discuss the terms of this License, intellectual property rights licensed under this license, payments made under this License, and regulatory status of any Licensed Products sold or for which regulatory approval is being sought to sell under this License, in filings of the Company or ITUS made with the Securities Exchange Commission (SEC) and in investor or road show presentations or on the Company's or ITUS's website. Company will provide Wistar with any proposed SEC filings that are required to be provided for review at least 24 hours prior to filing or disclosure. Company or ITUS will consider in good faith any requests of Wistar to redact information from the proposed filings, and Company or ITUS will be permitted to make its filings if otherwise in compliance with this Agreement upon expiration of the 24 hour notice period. For the avoidance of doubt, Company or ITUS need not provide to Wistar any information that has previously been disclosed.

ARTICLE 9 - TERM AND TERMINATION

9.1 Term. This Agreement shall remain in effect until the expiration of the Term unless earlier terminated as provided hereunder.

9.2 Termination by Wistar. Upon the occurrence of any of the events set forth below, Wistar shall have the right to terminate this Agreement by giving written notice of termination, such termination to be effective with the giving of such notice, except that in the case of (iv), below, such termination shall occur automatically and without the necessity of notice by Wistar:

(i) Company fails to pay any amount payable to Wistar within sixty (60) days after such amount becomes due;

(ii) Company fails to pay the Patenting Costs as required by Section 7.1.1 within sixty (60) days after such amount becomes due;

(iii) material breach by Company of any covenant or agreement (other than a breach referred to in clause (i) above) or any representation or warranty contained in this Agreement that is continuing sixty (60) days after Wistar gives Company written notice of such breach; notwithstanding the foregoing, if Company violates the laws, regulations or other legal authority in any jurisdiction relating to the development, use, storage, or marketing of the Licensed Products in a way that Wistar deems in its reasonable judgment to constitute a public safety or health hazard, Wistar may immediately terminate the license hereunder;

(iv) Company becomes subject to a Bankruptcy Event;

(v) the dissolution or cessation of operations by Company;

(vi) Company or any of its Affiliates or Sublicensees bring a Patent Challenge against Wistar, or assists others in bringing a Patent Challenge against Wistar (except as required under a court order or subpoena); or

(vii) Company fails to perform or fulfill its diligence obligations or any Performance Milestone in accordance with the requirements of Sections 4.1 or 4.2 and that failure is continuing ninety (90) days after Wistar gives Company written notice of such breach; and

(viii) Wistar's right of termination in this Section 9.2 shall be in addition and without prejudice to, and shall not constitute a waiver of, any right of Wistar for recovery of any monies then due to it hereunder or any other right or remedy Wistar may have at law, in equity or under this Agreement.

9.3 Termination by Company.

9.3.1. Company may terminate this Agreement upon sixty (60) days' prior written notice to Wistar if Wistar is in material breach of this Agreement and such material breach remains uncured for sixty (60) days after Company gives Wistar written notice of such breach.

9.3.2. In addition, if the Company is in good standing and has paid all monies due to Wistar under this Agreement, Company shall have the right to terminate this Agreement at any time after the third anniversary of this Agreement with or without cause upon ninety (90) days prior written notice to Wistar.

9.3.3. Company's right of termination in this Section 9.3 shall be in addition and without prejudice to, and shall not constitute a waiver of, any right or remedy Company may have at law, in equity or under this Agreement.

9.4 Effect on Sublicenses. Upon expiration or earlier termination of this Agreement for any reason, Company shall promptly notify its Sublicensees of such expiration or termination. Upon notice by Wistar of its intent to terminate (or, if notice is not required, upon termination) of this Agreement, Company shall no longer have the authority to grant further Sublicenses. Any Sublicenses granted by Company under Section 2.4 of this Agreement shall terminate upon the expiration or earlier termination of this Agreement, unless Wistar, in its sole discretion, requests in writing that such Sublicense survive such expiration or termination and remain in force and effect, in which case such Sublicense shall be assigned to Wistar.

9.5 Rights and Duties Upon Termination or Expiration. Upon termination or expiration of this Agreement for any reason:

(i) all rights and licenses granted to Company under the terms of this Agreement shall terminate and nothing herein shall be construed to release either party from any obligation that matured prior to the effective date of such termination or expiration;

(ii) all Confidential Information of the furnishing party shall be promptly returned or destroyed, at the furnishing party's election;

(iii) Company shall cease all production and sale of Licensed Products;

(iv) final reports in accordance with Section 3.8 shall be submitted to Wistar; and

(v) all royalties and other payments, including any unreimbursed Patent Costs, accrued or due to Wistar as of the termination or expiration date shall become immediately payable. Notwithstanding the foregoing, after the effective date of termination of this Agreement, unless for breach by Company, Company and its Sublicensees may, for a period of six (6) months, sell all Licensed Products existing at the time of such termination or expiration, and complete Licensed Products in the process of manufacture at the time of such termination or expiration and sell the same, *provided* that Company shall comply with, and cause its Sublicensees to comply with, all of the terms of this Agreement, including, **(a)** Company shall pay to Wistar the running royalties and other payments as required hereinabove in Article 3, **(b)** insurance requirements as described in Section 6.5, and **(c)** Company shall submit the reports required by Section 3.8 hereof.

9.6 Disposition of Company Developments. In the event this Agreement is terminated, Wistar's financial interest in and to the Licensed Patents may be harmed, due to lost patent term and other factors. Therefore, in the event of termination of this Agreement prior to expiration of the Term, Company shall:

(i) provide Wistar with access to and, at Wistar's request, deliver to Wistar all documents, filings, data and other information in Company's possession relating to any of the Licensed Patents or Licensed Products, including all records required by regulatory authorities to be maintained with respect to Licensed Products, all regulatory filings, approvals, reports, records, correspondence and other regulatory materials (including any related to reimbursement or pricing approvals), and all documents, data and other information related to Clinical Trials and other studies of Licensed Products (collectively, "Documentation and Approvals"); and

(ii) permit Wistar and its licensees and sublicensees to utilize, reference, cross reference, incorporate in applications and filings, and otherwise have the benefit of all Documentation and Approvals.; and

(iii) provide to Wistar a copy of, and grant Wistar on mutually agreed terms a non-exclusive royalty-based, fully paid-up, perpetual, irrevocable, sublicensable license to, all patents and applications of Company and its Affiliates that improve or are otherwise related to the Licensed Patents or that cover a Licensed Product ("Company IP"). Wistar shall be free to use Company IP in the course of developing Licensed Products and/or otherwise exploiting the Licensed Patents, including licensing such rights to third parties.

9.7 Provisions Surviving Termination or Expiration. Company's obligation to pay any amounts accrued but unpaid, and to discharge any obligations or responsibilities arising, prior to expiration or earlier termination of this Agreement shall survive such termination or expiration. In addition, Sections 2.2.1, 3.10, 4.5.3, 7.1.6, 7.2, 9.2(viii), 9.3 9.4, 9.5, 9.6, 9.7, 9.8, 10.3, 10.4 and 10.9 and Articles 1, 6 and 8, the defined terms and provisions used or referenced therein, and any other provisions required to interpret the rights and obligations of the parties arising prior to the termination or expiration date shall survive expiration or termination of this Agreement.

9.8 Right to Payment Accrues During Term of Agreement . Whenever a payment to Wistar with respect to sales of any Licensed Product is provided for in this Agreement, the right of Wistar to such payment shall accrue at the time such product is manufactured or produced during the Term of this Agreement. Therefore any inventory or stocks of such products existing prior to the expiration or earlier termination of this Agreement but sold thereafter shall generate payment to Wistar in accordance with the applicable percentage or other method for determining the amount of such payment provided in this Agreement. In such cases, Company shall promptly remit payment to Wistar after the receipt of consideration from sale of such products.

ARTICLE 10 - ADDITIONAL PROVISIONS

10.1 Assignment.

10.1.1. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective permitted assigns and successors in interest. Except as expressly permitted in this Agreement, Company shall not assign, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of Wistar.

10.1.2. No such consent shall be required to assign this Agreement to a successor in connection with a merger or consolidation of Company, or to the purchaser of all or substantially all the assets of Company, *provided* that: **(i)** Company is not in breach of this Agreement; **(ii)** such successor or purchaser shall agree in writing to be bound by the terms and conditions hereof prior to such assignment; **(iii)** Company shall provide Wistar with evidence to demonstrate that such successor or purchaser has or is likely to acquire, in a reasonable period of time, capital and personnel resources sufficient to fulfill the obligations it is assuming hereunder; **(iv)** Company shall notify Wistar in writing of any assignment and provide a copy of all assignment documents (pursuant to which such transferee shall have agreed in writing to be bound by the terms and conditions of this Agreement) to Wistar within thirty (30) days of assignment; and **(v)** ***.

10.1.3. Failure of an assignee to agree to be bound by the terms hereof or failure of Company to notify Wistar and provide copies of assignment documentation shall be grounds for termination of this Agreement for default. Any attempted assignment in contravention of this Section 10.1 shall be null and void. No assignment shall relieve Company of any obligation it has accrued prior to such assignment.

10.2 No Waiver. A waiver by either party of a breach or violation of any provision of this Agreement shall not constitute or be construed as a waiver of any subsequent breach or violation of that provision or as a waiver of any breach or violation of any other provision of this Agreement.

10.3 Independent Contractor. Nothing herein shall be deemed to establish a relationship of principal and agent between Wistar and Company, nor any of their Sublicensees, Affiliates, agents or employees for any purpose whatsoever. This Agreement shall not be construed as constituting Wistar and Company, or Wistar and any Sublicensees, as partners, or as creating any other form of legal association or arrangement which could impose liability upon one party for the act or failure to act of the other party.

10.4 Notices. Any notice given under this Agreement shall be in writing and shall be deemed delivered when sent by prepaid, express, first class, certified or registered mail, or by overnight courier, with confirmed receipt, addressed to the parties as follows (or at such other addresses as the parties may notify each other in writing):

If to Wistar:

The Wistar Institute
3601 Spruce Street
Philadelphia, PA 19104
Attn: Office of Business Development

With a copy to: Attn: Vice President, General Counsel, Secretary and Government Relations

If to Company:

Certainty Therapeutics, Inc.
3150 Almaden Expressway,
Suite 250, San Jose, California 95118
Attn: Amit Kumar, Chief Executive Officer

10.5 Entire Agreement. This Agreement, together with the Equity Documents, embodies the entire understanding between the parties relating to the subject matter hereof and supersedes the Option and all prior understandings and agreements, whether written or oral. This Agreement may not be varied except by a written document signed by duly authorized representatives of both parties.

10.6 Severability. Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof or affecting the validity or unenforceability of any of the terms of this Agreement in any other jurisdiction.

10.7 Headings; Interpretation. Any article and section headings and captions used in this Agreement are for convenience of reference only and shall not affect its construction or interpretation. The words "include" or "including" shall be construed as incorporating, also, "but not limited to" or "without limitation." The parties acknowledge that each party has read and negotiated the language used in this Agreement. Because all parties participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement which construes ambiguous language in favor of or against any party by reason of that party's role in drafting this Agreement.

10.8 No Third Party Benefits. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the parties hereto or their permitted assigns, any benefits, rights or remedies.

10.9 Disputes; Governing Law; Jurisdiction; Arbitration.

10.9.1. In the case of any dispute, claim, question or disagreement arising out of or relating to this Agreement, or the parties' activities hereunder, including any question regarding the existence, validity or termination of this Agreement, the parties shall use all reasonable efforts to settle such dispute, claim, question or disagreement by amicable agreement, including by escalation to the President and Chief Executive Officer of Wistar and Chief Executive Officer of Company, if necessary, prior to commencement of arbitration.

10.9.2. This Agreement shall be construed, governed, interpreted and applied in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to conflict of law principles. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

10.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against the party whose signature appears thereon, but all of which taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Effective Date.

THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY	**CERTAINTY THERAPEUTICS, INC.**
By: /s/ Heather A. Steinman	By: /s/ Amit Kumar
Heather A. Steinman, Ph.D., M.B.A.	Name: Amit Kumar
	Title: Chief Executive Officer
Vice President, Business Development and Executive Director, Technology Transfer	
Date: November 9, 2017	Date: November 13, 2017

LICENSE AGREEMENT
BETWEEN
THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY
AND
CERTAINTY THERAPEUTICS, INC.

INDEX OF SCHEDULES

Schedule I

LICENSED PATENTS

Inventors	Serial No.	App. Type	File Date	Title
Alfredo Perales-Puchalt, Jose Conejo-Garcia	62/059,068	PPA1	10/02/2014	Methods and Compositions for Treating Cancer
Alfredo Perales-Puchalt, Jose Conejo-Garcia	62/202,824	PPA2	8/08/2015	Methods and Compositions for Treating Cancer
Alfredo Perales-Puchalt, Jose Conejo-Garcia	PCT/US2015/053128 Pub No. WO 2016/054153	PCT	9/30/2015 Pub Date: 4/07/2016	Methods and Compositions for Treating Cancer
Alfredo Perales-Puchalt, Jose Conejo-Garcia	US15/515,442 Pub No. US 2017/0226176 A1	US National Phase	9/30/2015 (5/29/2017) Pub Date: 8/10/2017	Methods and Compositions for Treating Cancer
Alfredo Perales-Puchalt, Jose Conejo-Garcia	15847792.7 Pub No. EP2300815A	Europe National Phase	9/30/2015 (4/29/2017) Pub Date: 8/09/2017	Methods and Compositions for Treating Cancer
Alfredo Perales-Puchalt, Jose Conejo-Garcia	201580065382.9 Pub No. CN 106999552	China National Phase	9/30/2015 (6/01/2017) Pub Date: 8/01/2017	Methods and Compositions for Treating Cancer

Schedule II

QUARTERLY REPORT

Per Section 3.8 of this Agreement, reports shall include at least the following, on a Licensed Product-by-Licensed Product and country-by-country basis:

A. the numbers or quantity of each Licensed Product sold by Company, its Affiliates and each Sublicensee during the Calendar Quarter;

B. the gross amount billed and actually collected by Company, its Affiliates and Sublicensees for Licensed Products, and an accounting of any non-monetary consideration for each Licensed Product sold by Company, its Affiliates and each Sublicensee during the Calendar Quarter;

C. deductions applicable to the sale of each Licensed Product during the Calendar Quarter, as provided in the definition of Net Sales;

D. average sale price during the Calendar Quarter;

E. exchange rates used for currency conversion under Section 3.9.2 for the Calendar Quarter and the basis and methodology used;

F. total royalties due to Wistar under Section 3.2.1 for the Calendar Quarter, as well as a detailed accounting of how such payments were calculated;

G. milestone payments due to Wistar;

H. Minimum Annual Royalties and maintenance fees due to Wistar;

I. names and addresses of all Sublicensees of Company during the Calendar Quarter;

J. Non-Royalty Sublicensing Income received during the Calendar Quarter from each Sublicensee, identifying the types of payment as further described in the definition of Non-Royalty Sublicensing Income;

K. description and product codes, or other Company identifier, of each Licensed Product sold during the Calendar Quarter; and

L. a list of countries in which a First Commercial Sale occurred in the Calendar Quarter.

Exhibit 10.15

Confidential Treatment Requested by ITUS Corporation,
IRS Employer Identification No. 11-2622630

*****CONFIDENTIAL TREATMENT REQUESTED*****

Note: Confidential treatment requested with respect to certain portions hereof denoted with "[***]"

COLLABORATION AGREEMENT

THIS AGREEMENT is entered into on November 17, 2017 (hereinafter "Effective Date) by and between H. Lee Moffitt Cancer Center and Research Institute, Inc. a non-profit Florida corporation organized pursuant to Section 1004.43, Florida Statutes, whose address is 12902 Magnolia Drive Tampa, Florida 33612 ("Moffitt") and Certainty Therapeutics, Inc., a corporation duly organized under the laws of Delaware whose address is 3150 Almaden Expressway, Suite 250, San Jose, California 95118 (hereinafter "Company"). Moffitt and Company are hereinafter referred to individually as "Party" and collectively as "Parties."

WHEREAS, the Company has been formed to exploit certain Intellectual Property obtained in a license from The Wistar Institue of Anatomy and Biology pursuant to a License Agreement between The Wistar Institute of Anatomy and Biology ("Wistar") and Company, dated November 13, 2017;

WHEREAS, Moffitt is a National Cancer Institute designated comprehensive cancer center, a statewide research institute, and a national resource for basic science, clinical research, and interdisciplinary approaches to research and patient treatment;

WHEREAS, Moffitt and Company through their respective scientists and investigators wish to jointly engage in the basic and/or translational research project set forth in the Research Plan (defined below) to perform preclinical testing necessary to support clinical testing in accordance with Good Laboratory Practices (GLP) and FDA requirements.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 **DEFINITIONS.**

1.1. The foregoing recitals are hereby incorporated herein by reference and acknowledged as true and correct. Unless specifically set forth to the contrary in this Agreement, the following terms, whether use in the singular or plural, shall have the respective meanings set forth below.

(a) "Anti-Corruption Laws" shall mean any anti-bribery and anti-corruption laws, rules, regulations applicable to a party under this Agreement (each as amended from time to time) including the Prevention of Corruption Act (cap.241) of Singapore, the U.S. Anti-Kickback Law, U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010 and the OECD Convention Against the Bribery of Foreign Government Officials in International Business Transactions, together with any applicable implementing legislation, including any applicable local law addressing bribery or corruption.

(b) "Budget" shall mean the budget that was agreed to by the Parties to be used for the purpose of performing the Research Plan, attached hereto as Exhibit C, which is incorporated herein in its entirety. In the event Exhibit C is blank or is not attached hereto, then the Parties understand and agree that Company will not be providing funding for the Research Plan.

(c) "Confidential Information" shall mean all information and materials, including but not limited to invention disclosures, proprietary technologies, economic information, business or research strategies, trade secrets and material embodiments thereof, furnished by or on behalf of such Party which would reasonably be considered to be proprietary or confidential, or that is marked "confidential" (or if provided in oral, visual or non-tangible form, made known at the time of disclosure to be confidential, but shall not include Data.

(d) "Data" shall mean Moffitt Data and Company Data.

(e) "Invention" shall mean any and all discoveries, developments, improvements, modifications, formulations, analogs or homologs, materials, compositions of matter, cell lines, processes, machines, manufactures and other inventions (whether or not patentable) conceived, discovered, or otherwise made under or arises from the Research Plan.

(f) **"**Joint Inventions**"** shall mean Inventions arising from the Research Plan and invented jointly on one hand by Company employees or persons obligated to assign Inventions to Company and on the other hand by Moffitt employees. Moffitt and Company shall jointly own all Joint Inventions.

(g) "Company Data" shall have the meaning set forth in Section 4.1.

(h) "Company Inventions" shall mean Inventions arising from the Research Plan and invented solely by Company employees or persons obligated to assign their Inventions to Company. Company retains all right, title, and interest in and to all Company Inventions.

(i) "Company Research Materials" shall mean (i) compound, cell line, mouse, vector, antibody, tissue, or any material transferred from Company to Moffitt while this Agreement is in full force and effect and (ii) is fully identified and described in Exhibit A, which is incorporated herein in its entirety. If Company Research Materials are not listed on or identified in Exhibit A, then the Parties understand and agree that Company will not be providing any Company Research Materials under this Agreement.

(j) "Moffitt Data" shall have the meaning set forth in Section 4.1 of this Agreement.

(k) **"**Moffitt Inventions**"** shall mean Inventions arising from the Research Plan and invented solely by its employees, including from its employees use of Third Party Research Materials. Moffitt has the full right and authority to protect and commercialize Moffitt Inventions.

(l) "Moffitt Research Materials" shall mean (i) compound, cell line, mouse, vector, antibody, tissue, or any material generated or created under the Research Plan and transferred from Moffitt to Company while this Agreement is in full force and effect and (ii) is fully identified and described in Exhibit A. Moffitt Research Materials includes progeny and derivatives of Moffitt Research Materials. If Moffitt Research Materials are not listed on or identified in Exhibit A, then the Parties understand and agree that Moffitt will not be providing any Moffitt Research Materials under this Agreement.

(m) "Third Party Research Materials" shall mean mean any third party owned (i) compound, cell line, mouse, vector, antibody, tissue, or any material generated, created that Moffitt is required to use to conduct the Research Plan while this Agreement is in full force and effect and (ii) are identified and described in Exhibit A.

(n) "Option Period" shall have the meaning set forth in Section 6.5.

(o) "Negotiation Period" shall have the meaning set forth in Section 6.5.

(p) "Research Plan" shall mean the research described in Exhibit B, which is incorporated herein in its entirety. The Research Plan may only be changed or amended by prior written agreement by the Parties.

(q) "Term" shall have the meaning set forth in Section 7.1 of this Agreement.

ARTICLE 2 **SUPPLY OF RESEARCH MATERIALS.**

2.1. Company agrees to provide Moffitt with the Company Research Materials to the extent set forth in Exhibit A. Company also may, at its discretion, provide Moffitt with certain information relating to the Research Materials. Moffitt agrees to provide Company with Moffitt Research Materials to the extent set forth in Exhibit A.

ARTICLE 3 **RESEARCH ACTIVITIES.**

3.1. Moffitt and Company shall and use commercially reasonable efforts to undertake the Research Plan as set forth in Exhibit B. The Research Plan may be modified, supplemented, or amended, but only as agreed to in writing by both Parties.

3.2. Moffitt will use any Company Research Materials provided to Moffitt solely for research purposes in accordance with the Research Plan. Moffitt will obtain written permission to use any Third Party Research Materials required to conduct the Research Plan. Moffitt will not use Company Research Materials, Moffitt Research Materials, or Third Party Research Materials to conduct studies or trials in human subjects, in clinical trials, or for in vitro or in vivo diagnostic purposes involving human subjects without the prior written consent of Company. Moffitt will not transfer any Company Research Materials to a third party.

3.3. Company will use Moffitt Research Materials and Third Party Research Materials solely for research purposes in accordance with the Research Plan. Company will not use Moffitt Research Materials or conduct studies or trials in human subjects, in clinical trials, or for in vitro or in vivo diagnostic purposes involving human subjects without the prior written consent of Moffitt. Company will not transfer Moffitt Research Materials to a third party. Company shall not use the Moffitt Research Material, Company Research Material, or Third Party Research Material to produce or manufacture products that will be sold, leased, licensed or transferred to any third party.

ARTICLE 4 **DATA AND REPORTING.**

4.1. "Moffitt Data" shall mean any data, results, analysis (including bioinformatic analysis), or other information generated by or in collaboration with Moffitt in its performance of the Research Plan or use of Company Research Materials or Third Party Research Materials. "Company Data" shall mean any data, results, analysis (including bioinformatic analysis), or other information generated by Company in its performance of the Research Plan or use of the Moffitt Research Materials. The Moffitt Data and Company Data shall be jointly owned by the Parties. The Research Plan and all Moffitt Data and Company Data generated from conducting the Research Plan shall be conducted and recorded in accordance with Good Laboratory Practices (GLP) and in a manner to support an Investigational New Drug Application with the FDA. From time to time, the Company and its authorized agents, may monitor the conduct of the Research Plan, and generation of Moffitt Data in accordance with these requirements and may visit Moffitt and meet with the Moffitt principal investigator(s) responsible for the performance of the Research Plan for the purpose of such monitoring. Any such monitoring or visits shall be scheduled with reasonable advance notice in coordination with Moffitt during normal business hours and under Moffitt's supervision. To the extent required by law, Moffitt shall also permit inspection by responsible legal and regulatory authorities with respect to the Research Plan and preclinical studies to be conducted in accordance with the Research Plan or as otherwise reasonably necessary to satisfy the request of such authorities related to this Research Plan. To the extent permitted by law and practicable, Moffitt shall notify Company of any such inspections. Throughout the Term, Moffitt shall maintain complete and accurate records of all Moffitt Data and provide Company a copy of such Moffitt Data at least quarterly and upon reasonable request by Company and its authorized agents at time intervals other than quarterly. Throughout the Term, Company shall maintain complete and accurate records of all Company Data and provide Moffitt a copy of such Company Data at least quarterly and upon reasonable request by Moffitt at time intervals other than quarterly. Within sixty days after the expiration or termination of this Agreement or completion of the Research Plan, whichever is earlier, Moffitt shall promptly provide a written report, and copy, of any and all of the Moffitt Data to Company. Within sixty days after the expiration or termination of this Agreement or completion of the Research Plan, whichever is earlier, Company shall promptly provide a written report, and copy, of any and all of the Company Data to Moffitt.

4.2. Company recognizes that Moffitt and any third party that may own rights in the Moffitt Data) may wish to publish the Data in scientific journals or present the Data at symposia or other academic meetings, and Company agrees that Moffitt (and any third party having rights in the Moffitt Data) will have the right to do so, solely in accordance with the following provisions. Moffitt will submit to Company any such proposed publication or presentation of the Data at least thirty (30) days prior to the submission for publication or presentation. If Company determines that the proposed publication or presentation contains patentable subject matter that requires protection, Company may require the delay of publication or presentation for an additional period of not more than thirty (30) days to permit the preparation and filing of a patent application. If Company, on its own, or after consultation with Wistar, determines that the proposed publication or presentation includes Company Confidential Information, it will so inform Moffitt, and Moffitt will delete such Company Confidential Information from any proposed disclosure as directed by Company. Notwithstanding the foregoing, once Company has reviewed a publication or presentation for written or oral disclosure and the additional period of 30 days to permit filing of a patent application has expired, Moffitt (and third parties) shall be allowed to freely disclose such publication or presentation in the future. If Moffitt makes any material changes to a publication or presentation, such publication or presentation must be re-submitted to Company for review in accordance with this Section 4.2.

4.3. The Parties may elect to collaborate together in writing a manuscript to be published in a respected scientific journal. For such jointly written manuscript, authorship shall be based on contributions to the Research Plan, in accordance with academic standards and custom.

ARTICLE 5 **OWNERSHIP; NO IMPLIED LICENSE.**

5.1. Moffitt acknowledges and agrees that, notwithstanding any other provisions of this Agreement, (i) Company holds all right, title, and interest in and to the Company Research Materials and Company Confidential Information, and (ii) Company has the right to use or permit others to use the Company Research Materials and Company Confidential Information at any time for any lawful purpose. No option, license, or conveyance of rights, express or implied, is granted by Company to Moffitt in connection with any Company Research Materials or Company Confidential Information, except the right to use the Company Research Materials and Company Confidential Information in accordance with the terms of this Agreement.

5.2. Company acknowledges and agrees that, notwithstanding any other provisions of this Agreement, (i) Moffitt holds all right, title, and interest in and to the Moffitt Research Materials and Moffitt Confidential Information, and (ii) Moffitt has the right to use or permit others to use the Moffitt Research Materials and Moffitt Confidential Information at any time for any lawful purpose. No option, license, or conveyance of rights, express or implied, is granted by Moffitt to Company in connection with any Moffitt Research Materials or Moffitt Confidential Information, except the right to use the Moffitt Research Materials and Moffitt Confidential Information in accordance with the terms of this Agreement. For the avoidance of doubt, this does not affect the Company's joint ownership of the Moffitt Data as set forth in Section 4.1.

ARTICLE 6 **INVENTIONS.**

6.1. Inventorship shall be determined by the patent laws of the United States and initial ownership shall follow inventorship. Each Party shall retain all of its right, title and interest in and to any and all inventions made prior to, or outside the activities of, this Agreement. Except as expressly set forth herein, no license, express or implied, is granted with respect to any patents, patent applications, know-how (whether patentable or unpatentable) or other intellectual property rights of the other Party.

6.2. Moffitt shall have the sole right to file, prosecute and maintain patent applications and patents with respect to Moffitt Inventions. Company shall have the sole right to file, prosecute and maintain patent applications and patents with respect to Company Inventions.

6.3. With respect to Joint Inventions, Company shall file, prosecute, and maintain patent applications on behalf of the Parties, at Company's sole expense. With respect to any Joint Invention, Company shall (a) consult with Moffitt and keep Moffitt fully informed of the progress of all patent applications and patents, including all issues relating to the preparation, filing, prosecution and maintenance of patent applications and patents that claim Joint Inventions, (b) consult with Moffitt and keep the Moffitt fully informed about Company's patent strategy with respect to patent applications that claim Joint Inventions, (c) provide to Moffitt advance copies of documents relevant to preparation, filing, prosecution and maintenance of the patent applications and patents that claim Joint Inventions sufficiently in advance of filing to allow Moffitt a reasonable opportunity to review and comment on such documents, (d) consider and implement all Moffitt comments on such patent filings, and (e) provide Moffitt with final copies of such documents.

6.4. Company hereby grants Moffitt a royalty free, non sublicensable, non transferable, perpetual, non exclusive license to use and practice any Company Invention for its internal non-commercial research purposes. Moffitt hereby grants Company a royalty free, non sublicensable, non transferable, perpetual, non exclusive license to use and practice any Moffitt Invention for its internal, non-commercial research purposes.

6.5. Moffitt hereby grants Company an option to a royalty-bearing, sublicensable, exclusive license in Moffitt Inventions and Moffitt's interest in Joint Inventions for such territories as Company may request. Company may exercise its option to such exclusive license at any time within six (6) months after Moffitt notifies Company of a new Invention. ("Option Period"). In the event Company notifies Moffitt in writing that it wishes to exercise its option to an exclusive license during the Option Period, the Parties shall have six (6) months ("Negotiation Period") to agree on the terms of such license, which shall be negotiated in good faith under commercially reasonable terms. In the event that (a) Company fails to notify Moffitt of its desire to exercise its option to an exclusive license during the Option Period, or (b) Company notifies Moffitt that it does not wish to exercise its option to an exclusive license, or (c) the Parties are unable to agree on the terms of such license by the end of the Negotiation Period, then Moffitt shall have no further obligation to Company with respect to such Invention except that Company 's internal research use license shall continue in effect.

6.6. Moffitt shall obtain all intellectual property rights in all data and intellectual property that any vendor or subcontractor Moffitt engages in performing the Research Plan. Any data that a vendor or subcontractor that Moffitt engages in performing the Development Plan generates or creates shall be treated as Moffitt Data jointly owned by Moffitt and the Company and any such subcontractor or vendor that Moffitt engages shall have no rights in and to such data, Moffitt also shall obtain all intellectual property rights in any new inventions that any vendor or subcontractor Moffitt engages develops in performing the Development Plan. To the extent that they are not Joint Inventions, any such inventions generated or created by a vendor or subcontractor that Moffitt engages in performing the Development Plan shall be treated as Moffitt Inventions, subject to Section 6.5. In the event that Moffitt engages a third party academic organization to perform any of the activities under the Research Plan, Moffitt shall use commercially reasonable efforts to obtain the greatest amount of data and intellectual property rights from such relationship. In any event, Moffitt shall ensure at a minimum, that any intellectual property that a third party academic organization creates or develops in the course of performing the Research Plan that is necessary for commercialization, shall be made available for license to Company on fair, reasonable, and non-discriminatory terms.

ARTICLE 7 **TERM AND TERMINATION.**

7.1. This Agreement will commence as of the Effective Date set forth in the first paragraph of this Agreement and unless terminated otherwise as provided herein, this Agreement will expire twenty-four (24) months from such date, unless extended upon mutual written agreement of the Parties ("Term").

7.2. Either Party may terminate this Agreement (i) upon any breach by the other Party of the terms or conditions of this Agreement, which breach cannot be, or is not, cured within thirty (30) days after the breaching Party receives written notice by the non-breaching Party regarding such breach or (ii) upon the other Party becoming bankrupt or making an assignment for the benefit of its creditors, upon appointment of a trustee or receiver for the other Party of all or substantially all of its property, or upon the filing of a voluntary or involuntary petition by or against the other Party under any bankruptcy or insolvency law, the reorganization or rearrangement provisions of the United States Bankruptcy Code, or any similar law, (iii) or upon the termination, death, or other nonavailability of the Moffitt principal investigator(s) responsible for conducting the Research Plan and the Parties cannot reach agreement on new principal investigators. The rights of termination under this Section 7 will not be affected in any way by a Party's waiver or failure to take action with respect to any previous breach or other circumstance giving rise to the rights of termination hereunder.

7.3. Termination of this Agreement for any reason will be without prejudice to any rights that will have accrued to the benefit of either Party prior to such termination. Sections 3-6, 8, and 10-13 shall survive termination or expiration of this Agreement. Upon expiration or termination of this Agreement, Moffitt (i) will immediately terminate the Research Plan, including without limitation ceasing all uses of the Company Research Materials and Company Confidential Information, and (ii) will, at the direction of Company, within thirty days after termination, destroy or return (a) all Company Research Materials supplied to it and (b) all copies of the Company Confidential Information (except that Moffitt may retain one copy of the Company Confidential Information solely for archival purposes, subject to the obligations of Section 8 below). Upon expiration or termination of this Agreement, Company (i) will immediately terminate the Research Plan, including without limitation ceasing all uses of the Moffitt Research Materials and Moffitt Confidential Information, and (ii) will, at the direction of Moffitt, within thirty days after termination, destroy or return (a) all Moffitt Research Materials supplied to it and (b) all copies of the Moffitt Confidential Information (except that Company may retain one copy of the Moffitt Confidential Information solely for archival purposes, subject to the obligations of Section 8 below).

ARTICLE 8 **CONFIDENTIALITY AND USE.**

8.1. To the extent permitted by law, the Parties shall safeguard the other Party's Confidential Information against disclosure to third parties with the same degree of care as it exercises with its own data of a similar nature. Moffitt and Company agree not to disclose Confidential Information to others (except to their employees, agents, independent contractors, consultants, or affiliates who are bound by a like obligation of confidentiality). The Parties shall use the Confidential Information of the other Party in furtherance of performing or carrying out their respective obligations and duties under this Agreement. Confidential Information does not include information which:

(a) is publicly available prior to the date of this Agreement or becomes publicly available thereafter through no wrongful act of the receiving Party;

(b) was known to the receiving Party prior to the date of disclosure or becomes known to the receiving Party thereafter from a third party having a bona fide right to disclose the information;

(c) the receiving Party can demonstrate, through written documentation, was in the receiving Party's rightful possession on a non-confidential basis prior to disclosure by the providing Party hereunder;

(d) the receiving Party can demonstrate, through written documentation, is disclosed to the receiving Party without restriction on further disclosure;

(e) the receiving Party can demonstrate, through written documentation, is independently developed without the use of the providing Party's Confidential Information;

(f) must reasonably be disclosed to regulatory authorities, provided that the receiving Party promptly notifies the providing Party to give the providing Party the opportunity to contest or limit the scope of such disclosure; or

(g) is obligated to produce pursuant to an order of a court of competent jurisdiction or a facially valid administrative, legislative or other subpoena or pursuant to applicable law, provided that the receiving Party promptly notifies the providing Party to give the providing Party the opportunity to contest or limit the scope of such order.

8.2. The obligations of confidentiality and non use under this Section 8 shall continue for five (5) years after the Effective Date.

8.3. Use of Name; Publicity. The parties may make the factual statement that Company has entered into this Collaboration Agreement with Moffitt and may discuss the terms of this Agreement, the Research Plan, and progress and status of the completion of the Research Plan, in filings of the Company or ITUS made with the Securities Exchange Commission (SEC) and in investor or road show presentations.

ARTICLE 9 **NOTICES.**

9.1. Any request, notice, report, payment, approval or other communication required or permitted under this Agreement will be in writing, and will be deemed delivered (i) on the date of delivery when delivered personally; (ii) on the date sent by confirmed facsimile (followed by the actual document sent by commercial express courier specifying next day delivery, with written verification of receipt); (iii) one business day after deposit with a commercial overnight courier specifying next day delivery, with written verification of receipt; or (iv) on the date received when sent by registered or certified mail, return receipt requested, postage prepaid; and (v) on the date received when sent by electronic mail. All communications will be sent to the address set forth below or such other address as either Party may designate from time to time in accordance with this Section 9.1.

To Company :
Certainty Therapeutics, Inc.
3150 Almaden Expressway,
Suite 250, San Jose, California 95118
Attn: Amit Kumar, Chief Executive Officer
Email: ak@ITUScorp.com

To Moffitt:
H. Lee Moffitt Cancer Center and Research
Institute, Inc.
Attention: Director, Office of Sponsored Research
12902 Magnolia Drive, MBC-OSR
Tampa, FL 33612
Fax: (813) 745-6804
awards@moffitt.org

With courtesy copies to:

H. Lee Moffitt Cancer Center and Research
Institute, Inc.
Attention: Vice President for Research
Administration
12902 Magnolia Drive, SRB-3
Tampa, FL 33612
Fax: (813) 745-8709

H. Lee Moffitt Cancer Center and Research
Institute, Inc.
Attn: L. David de la Parte, General Counsel
12902 Magnolia Drive
Tampa, Florida 33612-9497

ARTICLE 10 **GOVERNING LAW.**

10.1. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Florida without reference to conflict of laws principles or statutory rules of arbitration included therein. Any dispute or proceeding under this Agreement shall be subject to the exclusive jurisdiction and venue of the 13th Judicial Circuit in and for Hillsborough County, Florida and the parties hereby consent to the exclusive personal jurisdiction and venue of these courts.

ARTICLE 11 **WARRANTIES AND INDEMNIFICATION.**

11.1. Moffitt accepts any Company Research Materials with the knowledge that they are experimental in nature and agree to comply with all laws and regulations for the shipping, handling and use thereof. COMPANY RESEARCH MATERIALS ARE BEING SUPPLIED "AS IS" WITH NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTY AGAINST INFRINGEMENT. Company accepts the Moffitt Research Materials with the knowledge that they are experimental in nature and agree to comply with all laws and regulations for the shipping, handling and use thereof. MOFFITT RESEARCH MATERIALS ARE BEING SUPPLIED "AS IS" WITH NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTY AGAINST INFRINGEMENT.

11.2. No indemnification for any loss, claim, damage, or liability is intended or provided by either Party under this Agreement. Each Party shall be liable for any loss, claim, damage or liability that said Party incurs as a result of said Party's activities under this Agreement.

ARTICLE 12 **PAYMENT SCHEDULE.**

12.1. Moffitt shall be compensated by Company for its conduct of the Research Plan in accordance with the Budget as outlined in Exhibit C of this Agreement. The Budget sets forth the dollar amount and schedule for all payments owed to Moffitt under this Agreement. Unless otherwise agreed in writing by the Parties, such payment amount is inclusive of any and all applicable fees, personnel costs, and overhead.

ARTICLE 13 **MISCELLANEOUS.**

13.1. The Parties shall have separate agreements with their employees whereby the employees are obligated to assign all right, title, and interest in any Invention generated in the course of the Research Plan to such Party.

13.2. Company shall perform the Research Plan and its other obligations hereunder, and use the Moffitt Research Materials in compliance with all applicable laws, regulations and legal requirements, including but not limited to those relating to biotechnological research, handling and containment of biohazardous materials, and use or disclosure of patient information or materials.

13.3. Moffitt shall perform the Research Plan and its other obligations hereunder, and use the Company Research Materials in compliance with all applicable laws, regulations and legal requirements, including but not limited to those relating to biotechnological research, handling and containment of biohazardous materials, and use or disclosure of patient information or materials.

13.4. Moffitt shall (a) comply with all applicable laws, rules and regulations pertaining to the development, testing, manufacture, marketing, import or export of any licensed products; and (b) not employ, contract with or retain any person directly or indirectly in the performance of the Research Plan if such person is: (i) excluded from a Federal health care program as outlined in Sections 1128 and 1156 of the Social Security Act (see the Office of Inspector General of the Department of Health and Human Services List of Excluded Individuals/Entities at http://www.oig.hhs.gov/fraud/exclusions/exclusions_list.asp), (ii) debarred by any Health Authority, including (but not limited to) by the FDA under 21 U.S.C. 335a (see the FDA Office of Regulatory Affairs Debarment List at http://www.fda.gov/ICECI/EnforcementActions/FDADebarmentList/default.htm), or (iii) excluded from contracting with the federal government (see the Excluded Parties Listing System at www.sam.gov).

13.5. Moffitt acknowledges that the transfer and use by foreign nationals of certain commodities and technical data is subject to U.S. laws and regulations controlling the export and use by foreign nationals of such commodities and technical data, including the Arms Export Control Act, the International Traffic in Arms Regulations ("ITAR"), the Export Administration Regulations ("EAR") and the laws and regulations implemented by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"). These laws and regulations, among other things, prohibit or require a license for the export or use by foreign nationals of certain types of technical data to specified countries. Moffitt shall comply with all such applicable U.S. laws and regulations in the performance of the Research Plan.

13.6. Moffitt agrees that it has not and will not, either directly or indirectly, engage in bribery, or offer, or promise, or authorize to pay or make any improper payment of any monies or financial or other advantage, including cash, loan, gift, travel, entertainment, hospitality, facilitation payment, kickback, political or philanthropic contribution, anything of value, or any other perceived benefit to improperly obtain or retain a business advantage in violation of any Anti-Corruption Laws and further, each party hereunder agrees that it shall not take any action that would cause the other parties to be in violation of such Anti-Corruption Laws in the performance of the Research Plan.

13.7. The Parties represent and warrant that they have the right and authority to enter into this Agreement and perform its obligations and grant the rights granted hereunder and that no pre-existing or future obligation, through contract or otherwise, will substantially interfere with or prevent them from performing its obligations or substantially interfere with or prevent them from exercising its rights hereunder.

13.8. Each Party shall not assign or transfer any rights, obligations or duties under this Agreement without the prior written consent of the other Party.

13.9. This Agreement shall constitute the entire understanding between the Parties and supersedes any and all prior or contemporaneous representations, agreements and promises, written or oral, between the Parties regarding the subject matter of this Agreement. No modification, amendment, or waiver may be accomplished to the terms of the Agreement without the written consent of both Parties.

13.10. This Agreement may be executed in one or more counterpart copies (including by facsimile, pdf, or other electronic delivery), which when joined, shall together constitute one agreement.

13.11. In the event that any provision of this Agreement shall be found invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

13.12. It is understood that this Agreement in no way alters any rights that the U.S. Government might have.

13.13. The headings preceding the text of each section of this Agreement are for convenience only and shall not be construed to define, modify, expand, limit, or affect the construction of or to be taken into account in interpreting the substance of this Agreement.

13.14. The failure of any Party hereto to enforce at any time, or for any period of time, any provision of this Agreement shall not be construed as a waiver of either such provision or of the right of such Party thereafter to enforce each and every provision of this Agreement.

13.15. Company shall comply with all applicable United States law and regulations controlling the export of certain commodities and technical data, including without limitation all Export Administration Regulations of the United States Department of Commerce. Among other things, these laws and regulations prohibit or require a license for the export of certain types of commodities and technical data to specified countries. Company hereby gives written assurance that it will comply with all applicable United States export control laws and regulations, that it bears sole responsibility for any violation of such laws and regulations by itself.

13.16. ITUS Corporation hereby absolutely, unconditionally and irrevocably guarantees to Moffitt the Company’s timely and faithful payment of all financial obligations to Moffitt as set forth in Section 12 and the Budget in Exhibit C of this Agreement.

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

CERTAINTY THERAPEUTICS, INC.

By: /s/Amit Kumar

Name: Amit Kumar

Title: Chief Executive Officer (CEO)

ITUS CORPORATION

By: /s/Michael J. Catelani

Name: Michael Catelani

Title: Chief Operating Officer (COO)

H. LEE MOFFITT CANCER CENTER AND RESEARCH INSTITUTE, INC.

By: /s/Margaret J. Fonner

Name: Margaret J. Fonner, CRA

Title: Director, Office of Sponsored Research

EXHIBIT A

DESCRIPTION AND QUANTITY OF MOFFITT RESEARCH MATERIALS, COMPANY RESEARCH MATERIALS AND THIRD PARTY RESEARCH MATERIALS

Moffitt Research Material	Description of Material	Quantity
***	***	***
Company Research Material	**Description of Material**	**Quantity**
***	***	***

Third Party Research Material	Description of Material	Quantity
Master Cell Bank	***	Quantity will be agreed upon by both Parties during the term of the Agreement

EXHIBIT B

RESEARCH PLAN

The **goal** of this project is to develop a new Chimeric Endocrine Receptor T cell (CERTcell™) therapy against ovarian and prostate cancer, which is similar to chimeric antigen receptors (CARs) T cell therapy but instead using the natural receptor-ligand interactions between follicle-stimulating hormone (FSH) and its receptor (FSHR) expressed on ovarian tumor cells. Upon ligand:receptor interactions, these modified T cells are activated via signaling domains converting these T cells into potent and selective tumor cell killers. Specifically, this proposal will address the necessary preclinical optimization for subsequent clinical testing.

A. **BACKGROUND AND SUMMARY OF PUBLISHED RESULTS** (PMID: 27435394)

Fig.1. Schematic depiction of FSHR-targeting CER constructs. To target FSHR, we synthetized a construct expressing a signal peptide, followed by the two subunits of FSH (FSHb and CGa the latter common to LH and TSH), separated by a linker. This targeting motif was cloned in frame with a hinge domain from CD8a, followed by the transmembrane domain of CD8a, the intracellular domain of a co-stimulatory mediator (4-1BB and CD28 will be tested) and, finally, the activating CD3z domain.

1-In an effort to overcome the paucity of surface (targetable) antigens selectively expressed by tumor cells and not by healthy tissues, we identified FSHR as a targetable (cell surface) antigen present on >50 of ovarian carcinomas of different histological types, including serous malignancies [1-3].

2-We demonstrated that in healthy adult women, the FSHR is only expressed in the ovary (granulosa cells[4] and at low levels in the ovarian endothelium [5]), but NOT in any other healthy tissue, including the brain[3]. Given that oophorectomy is a standard procedure in the treatment of ovarian cancer, targeting the FSHR will not damage healthy tissues.

3-Human T cells expressing full-length FSH-redirected chimeric receptors (FSHCER T cells; **Fig.1**) mediate significant therapeutic effects (including tumor rejection) against 3 of 4 patient-derived tumors in vivo, compared to mock-transduced T cells. Consistently, the growth of established $FSHR^+$ human ovarian cancer CaOV3 tumors was significantly delayed in mice receiving a single injection of 6 million CERT cells, while administration of mock-transduced T cells allows tumor progression.

4-In immunocompetent mice growing syngeneic, orthotopic, and aggressive ovarian tumors, fully murine FSH-targeted T cells (carrying mouse FSH as a targeting motif for mouse FSHR) also increased survival without any measurable toxicity.

B. APPROACH

PHASE I. Milestone: Define the Maximum Tolerated Dose for FSHCER T cells and show safety *in vivo*

We demonstrated that the administration of 2 doses of 1.5 million FSHCER T cells targeting murine FSHR into peritoneal ovarian cancer (ID8-*Vegf/Defb29*)-bearing immunocompetent mice delayed malignant progression without any alterations in hepatic enzymes, creatinine or any other obvious sign of toxicity[3]. These experiments will **define the maximum tolerated dose for a single infusion of CERTcells** . Here, Moffitt will infuse tumor-free C57BL/6 mice (5/group) with $\mathbf{10^6}$, $\mathbf{10^7}$, or $\mathbf{2 \times 10^7}$ *mouse* FSHCERTcells or HBSS (4 groups), and follow them for 5 months. Doses have been selected based on 5 years of experience with adoptive transfer of T cells in various preclinical models[3,6-10]. T cells will be initially infused *i.p.*, because this is the route endorsed by the NCI for targeting ovarian cancer in the clinic[11]). In complementary experiments, Moffitt will also challenge NSG mice (5/group) with flank OVCAR3 cells (10^6) and also treat them at day 14 with $\mathbf{10^6}$, $\mathbf{10^7}$, or $\mathbf{2 \times 10^7}$ *human* FSHCERTcells or HBSS. These mice will be followed until tumors reach 2 cm in any dimension or signs of GVHD (general health deterioration; see below) become obvious.

Readouts of potential toxicity. In all mice, the following readouts will be monitored:
General health status: The health status of mice will be monitored closely over the first 24 h period, and daily thereafter for one week, then once weekly for the duration of the study. Euthanasia by CO2 will be performed when the following clinical signs associated with pain/distress are observed: Difficult breathing increased respiratory rate, decreased movements or reduced grooming and feeding. Alternatively, mice appearing significantly comprised (e.g. dehydrated, anorexic, dyspnic) will be immediately removed from the study and euthanized by CO2.
Body weight: Moffitt will measure and record body weight daily for the first week, and once per week until the conclusion of the study. If mice experience >10% body weight loss in 24 h they will be euthanized. Otherwise, recorded body weight will be compared to control mice.
IL-6: Serum will be collected through retroorbital bleeding daily for the first 3 days after FSHCER T cell administration, and circulating levels of IL-6 (responsible for the cytokine release syndrome observed in some patients[12]) will be quantified. Differences between treatment and control groups will be recorded.
Liver and kidney function: Serum will be also collected by Moffitt through retroorbital bleeding at days 10, 20 and 30 after FSHCERT cell administration, and at the end of the study. AST, ALT and creatinine will be quantified as markers of liver and hepatic function. Differences between treatment and control groups will be recorded.
Cytokines in peritoneal fluid: In different groups of mice treated with the maximum tolerated dose *vs.* HBSS (5/group), we will also collect peritoneal wash by perfusing the peritoneal cavity with 1 mL of saline at day 3 after FSHCER T cell administration. IL-6 and TNF-a will be determined through ELISA.
Histology: The liver, pancreas, intestine, heart, kidney, brain, and lung will be examined by Moffittfor evidence of tissue damage in H&E staining as well as the presence of (CD45+) inflammatory infiltrates by IHC at the completion of the study. Leukocyte accumulation in healthy tissues will be compared.

Phase I will be completed during year 1.

PHASE II. Milestone: Manufacturing of clinical grade materials for clinical use

Generation of clinical grade vectors for clinical use. Moffitt will work with ***. In collaboration with them, Moffitt will produce **a master cell bank** using retro-viral vectors encoding the FSH-targeted construct and the proper packaging cells (e.g., pSFG retroviruses packaged in PG13 cells). Moffitt will sequence the vector containing the FSHCERT from 5'LTR to the 3'LTR to ensure that the construct is inserted without alterations to its sequence. We will then test the product to assure the safety of biological products, including: (1) sterility, (2) mycoplasma, and (3) adventitious viral agents, following FDA guidelines. Alternatively, we will consider the production of enough clinical grade CERTcell viral supernatant for a phase I trial through another third party vendor subject to Company approval.

Production of clinical grade materials for clinical use. Moffitt will also optimize protocols for the production of human FSHCERT cells using reagents that will be used in the clinical trial and samples from the aphaeresis of 2 healthy donors. Moffitt will perform these experiments at the Cell Therapies Core of Moffitt Cancer Center, which has cutting-edge GMP facilities and experienced personnel for translation of cellular therapies.

FSHCER constructs will be transduced by spinoculation on CD3/CD28-activated $CD3^+$ T cells enriched from minileukapheresis products and exposed to viral supernatant on retronectin coated plates in the presence of cytokines. Using FSHCERT cells generated in this manner, Moffitt will design a Q-PCR assay for determining the trafficking and persistence of adoptively transferred CERTcells *in vivo* in peripheral blood in our future clinical trial. In addition, Moffitt will optimize a flow cytometry analysis of transferred CERTcells based on the detection of FSHb on transduced ($CD3^+$) T cells, by fluorescently labeling available anti-human FSH antibodies, or using a primary anti-FSH antibody and a fluorescently labeled secondary antibody.

Studies including cryopreservation and storage at 4°C will be performed in transduced CERTcells at the end of cell processing. CERTcells cryopreserved for 1, 3 and 6 months, or stored at 4°C for 24, 48 and 72 hours, will be evaluated for cell viability, CERT expression and functional activity against FSHR-expressing (OVCAR3) tumor cells.

Phase II will be completed between months 3 and 20.

Subsequent goals(outside scope of the Agreement that the parties may pursue)

The ultimate goal of this research collaboration is to move these interventions to a clinical trial. Our current expectations for clinical protocol planning and drafting, to be modified depending on the FDA's feedback, are outlined below:

-The initial trial should be designed as an open-label, single-arm pilot clinical trial of autologous FSHR redirected T cells administered intraperitoneally in patients with recurrent, chemoresistant $FSHR^+$ ovarian carcinoma that expresses FSHR, as determined in previous biopsies or the original tumor by western-blot analysis.

-Clinical SOPs should be designed based on Moffitt'spreclinical results and other ongoing trials using different CART cell formulations (e.g., https://clinicaltrials.gov/ct2/show/NCT02498912?term=muc+ovarian+cancer&rank=6).

-As for other ongoing CAR T cell trials, in some patients a lymphodepleting cyclophosphamide dose of 750 mg/m^2 will be administered 2-4 days prior to starting the T cell infusion.

-The primary toxicity that is anticipated is inflammation caused by killing of tumor cells that express the target, which will be preclinically addressed in Phase I.

-After setting the starting dose, a conventional dose escalation should be based on log (or, if required by FDA, half-log) increments. It is important to note that, because Moffitt will use endogenous FSH, the risk of anaphylaxis or immune targeting of CART cells previously described for xenogeneic (murine) scFvs is negligible. Equally important, the expression of the FSH receptor is limited to the ovary, which is routinely resected in ovarian cancer patients.

-Under the scientific direction and oversight of Drs. Marco Davila and Daniel Abate-Daga, Moffitt will assist Certainty Therapeutics, Inc. with submission of the IB, IC, protocol, and other necessary documents to the Recombinant DNA Advisory Committee (RAC), the institutional biosafety committee (IBC), the IRB, the DSMB, the local Phase I committee for the trial site, and the FDA for approval. We anticipate that these necessary regulatory submissions could be completed by the end of the second year of this collaboration.

BIBLIOGRAPHY AND REFERENCES CITED

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10. Stephen, T.L., *et al.* Transforming Growth Factor beta-Mediated Suppression of Antitumor T Cells Requires FoxP1 Transcription Factor Expression. *Immunity* **41**, 427-439 (2014).
11. Walker, J.L., *et al.* Intraperitoneal catheter outcomes in a phase III trial of intravenous versus intraperitoneal chemotherapy in optimal stage III ovarian and primary peritoneal cancer: a Gynecologic Oncology Group Study. *Gynecol Oncol* **100**, 27-32 (2006).
12. Lee, D.W., *et al.* T cells expressing CD19 chimeric antigen receptors for acute lymphoblastic leukaemia in children and young adults: a phase 1 dose-escalation trial. *Lancet* (2014).

EXHIBIT C

BUDGET

Principal Investigator: Conejo-Garcia, Jose

BUDGET -YEARS 1 AND 2

PERSONNEL				YEAR 1	YEAR 2	TOTAL
NAME	ROLE ON PROJECT	Percent Effort Devoted	Calendar Months Devoted	Salary and Fringe Benefits	Salary and Fringe Benefits	
KEY PERSONNEL (MCC A)						
Dr. Conejo-Garcia	PI	***	***			
Dr. Davila	Co-I	***	***			
Dr. Abate-Daga	Co-I	***	***			
Dr. Kelley	Co-I	***	***			
TECHNICAL STAFF (MCC B)						
TBN	Post Doc	***	***			
SUBTOTALS →				$ ***	$ ***	$ ***

Materials and Supplies			
Glassware and Plasticware	$ ***	$ ***	
Beads for lmmunopurification and T cell expansion	$ ***	$ ***	
Antbodies (FACS, T cell expansion)	$ ***	$ ***	
Reagents for Q-PCR		$ ***	
ELISAS, immunological analysis	$ ***		
cell culture	$ ***	$ ***	
Other Expenses			
Comparative Medicine	$ ***		
FACS sorting	$ ***	$ ***	
Human Cells Procurement	$ ***	$ ***	
Generation and testing of a master cell bank (retrovirus)(Rimedion)	$ ***		
Clinical supernatant production and testing (Rimedion)		$ ***	
Cell Therapy Core (4 tech transfer runs)		$ ***	
Alliance Management Fee	$ ***	$ ***	
			$ ***
SUBTOTAL DIRECT COSTS	$ ***	$ ***	$ ***
FACILITIES AND ADMINISTRATIVE COSTS @ ***	$ ***	$ ***	$ ***
TOTAL COSTS FOR TOTAL PERIOD	$ 458,684	$ 701,671	$ 1,160,355

Moffitt may amend and re-allocate funds within the Budget from time to time at its sole discretion, as long as the total dollar amount of all payments owed to Moffitt under this Agreement are not changed as a result of the re-allocation.

Payment Schedule: $250,003 shall be invoiced upon execution of the Agreement
$227,588 shall be invoiced at 6, 12, 18, and 24 months post-Effective Date of the Agreement

Payment is due within 45 days after receipt of invoice.

Invoice:
Moffitt shall submit invoices to:

Name: Dr. Amit Kumar
Email: ak@ituscorp.com
CC: mcatelani@ituscorp.com

Exhibit 21

SUBSIDIARIES OF ITUS CORPORATION

Name of Company and Name Doing Business	Jurisdiction of Organization
Anixa Diagnostic Corporation	State of Delaware
Certainty Therapeutics, Inc.	State of Delaware
CopyTele International Ltd.	British Virgin Islands
CopyTele Marketing Inc.	British Virgin Islands
ITUS Patent Acquisition Corporation	State of Delaware
J-Channel Industries Corporation	State of Delaware
Loyalty Conversion Systems Corporation	State of Delaware
Secure Web Conference Corporation	State of Delaware
Encrypted Cellular Communications Corporation	State of Delaware
Auction Acceleration Corp.	State of Delaware
Cyber Instruments Technologies Corporation.	State of Delaware
Meetrix IP, LLC	State of Texas

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Post-Effective Amendment No. 2 to the Registration Statement on Form S-1 on Form S-3 (No. 333-193869), Amendment No. 1 to the Registration Statement on Form S-3 (No. 333-206782), Registration Statements on Form S-3 (Nos. 333-220963 and 333-217060) and the Registration Statement on Form S-8 (No. 333-202473) of ITUS Corporation (the "Company") of our report dated January 9, 2018 relating to our audits of the Company's consolidated financial statements as of October 31, 2017 and 2016, and for each of the years then ended, included in the Company's Annual Report on Form 10-K for the year ended October 31, 2017.

HASKELL & WHITE LLP

Irvine, California
January 9, 2018

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT RULES 13A-14(A) AND 15D-14(A)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Amit Kumar, Chairman of the Board, President and Chief Executive Officer of ITUS Corporation, certify that:

1. I have reviewed this Annual Report on Form 10-K of ITUS Corporation;

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 officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 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 this report is 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 (the registrant 's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer 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 the 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: January 9, 2018

/s/ Amit Kumar
Dr. Amit Kumar
Chairman of the Board, President and
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT RULES 13A-14(A) AND 15D-14(A)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael J. Catelani, Chief Operating Officer and Chief Financial Officer of ITUS Corporation, certify that:

1. I have reviewed this Annual Report on Form 10-K of ITUS Corporation;

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 officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 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 this report is 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 (the registrant 's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer 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 the 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: January 9, 2018

/s/ Michael J. Catelani
Michael J. Catelani
Chief Operating Officer and Chief
Financial Officer

Exhibit 32.1

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

Pursuant to Section 1350 of Title 18 of the United States Code, the undersigned, Dr. Amit Kumar, Chairman of the Board, President and Chief Executive Officer of ITUS Corporation, hereby certifies that:

1. The Company's Form 10-K Annual Report for the fiscal year ended October 31, 2017 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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: January 9, 2018

/s/ Amit Kumar
Dr. Amit Kumar
Chairman of the Board, President and Chief Executive Officer

Exhibit 32.2

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

Pursuant to Section 1350 of Title 18 of the United States Code, the undersigned, Michael J. Catelani, Chief Operating Officer and Chief Financial Officer of ITUS Corporation, hereby certifies that:

1. The Company's Form 10-K Annual Report for the fiscal year ended October 31, 2017 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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: January 9, 2018

/s/ Michael J. Catelani
Michael J. Catelani
Chief Operating Officer and
Chief Financial Officer

Exhibit 99.3

Confidential Treatment Requested by ITUS Corporation,
IRS Employer Identification No. 11-2622630

*****CONFIDENTIAL TREATMENT REQUESTED*****

Note: Confidential treatment requested with respect to certain portions hereof denoted with "[***]"

SECOND AMENDMENT TO THE COLLABORATIVE RESEARCH AGREEMENT

This **SECOND AMENDMENT TO THE COLLABORATIVE RESEARCH AGREEMENT** (the "Second Amendment") is made as of the 1st day of August, 2017 (the "Second Amendment Effective Date") by and between **THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY**, a Pennsylvania nonprofit corporation ("Wistar") and **ANIXA DIAGNOSTIC CORPORATION**, a Delaware corporation ("Collaborator"). Wistar and Collaborator shall be referred to herein collectively as the "Parties"

WHEREAS, the Parties entered into a collaborative research agreement on July 14, 2015, under which Collaborator agreed to support research in the laboratory of Frank J. Rauscher, III., Ph. D. (the "CRA").

WHEREAS, the Parties entered into a First Amendment to the Collaborative Research Agreement on August 4th, 2016 to extend the term, amend the Collaborative Research scope of work, increase the budget, and add an additional payment schedule to the CRA (the "First Amendment");

WHEREAS, the Parties would like to amend the CRA to extend the term and revise the scope of work and associated budget as set forth herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

1. All capitalized terms not expressly defined herein shall have the meanings ascribed to them in the CRA.

2. The payment schedule table in Section 4.1 (Funding) of the CRA shall be deleted in its entirety and replaced with the following:

Due Date	Payment amount
Effective Date	$*** USD
Within six (6) calendar months of the Effective Date	$*** USD
Completion of Collaborative Research, or the anniversary of the Effective Date, whichever is sooner	$*** USD (waived)
First Amendment Effective Date	$*** USD
Within six (6) calendar months of the First Amendment Effective Date	$*** USD
Completion of the Collaborative Research, or the first anniversary of the First Amendment Effective Date, whichever is sooner	$*** USD
Second Amendment Effective Date	$*** USD
Within six (6) calendar months of the Second Amendment Effective Date	$*** USD
Completion of the Collaborative Research, or the first anniversary of the Second Amendment Effective Date, whichever is sooner	$*** USD

3. Exhibit A of the CRA shall be deleted in its entirety and replaced with the attached Exhibit A-2.

4. Exhibit B of the CRA shall be deleted in its entirety and replaced with the attached Exhibit B-2.

5. Except as expressly amended or modified herein, any and all the terms and conditions of the CRA and the First Amendment shall remain in full force and effect.

6. This Second Amendment, together with the CRA, and the First Amendment embody the entire understanding between the parties relating to the subject matter thereof and supersedes all prior understandings and agreements, whether written or oral.

7. Counterparts. This Second Amendment shall become binding when any one or more counterparts hereof, individually or taken together, shall bear the signatures of Wistar and Collaborator. This Second Amendment may be executed in any number of counterparts, each of which shall be deemed an original as against the party whose signature appears thereon, but all of which taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the duly authorized representatives of the parties hereby execute this Second Amendment as of the dates below.

THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY		**ANIXA DIAGNOSTIC CORPORATION**	
By:	/s/ Heather A. Steinman	By:	/s/Amit Kumar
Name:	Heather A. Steinman, Ph.D., M.B.A.	Name:	Amit Kumar
Title:	Vice President, Business Development and Executive Director, Technology Transfer	Title:	Chief Executive Officer
Date:	7/27/2017	Date:	7/26/17

I have read, understand, and agree to the responsibilities of the Principle Investigator

By: /s/Frank J. Rauscher III
Name: Frank J. Rauscher, III, Ph.D.
Title: Caspar Wistar Professor

Date: 7/27/17

Exhibit A-2

Analysis of lymphoid and myeloid cell subsets using whole blood from tumor bearing patients

Overview and Rationale: The Rauscher Laboratory remains committed to the spirit and science of the Anixa initiated project and looks forward to partnering in another year of interesting research. The project aims continue to be highly relevant to the overall scope of research interests in the Rauscher Laboratory specifically defining early, blood based markers of tumor initiation and progression and in addition, markers of therapeutic response. The focus will remain on defining and quantifying subsets lymphoid and myeloid progenitor cells in peripheral blood of tumor bearing and non-tumor bearing humans. The preliminary data suggests that the CChek, FACS based blood test combined with proprietary neural network based analysis has the capability of distinguishing these cell subsets and hence providing valid and valuable information to patients and clinicians regarding tumor presence, prognosis and response to therapy. In the coming year we will continue to collect data from patient samples in order to further establish the utility of the test.

The Rauscher Laboratory along with Wistar Core Facilities will continue to be the primary site for performance if this work. All of the work on human samples is subject to rigorous IRB protocol approvals, and the protocols are examined at both Wistar and the Institute providing the sample.

Specific Aims:

1. Manage and oversee work of the scientists who will collect and process multiple human blood samples (estimated to be numbered at 5-20 samples per week) coming from multiple outside sources using the protocols developed and implemented for separation of white blood cells. Coordinate the identification and delivery of these de-identified samples to Wistar under defined protocols for preservation of fresh blood. Provide lab bench, desk space and computer facilities, lab supplies and disposal methods for human derived samples. Coordinate and liaison with Wistar Core facilities Phlebotomy and Cell Sorting for analysis of the blood cells and data acquisition. Provide proper ongoing and required training of lab personnel in handling human specimens. Keep all IRB approved protocols which oversee the project up to date and current with both personnel and techniques. Write and coordinate submission of new protocols for either new techniques or acquisition of new clinical partner sites for prosecution of the Project.

2. Oversee the proper experimental procedures are followed in all aspects of handling and analysis of the samples and that each laboratory based person is properly trained on both experimental and safety issues. Obtain fresh whole blood from normal and tumor bearing individuals (across multiple types and stages of cancers) (following any necessary IRB approvals), consenting and de-identification of samples. Utilize optimized yet standard cell separation centrifugation techniques to isolate white blood cells. Incubate cells with antibody cocktails already defined and ensure sorting and processing via FACS analysis in the Wistar Core laboratory. Ensure data is collected in a timely fashion from the Core facility and transmitted for analysis to both onsite Anixa supported personnel and to the Company. Facilitate collection of any patient clinical data that is available from the Institution providing the sample per proper privacy guidelines.

3. Such adjustments, and further research, testing, and procedures as the parties may agree to in a written amendment to this Agreement.

Exhibit B-2

***