

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549  
FORM 8-K**

**CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **August 12, 2008**

**iBioPharma, Inc.**

---

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

---

(State or Other Jurisdiction of Incorporation)

**000-53125**

(Commission File Number)

**26-2797813**

(IRS Employer Identification No.)

**9 Innovation Way, Suite 100**

**Newark, Delaware**

(Address of Principal Executive Offices)

**19711**

(Zip Code)

**(302) 355-0650**

---

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

iBioPharma, Inc. (the “Company”) entered into the following agreements, each dated as of August 12, 2008, with Integrated BioPharma, Inc. (“Integrated BioPharma”) to effect the spin-off of 100% of the Company by Integrated BioPharma:

- Indemnification and Insurance Matters Agreement;
- Tax Responsibility Allocation Agreement; and
- Transitional Services Agreement.

A summary of certain material features of the agreements can be found in the section entitled “Relationship Between Our Company and Integrated BioPharma, Inc--Agreements Between Us and Integrated BioPharma” in the Company’s Definitive Information Statement, filed as Exhibit 99.1 to the Company’s Registration Statement on Form 10/A filed on August 12, 2008 and is incorporated herein by reference. The summary is qualified in its entirety by reference to the complete terms and conditions of the Indemnification and Insurance Matters Agreement, Tax Responsibility Allocation Agreement and Transitional Services Agreement, attached hereto as Exhibits 10.1, 10.2 and 10.3, respectively, each of which is incorporated by reference herein.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Indemnification and Insurance Matters Agreement between Integrated BioPharma, Inc. and iBioPharma, Inc., dated August 12, 2008.
10.2	Tax Responsibility Allocation Agreement between Integrated BioPharma, Inc. and iBioPharma, Inc., dated August 12, 2008.
10.3	Transitional Services Agreement between Integrated BioPharma, Inc. and iBioPharma, Inc., dated August 12, 2008.

---

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

IBIOPHARMA, INC.

Date: August 15, 2008

By: /s/ Dina Masi  
Dina Masi  
Interim Chief Financial Officer

---

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Indemnification and Insurance Matters Agreement between Integrated BioPharma, Inc. and iBioPharma, Inc., dated August 12, 2008.
10.2	Tax Responsibility Allocation Agreement between Integrated BioPharma, Inc. and iBioPharma, Inc., dated August 12, 2008.
10.3	Transitional Services Agreement between Integrated BioPharma, Inc. and iBioPharma, Inc., dated August 12, 2008.

**INDEMNIFICATION AND INSURANCE MATTERS AGREEMENT**

THIS INDEMNIFICATION AND INSURANCE MATTERS AGREEMENT (this "Agreement") is entered into as of August 12, 2008, by and between Integrated BioPharma, Inc., a Delaware corporation ("BioPharma"), and iBioPharma, Inc., a Delaware corporation ("Biotechnologies"). Certain capitalized terms used herein are defined in Article IV. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Distribution Agreement (defined below).

**RECITALS**

WHEREAS, the BioPharma Board of Directors has determined that it is appropriate and desirable for BioPharma to distribute its shares of the common stock of Biotechnologies on a pro rata basis to the holders of BioPharma common stock (the "Distribution") as of August 12, 2008; and

WHEREAS, BioPharma intends to make the Distribution as of 11:59 P.M. Eastern time, August 12, 2008, or such other date as may be fixed by the BioPharma Board of Directors (the "Distribution Date").

WHEREAS, as part of the foregoing, BioPharma and Biotechnologies have entered into the Separation and Distribution Agreement, dated as of November 14, 2007 (the "Distribution Agreement"), which provides, among other things, the pro-rata distribution by BioPharma of all of its shares of Biotechnologies common stock to the holders of BioPharma common stock, and the execution and delivery of certain other agreements in order to facilitate and provide for the foregoing; and

WHEREAS, in connection therewith, the parties desire to set forth certain agreements regarding indemnification and insurance.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below, the parties hereto agree as follows:

1. Indemnification

1.1 Indemnification by Biotechnologies.

(a) Indemnification. Except as otherwise provided in this Agreement, Biotechnologies shall, for itself and for each of its subsidiaries, indemnify, defend and hold harmless the BioPharma Indemnitees from and against any and all Liabilities that any third party seeks to impose upon any of the BioPharma Indemnitees, or which are imposed upon any of the BioPharma Indemnitees, if and to the extent such Liabilities relate to, arise out of or result from any of the following items (without duplication):

(i) any breach by Biotechnologies or any of its subsidiaries ("Biotechnologies Group") of the Distribution Agreement or any of the Ancillary Agreements (including this Agreement); or

---

(b) Reduction of Liability. In the event that any member of the Biotechnologies Group makes a payment to any BioPharma Indemnitee hereunder, and the amount of Liabilities paid or the direct out-of-pocket costs incurred by BioPharma for the Indemnitee are subsequently recovered by the BioPharma Indemnitee, either directly or through a third-party recovery (other than as a result of a recovery under an insurance policy owned by BioPharma and under which Biotechnologies is not an insured or an additional insured), BioPharma will promptly repay (or will procure the relevant BioPharma Indemnitee promptly to repay) such member of the Biotechnologies Group the amount by which the payment made by such member of the Biotechnologies Group exceeds the amount of the Liabilities actually paid by the BioPharma Indemnitee.

(c) Joint and Several Liability; No Modification to Other Agreements. The liability of the members of the Biotechnologies Group under this Section 1.1 shall be joint and several. Nothing in this Section 1.1 shall modify or limit the rights and remedies of BioPharma under the Distribution Agreement or any of the Ancillary Agreements (other than this Agreement) relating to, arising out of or resulting from any breach by Biotechnologies or any member of the Biotechnologies Group of the Distribution Agreement or any of the Ancillary Agreements (other than this Agreement), including without limitation, any provisions relating to the measure of damages, consequential damages, liquidated damages, limitation of damages and/or specific performance.

## 1.2 Indemnification by BioPharma.

(a) Indemnification. Except as otherwise provided in this Agreement, BioPharma shall, for itself and its subsidiaries excluding the Biotechnologies Group (the "BioPharma Group"), indemnify, defend and hold harmless the Biotechnologies Indemnitees from and against any and all Liabilities that any third party seeks to impose upon any of the Biotechnologies Indemnitees, or which are imposed upon any of the Biotechnologies Indemnitees, if and to the extent such Liabilities relate to, arise out of or result from (without duplication):

(i) any breach by BioPharma or any member of the BioPharma Group of the Distribution Agreement or any of the Ancillary Agreements (including this Agreement); or

(ii) any BioPharma Liability;

provided, however, that notwithstanding anything to the contrary herein, in no event shall BioPharma or any member of the BioPharma Group be obligated to indemnify, defend or hold harmless the Biotechnologies Indemnitees from, against or in respect of any Biotechnologies Liability.

(b) Reduction of Liability. In the event that any member of the BioPharma Group makes a payment to any Biotechnologies Indemnitee hereunder, and the amount paid or the direct out-of-pocket costs incurred by the Biotechnologies Indemnitee for the Liabilities on account of

a third-party recovery, Biotechnologies will promptly repay (or will procure an Biotechnologies Indemnitee to promptly repay) such member of the BioPharma Group the amount by which the payment made by such member of the BioPharma Group exceeds the amount of the Liabilities actually paid by the Biotechnologies Indemnitee.

(c) Joint and Several Liability; No Modification to Other Agreements. The liability of the members of the BioPharma Group under this Section 1.2 shall be joint and several. Nothing in this Section 1.2 shall modify or limit the rights and remedies of Biotechnologies under the Distribution Agreement or any of the Ancillary Agreements (other than this Agreement) relating to, arising out of or resulting from any breach by BioPharma or any member of the BioPharma Group of the Distribution Agreement or any of the Ancillary Agreements (other than this Agreement), including without limitation, any provisions relating to the measure of damages, consequential damages, liquidated damages, limitation of damages and/or specific performance.

### 1.3 Procedures for Defense, Settlement and Indemnification of Third Party Claims.

(a) Notice of Claims. If an Indemnitee shall receive notice or otherwise learn of the assertion of any Third Party Claim with respect to which a party may be obligated to provide indemnification to such Indemnitee pursuant to Section 1.1 or 1.2, BioPharma or Biotechnologies (as applicable) shall ensure that such Indemnitee shall give the potential Indemnifying Party written notice thereof (including any pleadings relating thereto) within twenty (20) days after becoming aware of such Third Party Claim. Any such notice shall describe the Third Party Claim in reasonable detail. Notwithstanding the foregoing, any delay or failure of any Indemnitee to give notice as provided in this Section 1.3(a) shall not relieve the Indemnifying Party of its obligations under this Article 1, except to the extent that the Indemnifying Party is actually and substantially prejudiced by such delay or failure to give notice.

(b) Defense by Indemnifying Party. For any Third Party Claim concerning which notice is required to be given under Section 1.3(a), the Indemnifying Party may elect to defend and, subject to Section 1.3(f), may settle or compromise the Third Party Claim using counsel appointed by the Indemnifying Party, which counsel shall be reasonably satisfactory to the Indemnitee. An Indemnifying Party electing to defend a Third Party Claim must notify the Indemnitee of its election to defend within twenty (20) days of receipt of notice of such claim pursuant to Section 1.3(a) or sooner if the nature of the Third Party Claim so requires.

(c) Defense by BioPharma. Notwithstanding Section 1.3(b), BioPharma, in its sole discretion, upon written notice to Biotechnologies, may elect to defend (or may at any time assume the defense of) and, subject to Section 1.3(f), may settle or compromise, any Third Party Claim or series of related Third Party Claims, regardless of whether BioPharma is obligated to indemnify any member of the Biotechnologies Group in respect of such Third Party Claim or series of related Third Party Claims or whether BioPharma acknowledges any obligation to indemnify any Biotechnologies Indemnitee if:

(ii) both BioPharma and Biotechnologies may be Indemnifying Parties with respect to such Third Party Claim(s).

If BioPharma elects to defend against a Third Party Claim pursuant to this Section 1.3(c) all costs and expenses incurred by members of the BioPharma Group in connection with such defense shall be paid by BioPharma and Biotechnologies pro rata based on their respective proportionate liability for any Liabilities relating to, arising out of or resulting from such Third Party Claim (after taking into account the parties' respective indemnification obligations under this Agreement, other than with respect to payment of defense costs). If the parties proportionate liability for any such liabilities cannot be determined at any point in time while a Third Party Claim is pending, then BioPharma and Biotechnologies shall each pay one-half of such costs and expenses, and the parties may subsequently reallocate all prior costs and expenses paid when the parties' proportionate liability is finally determined.

(d) Defense By Non-Electing Party. If the party having the right to elect to defend a Third Party Claim pursuant to Section 1.3(b) or 1.3(c) elects not to defend, or does not within any time frame required thereunder elect to defend, a particular claim, the other party shall defend such Third Party Claim. In such case, (i) the other party shall have the right, subject to Sections 1.3(c) and 1.3(f) to compromise, settle or consent to the entry of any judgment with respect to such Third Party Claim (but such compromise, settlement or judgment shall not necessarily be determinative of which party hereunder is entitled to indemnification) and (ii) the Indemnifying Party shall bear all costs and expenses of defending such Third Party Claim; provided, however, that if both parties may be Indemnifying Parties with respect to such Third Party Claim, the Non-Defending Party (defined below) shall reimburse the Defending Party for the Non-Defending Party's pro rata share of all costs and expenses incurred by the Defending Party in connection with its defense of such Third Party Claim, based on the Non-Defending Party's proportionate liability for any Liabilities relating to, arising out of or resulting from such Third Party Claim (after taking into account the parties' indemnification obligations under this Agreement, other than with respect to payment of defense costs). If the parties proportionate liability for any such liabilities cannot be determined at any point in time while a Third Party Claim is pending, then BioPharma and Biotechnologies shall each pay one-half of such costs and expenses, and the parties may subsequently reallocate all prior costs and expenses paid when the parties' proportionate liability is finally determined.

(e) Participation by Non-Defending Party. In the event that a party (a "Defending Party") elects or is required to defend a particular Third Party Claim pursuant to Section 1.3(b), 1.3(c) or 1.3(d), the other party (the "Non-Defending Party") shall have the right to participate in the defense of such Third Party Claim; provided, however, that (i) the Defending Party shall control, manage and direct the defense of such Third Party Claim; and (ii) the costs and expenses of participating in such defense by the Non-Defending Party shall be the sole responsibility of the Non-Defending Party. Nothing in this Section 1.3(e) shall affect the rights of BioPharma under Section 1.3(c) at any time to assume the defense of any Third Party Claim and to be indemnified for costs and expenses of such defense in accordance with Section 1.3(c).



---

(i) No Non-Defending Party may compromise or settle or consent to the entry of judgment or determination of liability with respect to any Third Party Claim without the consent of the Defending Party.

(ii) Notwithstanding anything to the contrary herein, no Defending Party shall compromise, settle or consent to the entry of judgment or determination of liability concerning any Third Party Claim without providing at least 10 days' prior written notice of such compromise, settlement or consent to the Indemnifying Party (if the Indemnifying Party is other than the Defending Party) and, if the terms of conditions of such compromise, settlement or consent would have a material adverse effect on the Non-Defending party without the consent of the Non-Defending Party (such approval not to be unreasonably withheld, delayed or conditioned).

#### 1.4 Additional Matters.

(a) Other Claims for Indemnification. Any claim in respect of a Liability which does not relate to, arise out of or result from a Third Party Claim shall be asserted by written notice from the Indemnitee to the Indemnifying Party stating the specific provisions of this Agreement or any Ancillary Agreement upon which such claim is based. Such Indemnifying Party shall have a period of twenty (20) days from actual receipt of the notice within which to respond thereto. If such Indemnifying Party does not respond within such 20-day period, then such Indemnifying Party shall be deemed to have denied responsibility for such claim.

(b) Subrogation. In the event of payment by or on behalf of any Indemnifying Party to or on behalf of any Indemnitee in connection with any Third Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee, in whole or in part based upon whether the Indemnifying Party has paid all or only part of the Indemnitee's Liability, as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(c) Effect of Insurance on Indemnification/Contribution Obligations. No Indemnitee shall be required to pursue any claim under any Insurance Policies of which it is a beneficiary in connection with any Liability for which such Indemnitee is entitled to indemnification hereunder. The amount of indemnification or contribution to which such Indemnitee may be entitled hereunder shall not be reduced as a result of any claim such Indemnitee may pursue, or have the right to pursue, under any Insurance Policy in respect of the Liability to which such right to indemnification or contribution relates, unless the Indemnitee shall have actually recovered any portion of such Liability from its insurance carrier(s), in which case, whether or not the amount of indemnification or contribution to such Indemnitee shall be reduced shall be determined in accordance with Sections 1.1(b) and 1.2(b), as applicable.

apply to Taxes (which are covered by the Tax Sharing Agreement).

1.5 Survival of Indemnities. Subject to Section 3.4, the rights and obligations of the members of the BioPharma Group and the Biotechnologies Group under this Article I shall survive the sale or other transfer by any party of any assets or businesses or the assignment by it of any Liabilities or the sale by any member of the BioPharma Group or the Biotechnologies Group of the capital stock or other equity interests of any Subsidiary to any Person.

2. Insurance Matters.

2.1 Biotechnologies Insurance Coverage.

(a) Biotechnologies, and Biotechnologies alone, shall be responsible for obtaining and maintaining insurance programs for its risk of loss beginning on the Distribution and for all time periods thereafter. Such insurance arrangements shall be separate and apart from BioPharma's insurance programs. BioPharma shall not be required to maintain any insurance coverage for the benefit of the members of the Biotechnologies Group or the directors, officers or employees of any member of the Biotechnologies Group for any period after the Distribution.

2.2 (a) BioPharma Insurance Coverage. BioPharma shall be responsible for obtaining and maintaining insurance programs for its risks of loss (a) for all of BioPharma's subsidiaries and businesses including Biotechnologies, for all time periods prior to the Distribution Date, and (b) for all of its subsidiaries and businesses excluding Biotechnologies from the Distribution Date and for all time periods thereafter.

2.3 Cooperation and Agreement Not to Release Carriers.

(a) Each of BioPharma and Biotechnologies will share such information as is reasonably necessary in order to permit the other to manage and conduct its insurance matters in an orderly fashion. Biotechnologies, at the request of BioPharma, shall cooperate with and use commercially reasonable efforts to assist BioPharma in recoveries for claims made under any BioPharma Insurance Policy for the benefit of members of the BioPharma Group. Neither Biotechnologies nor any of its Subsidiaries shall take any action which would intentionally jeopardize or otherwise interfere with the ability of any member of the BioPharma Group to collect any proceeds payable pursuant to any insurance policy. Nothing in this Agreement shall be interpreted to require BioPharma to maintain any insurance coverage for any Member of the Biotechnologies Group or any of their officers, directors or employees.

2.4 No Liability.

(a) Biotechnologies does hereby, for itself and as agent for each other member of the Biotechnologies Group, agree that no member of the BioPharma Group or any BioPharma Indemnitee shall have any Liability whatsoever as a result of the insurance policies and practices of BioPharma and its Subsidiaries as in effect at any time prior to the Distribution Date, including as a result of the level or scope of any such insurance, the creditworthiness of any

with respect to any claim or potential claim or otherwise.

### 2.5 No Restrictions.

(a) Nothing in this Agreement shall be deemed to restrict any member of the Biotechnologies Group from acquiring at its own expense any other insurance policy in respect of any Liabilities or covering any period.

### 2.6 Further Agreements.

(a) Biotechnologies, the members of the Biotechnologies Group, and the directors, officers and employees of any member of the Biotechnologies Group, shall not make any claims under BioPharma Insurance Policies, including in respect of events that occurred when Biotechnologies and the members of the Biotechnologies Group were subsidiaries of BioPharma, without BioPharma's approval, which may be granted or withheld in BioPharma's sole discretion.

### 3. Miscellaneous.

3.1 Entire Agreement. This Agreement, the Distribution Agreement, the Ancillary Agreements and any exhibits and schedules attached hereto and thereto, constitutes the entire agreement among the parties with respect to the subject matter hereof and thereof and shall supersede all prior written and oral and all contemporaneous oral agreements and understandings with respect to the subject matter hereof and thereof.

3.2 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Delaware as to all matters regardless of the laws that might otherwise govern under principles of conflicts of laws applicable thereto.

3.3 Notices. All notices and other communications required or permitted to be given by any party pursuant to the terms of this Agreement shall be given as set forth in Section 5.5 of the Distribution Agreement.

3.4 Binding Effect; Assignment; Third-Party Beneficiaries. Biotechnologies may not, directly or indirectly, in whole or in part, whether by operation of law or otherwise, assign or transfer this Agreement or its rights or obligations hereunder, without BioPharma's prior written consent and, except as otherwise permitted hereby, any attempted assignment, transfer or delegation without such prior written consent shall be voidable at the sole option of BioPharma. Nothing in this Agreement shall restrict any transfer of this Agreement by BioPharma, whether by operation of law or otherwise. Without limiting the foregoing, this Agreement shall be binding upon BioPharma and the other members of the BioPharma Group and Biotechnologies and the other members of the Biotechnologies Group and inure solely to the benefit of the Biotechnologies Indemnitees and the BioPharma Indemnitees and their respective legal representatives, successors and permitted assigns, and nothing in this Agreement, express or

of this Agreement.

3.5 Offset. In addition to, and not in limitation of, any other remedies any member of the BioPharma Group or any BioPharma Indemnatee may be entitled to under the Distribution Agreement, any Ancillary Agreement (including this Agreement), any member of the BioPharma Group or any BioPharma Indemnatee may satisfy any amounts owed to such member of the BioPharma Group or BioPharma Indemnatee by any member of the Biotechnologies Group by means of an offset against any amounts any member of the BioPharma Group may from time to time owe to any member of the Biotechnologies Group or an Biotechnologies Indemnatee, whether under the Distribution Agreement, any Ancillary Agreement (including this Agreement), any other agreement or arrangement existing between any member of the BioPharma Group and any member of the Biotechnologies Group, or otherwise.

3.6 Counterparts. This Agreement, including any schedules and exhibits hereto, and the other documents referred to herein, may be executed in counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement.

3.7 Severability. If any term or other provision of this Agreement or any schedules or exhibits attached hereto is determined by a court, administrative agency or arbitrator to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, this Agreement shall be modified by such court, agency or arbitrator so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the fullest extent possible.

3.8 No Waiver. No failure or delay on the part of any party hereto in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any representation, warranty or agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right.

3.9 Amendment. No change or amendment will be made to this Agreement except by an instrument in writing signed on behalf of each of the parties to this Agreement.

3.10 Interpretation. The headings contained in this Agreement, in any Annex, Exhibit or Schedule hereto are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Any capitalized term used in any Annex, Schedule or Exhibit but not otherwise defined therein, shall have the meaning assigned to such term in this Agreement. When a reference is made in this Agreement to an Article or Section, or an Annex, Exhibit or Schedule, such reference shall be to an Article or Section of, or an Annex, Exhibit or Schedule to, this Agreement unless otherwise indicated.

---

4.1 Action. “Action” means any claim, demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation by or before any federal, state, local, foreign or international governmental authority or any arbitration or mediation tribunal.

4.2 BioPharma Business. “BioPharma Business” means the business and operations of BioPharma as conducted on the date hereof, other than the Biotechnologies Business.

4.3 BioPharma Indemnitees. “BioPharma Indemnitees” means BioPharma, each member of the BioPharma Group and each of their respective directors, officers, employees, agents and representatives.

4.4 BioPharma Insurance Policy. “BioPharma Insurance Policy” shall mean each Insurance Policy owned or maintained by a member of the BioPharma Group.

4.5 BioPharma Liabilities. “BioPharma Liabilities” means

(a) all Liabilities of any member of the BioPharma Group under, allocated to or to be retained or assumed by BioPharma or any of the other members of the BioPharma Group pursuant to the Distribution Agreement, this Agreement or any other Ancillary Agreement;

(b) all Liabilities incurred by members of the BioPharma Group in connection with the management or conduct prior to, on or following the Distribution Date of the BioPharma Business.

4.6 Biotechnologies Business. “Biotechnologies Business” means the business and operations of Biotechnologies as conducted on the date hereof.

4.7 Biotechnologies Indemnitees. “Biotechnologies Indemnitees” means Biotechnologies, each member of the Biotechnologies Group and each of their respective directors, officers, employees, agents or representatives.

4.8 Biotechnologies Liabilities. “Biotechnologies Liabilities” means, collectively, all of the Liabilities of Biotechnologies and each of the other members of the Biotechnologies Group, including without limitation:

(a) all of the Liabilities reflected on the financial statements of Biotechnologies;

(b) all Liabilities which are incurred or arise, or which accrue or exist out of, or in connection with, or otherwise relate to or result from, the Biotechnologies Business including without limitation any liabilities relating to employment practices, employee benefits, products or professional liability, violation or nonconformity with the environmental laws, rule or regulations, or employee health and safety;

by Biotechnologies or any of the other members of the Biotechnologies Group pursuant to the Distribution Agreement, this Agreement or any Ancillary Agreements.

(d) all of the Liabilities of any member of the BioPharma Group or Biotechnologies Group (whenever arising whether prior to, on or following the Distribution Date) arising out of or in connection with or otherwise relating to the management or conduct of the Biotechnologies Business prior to, on, or following the Distribution Date;

(e) all Liabilities relating to, arising out of or resulting from (a) any Actions in which any member of the Biotechnologies Group has been named as a defendant by a plaintiff or by way of counter claim by a defendant in any Action as of the date of this Agreement or any amendments to such Actions (the “Existing Actions”), (b) any of the facts, circumstances and events giving rise to any Action relating to Biotechnologies, the Biotechnologies Business, or any liability of Biotechnologies or the Biotechnologies Business prior to, on or after the Distribution Date, and (c) any Actions involving similar claims or which are based upon similar facts, circumstances or events, whether involving the same parties or other parties, in each case whether relating to, arising out of or resulting from facts, circumstances or events prior to, on or after the Distribution Date;

(f) all Liabilities relating to, arising out of or resulting from, any Third Party Claim relating to, arising out of or resulting from any infringement or alleged infringement by Biotechnologies on any intellectual property or other rights of any Person;

(g) all Securities Liabilities relating to, arising out of or resulting from (A) the Distribution and any documents, information or data (financial or otherwise) furnished or provided, orally or in writing, to purchasers or transferees or potential purchasers and transferees (or any of their respective representatives), in connection therewith or filed or furnished in connection therewith with or to any Governmental Authority or any securities exchange or securities market, including, without limitation, the Registration Statements, (B) any other offer, issuance, sale, exchange or other transfer of securities of or by Biotechnologies or any member of the Biotechnologies Group prior to, on or after the Distribution Date, or any documents, information or data (financial or otherwise) furnished or provided, orally or in writing, to transferees or purchasers or potential transferees or purchasers (or any of their respective representatives) of such securities or filed or furnished in connection therewith with or to any Governmental Authority or securities exchange or securities market, including, without limitation, any registration statement, (C) any oral or written disclosure made, whether or not included in documents filed with or furnished to any Governmental Authority or securities exchange or securities market, by Biotechnologies or any member of the Biotechnologies Group, or on behalf of Biotechnologies or any Member of the Biotechnologies Group, prior to, on or after the Distribution Date or any disclosure made (other than by a member of the BioPharma Group), orally or in writing, of information or data (financial or otherwise) relating to or concerning Biotechnologies or any other member of the Biotechnologies Group, the business, operations and management of the Biotechnologies Business and/or Biotechnologies or any other member of the Biotechnologies Group, and (D) any oral or written disclosure made, whether or not included in documents filed with or furnished to any Governmental Authority or securities

exchange or securities market, by BioPharma or any member of the BioPharma Group prior to, on or after the Distribution Date based on any information or data (financial or otherwise) provided by or on behalf of Biotechnologies or any member of the Biotechnologies Group; and

(h) all other Liabilities arising out of, relating to or resulting from any Action or Third Party Claim by any Governmental Authority or any other Person that is based on (A) any violations or alleged violations by Biotechnologies, its Subsidiaries and/or any of their respective directors, officers, employees, agents or representatives of any of the provisions of the Securities Act, the Exchange Act, or the rules and regulations of the Commission promulgated thereunder, any other securities or similar law or any other law, rule or regulation, or (B) any breach or alleged breach of fiduciary duty by the Biotechnologies Board or any Committee of the Biotechnologies Board (or any member of the Biotechnologies Board or any Committee thereof) or the board of directors or similar body or any Committee of the board of directors or similar body (or any member of any such board or similar body or any Committee thereof) of any other member of the Biotechnologies Group, or by any officer or employee of any member of the Biotechnologies Group.

4.9 Dispute. “Dispute” means a dispute arising from or in connection with the Distribution Agreement, this Agreement or any other Ancillary Agreement, whether based on contract, tort, or otherwise.

4.10 Distribution Agreement. “Distribution Agreement” has the meaning set forth in the Recitals hereof.

4.11 Indemnifying Party. “Indemnifying Party” means any party who is required to indemnify any other Person pursuant to this Agreement.

4.12 Indemnitee. “Indemnitee” means a BioPharma Indemnitee or an Biotechnologies Indemnitee.

4.13 Insurance Policies. “Insurance Policies” means insurance policies pursuant to which a Person makes a true risk transfer to an insurer.

4.14 Liabilities. “Liabilities” means all debts, liabilities, guarantees, commitments and obligations, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) and whether or not the same would be required by generally accepted accounting principles to be reflected in financial statements or disclosed in the notes thereto. For purposes of any indemnification hereunder, “Liabilities” shall be deemed also to include any and all damages, claims, suits, judgments, fines, penalties, costs and expenses of any kind or character, including attorney’s fees and expenses, out-of-pocket costs of investigation and preparation, expert witness costs and any other fees and expenses associated with the defense of any Action whether relating to Third Party Claims or Actions against the other party hereto.

---

effect on the business, results of operations or financial conditions of the members of such Group, taken as a whole, provided that, without limiting the events, circumstances or conditions which may constitute or result in a Material Adverse Effect on the BioPharma Group, any compromise, settlement or consent affecting the BioPharma Group that, if applied to Biotechnologies or any member of the Biotechnologies Group, would result in a Material Adverse Effect on the Biotechnologies Group, shall be deemed to result in a Material Adverse Effect on the BioPharma Group.

4.16 Securities Liabilities. “Securities Liabilities” means any and all losses, liabilities, penalties, claims, damages, demands, costs or expenses or other Liabilities whatsoever that are assessed, imposed, awarded against, incurred or accrued by a Person arising out of or relating in whole or in part to any Action, any potential or threatened Action, any Third Party Claim or any potential or threatened Third Party Claim by any Governmental Authority or any other Person that is based on any violations or alleged violations of the Securities Act, the Exchange Act, and any of the rules or regulations of the Commission promulgated under the Securities Act or Exchange Act, or any other securities or other similar laws, rules or regulations, including, without limitation, state securities or “blue sky” laws, rules or regulations, foreign securities laws, rules or regulations and rules or regulations of any securities exchange or market.

4.17 Subsidiary. “Subsidiary” has the meaning set forth in the Distribution Agreement.

4.18 Taxes. “Taxes” has the meaning set forth in the Tax Sharing Agreement.

4.19 Third Party Claim. “Third Party Claim” means an Action brought, asserted, commenced or pursued by a Person (including any Governmental Authority) other than a member of the BioPharma Group or the Biotechnologies Group.

4.20 Other Definitions. Any capitalized terms used but not defined herein shall have the meanings assigned to them in the Distribution Agreement.



be executed on its behalf by its officers thereunto duly authorized on the day and year first above written.

INTEGRATED BIOPHARMA, INC.

By: /s/ Dina L. Masi

Name: Dina L. Masi

Title: Chief Financial Officer

IBIOPHARMA, INC.

By: /s/ Robert L. Erwin

Name: Robert L. Erwin

Title: President

[Signature Page to the Indemnification and Insurance Matters Agreement]

**TRANSITIONAL SERVICES AGREEMENT**

This Transitional Services Agreement (this "Agreement") is entered into as of the 12th day of August, 2008, by and between IBIOPHARMA, INC., a Delaware corporation ("Biotech"), and INTEGRATED BIOPHARMA, INC., a Delaware corporation, ("BioPharma"). BioPharma is sometimes referred to herein as "Service Company."

WHEREAS, Biotech was formerly a subsidiary of BioPharma.

WHEREAS, concurrently with the execution of this Agreement, BioPharma has distributed the Biotech common stock owned by BioPharma to the BioPharma stockholders, as provided in the Separation and Distribution Agreement, dated November 14, 2007 (the "Distribution").

WHEREAS, prior to the Distribution, Biotech obtained various services from BioPharma for corporate level functions, including without limitation legal, financial, tax, and corporate purchasing services.

WHEREAS, Biotech believes that it is in the interest of Biotech to continue to utilize such corporate services from BioPharma after the effective date of the Distribution and as provided in the Separation and Distribution Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Services. BioPharma shall offer to provide to Biotech, the services described in Exhibit A attached hereto and incorporated herein by reference (the "Services") which consist of legal, financial, tax, corporate purchasing, and such other Services set forth in Exhibit A, for the term of this Agreement. Biotech may, but is not required to, use the Services for the conduct of Biotech' business, from time to time or at any time. There is no limit on the number of occasions that Biotech may use the Services, nor is there any limit on the duration of the Services provided by BioPharma to Biotech. The parties may periodically review Biotech's utilization history of the Services not more frequently than every six (6) months, and based on the historical and projected future utilization of the Services by Biotech, the parties may, upon mutual agreement, equitably adjust the service fees set forth below.
  2. Service Boundaries. (i) BioPharma shall be required to provide the Services only to the extent and only at the locations such Services are being provided by BioPharma for Biotech immediately prior to the date of this Agreement; and (ii) the Services will be available only for purposes of conducting the business of Biotech substantially in the manner it was conducted prior to the date of this Agreement.
  3. Impracticability. BioPharma shall not be required to provide any Service to the extent the performance of such Service becomes impracticable as a result of a cause or causes outside the reasonable control of BioPharma, including without limitation, unfeasible technological
-

requirements, or to the extent the performance of such Services would require BioPharma to violate any applicable laws, rules or regulations or would result in the breach of any applicable agreement.

4. Additional Resources. In providing the Services, BioPharma shall not be obligated to: (i) hire any additional employees; (ii) maintain the employment of any specific employee; or (iii) purchase, lease or license any additional facilities, equipment or software.

5. Personnel. Subject to Section 4 above, BioPharma will provide Services by utilizing the Services of such executives, accountants, financial advisers, attorneys, and other persons as have the necessary qualifications to render the Services. If necessary, BioPharma, after consultation with Biotech, may also arrange for the Services of nonaffiliated experts, consultants and attorneys in connection with the performance of any of the Services supplied under this Agreement.

6. Compensation and Allocation. BioPharma will provide the Services for an annual fee of \$100,000, payable monthly in equal installments in advance on the first day of each month during the term of this Agreement, as it may be extended or renewed. The fee may be adjusted by the parties upon mutual agreement as set forth in Section 1 above.

7. Term and Modification.

A. Term. The term of this Agreement shall commence on the date of this Agreement and shall remain in effect for one year, and shall thereafter be automatically renewed for two additional one-year terms unless terminated by either party by written notice given not less than ninety (90) days prior to the expiration of the initial or any renewal term. Services shall be provided up to and including the expiration date of this Agreement, subject to earlier termination as provided herein.

B. Modification of Services. Biotech may modify its selection of Services at any time during the calendar year by giving BioPharma written notice of the different or additional Services it wishes to receive, and/or the Services it no longer wishes to receive, from BioPharma. The requested modification in Services shall take effect on the first day of the first calendar month beginning at least thirty (30) days after Biotech sent written notice to BioPharma.

C. Modification of Other Terms and Conditions. No other amendment, change or modification of this Agreement shall be valid, unless made in writing and signed by all parties hereto.

D. Early Termination. This Agreement is subject to termination or modification at any time to the extent its performance may conflict with the provisions of any applicable federal, state or local law, including the rules or regulations applicable to any licensed professionals employed by BioPharma and who may render any of the Services.

United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To Biotech:

9 Innovation Way, Suite 100  
Newark, New Jersey 19711  
Attn: President

To BioPharma:

Integrated BioPharma, Inc.  
225 Long Avenue  
Hillside, New Jersey 07205  
Attn: President

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to their conflict of laws provisions.

10. Entire Agreement. This Agreement, together with its exhibits, constitutes the entire understanding and agreement of the parties with respect to its subject matter, and effective upon the execution of this Agreement by the respective parties hereof and thereto, any and all prior agreements, understandings or representations with respect to this subject matter are hereby terminated and cancelled in their entirety and are of no further force and effect.

11. Waiver. No waiver by any party hereto of a breach of any provision of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other provision hereof.

12. Assignment. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns. No assignment of this Agreement or any party's rights, interests or obligations hereunder may be made without the other party's consent, which shall not be unreasonably withheld, delayed or conditioned; provided, however, that, subject to the requirements of applicable state and federal regulatory law, either party may assign its rights, interests or obligations under this Agreement to an affiliate, without the consent of the other party.

13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

14. Effective Date. This Agreement is effective the date first written above.

[Signature page immediately follows]

the date first above mentioned.

IBIOPHARMA, INC.

By: /s/ Dina L. Masi

Name: Dina L. Masi

Title: Chief Financial Officer

INTEGRATED BIOPHARMA, INC.

By: /s/ Robert L. Erwin

Name: Robert L. Erwin

Title: President

[Signature Page to the Transitional Services Agreement]

**DESCRIPTION OF SERVICES OFFERED BY INTEGRATED BIOPHARMA, INC.  
UNDER THE TRANSITIONAL SERVICES AGREEMENT**

1. Accounting. Provide advice and assistance to Biotech in accounting matters, including the development of accounting practices, procedures and controls, the maintenance of the general ledger and related subsidiary systems, the preparation and analysis of financial reports, and the processing of certain accounts such as accounts payable, account receivable, and payroll.
2. Auditing. Periodically audit the accounting records and other records maintained by Biotech and coordinate their examination, where applicable, with that of independent public accountants. The audit staff will report on their examination and submit recommendations, as appropriate, on improving methods of internal control and accounting procedures.
3. Legal Regulatory. Provide advice and assistance with respect to legal and regulatory issues as well as regulatory compliance, including Exchange Act authorizations and compliance and regulatory matters under other Federal and State laws.
4. Human Resources. Advise and assist Biotech in the formulation and administration of human resources policies and programs relating to the relevant Biotech labor relations, personnel administration, training, wage and salary administration and safety.
5. Executive and Administrative. Advise and assist Biotech in the solution of major problems and in the formulation and execution of the general plans and policies of Biotech. Advise and assist Biotech as to operations, the issuance of securities, the preparation of filings arising out of or required by the various Federal and State securities, business, public utilities and corporation laws, the selection of executive and administrative personnel, the representation of Biotech before regulatory bodies, proposals for capital expenditures, budgets, financing, acquisition and disposition of properties, expansion of business, rate structures, public relationships and other related matters.
6. Supply Chain. Advise and assist Biotech in the procurement of real and personal property, materials, supplies and services, conduct purchase negotiations, prepare procurement agreements and administer programs of material control.
7. Tax. Advise and assist Biotech in the preparation of Federal and other tax returns, and generally advise Biotech as to any problems involving taxes including the provision of due diligence in connection with acquisitions.
8. Corporate Secretary. Provide all necessary functions required of a publicly held corporation. Coordinate information and activities among stockholders, the transfer agent, and Board of Directors. Provide direct services to security holders. Prepare and file required annual and interim reports to stockholders and the Securities and Exchange Commission. Conduct the annual meeting of stockholders and ensure proper maintenance of corporate records.

**TAX RESPONSIBILITY ALLOCATION AGREEMENT**

This Tax Responsibility Allocation Agreement (the "Agreement") is dated as of this 12th day of August, 2008, between Integrated BioPharma, Inc., a Delaware corporation ("BioPharma"), and iBioPharma, Inc., a Delaware corporation ("Biotechnologies"), either or both of which may be a "party" or "parties".

WHEREAS, as of June 20, 2008, BioPharma owned 100% of the issued and outstanding common stock of Biotechnologies;

WHEREAS, the board of directors of BioPharma determined it would be in the best interests of BioPharma and its shareholders to distribute all of BioPharma's shares in Biotechnologies to the BioPharma shareholders (the "Distribution") on the terms and conditions set forth in the Separation and Distribution Agreement dated November 14, 2007 between BioPharma and Biotechnologies (the "Distribution Agreement") (the date of such Distribution, the "Distribution Date");

WHEREAS, the parties intend that the Distribution qualify as a tax-free spin-off pursuant to Section 355 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, as of the date hereof, BioPharma is the common parent of an affiliated group of domestic corporations, including Biotechnologies, which has elected to file consolidated U.S. federal income tax returns and, as a result of the Distribution, Biotechnologies will not be a member of such group for the portion of the taxable year following the Distribution or in future taxable years;

WHEREAS, the parties desire (i) to allocate the responsibilities for Income Tax (as hereinafter defined) of Biotechnologies, (ii) to allocate the responsibilities for Other Biotechnologies Tax (as hereinafter defined) and (iii) to provide for certain additional Tax (as hereinafter defined) matters;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties (each on behalf of itself, each of its subsidiaries as of the Distribution Date, and its future subsidiaries) hereby agree as follows:

1. Definitions. The following terms shall have the following meanings (such meanings to apply equally to both the singular and the plural forms of the terms defined). All section references are to this Agreement unless otherwise stated.

"Biotechnologies Business" means any businesses carried out by the Biotechnologies Group, now or in the past.

"Biotechnologies Combined Income Tax" shall mean, with respect to any period for which the Biotechnologies Group is included in any of BioPharma's combined or unitary groups, the liability for state or local Income Tax of the Biotechnologies Group computed as though the

---

Biotechnologies Group filed a Tax Return separate from BioPharma for such taxable period, which amount shall not be less than zero.

“Biotechnologies Federal Income Tax” shall mean, with respect to any period for which the Biotechnologies Group is included in BioPharma’s consolidated group, the liability for U.S. federal Income Tax (including “alternative minimum tax”, if any) of the Biotechnologies Group computed as though the Biotechnologies Group filed a U.S. federal Income Tax Return separate from BioPharma for such taxable period, which amount shall not be less than zero.

“Biotechnologies Group” shall mean, collectively or separately, Biotechnologies and any Subsidiary of Biotechnologies for which Biotechnologies has any direct or indirect Tax liability.

“Biotechnologies State Income Tax” shall mean any state or local Income Tax imposed on any member of the Biotechnologies Group (which is not a Biotechnologies Combined Income Tax).

“BioPharma Group” shall mean, collectively or separately, BioPharma and any Subsidiary of BioPharma for which BioPharma has any direct or indirect Tax liability, other than any member of the Biotechnologies Group.

“Income Tax” shall mean any tax imposed on net income.

“Other Biotechnologies Tax” means any Tax of the Biotechnologies Group or with respect to the Biotechnologies Business that is not an Income Tax (whether payable directly by Biotechnologies Group or payable by a combined or unitary group that includes the Biotechnologies Group to the extent of Biotechnologies Group’s portion of such Tax).

“Post-Distribution Period” means all taxable periods or portions of periods beginning on or after the Distribution Date.

“Pre-Distribution Period” means all taxable periods or portions of periods ending before the Distribution Date.

“Subsidiary” means any corporation, company, partnership or other business organization of which 50% or more of its equity interests are owned by another corporation, company, partnership or other business organization.

“Tax” means any income, gross income, gross receipts, profits, capital stock, franchise, withholding, payroll, social security, workers compensation, unemployment, disability, property, ad valorem, stamp, excise, severance, occupation, service, sales, use, license, lease, transfer, import, export, value added, alternative minimum, estimated or other similar tax (including any fee, assessment, or other charge in the nature of or in lieu of any tax) imposed by any governmental entity or political subdivision thereof, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing imposed on any taxpayer or consolidated, combined or unitary group of taxpayers.



imposes such Tax, and the agency (if any) charged with the collection of such Tax for such entity or subdivision.

“Tax Benefit” means the amount that any item of loss, deduction or credit (or any other item) decreases Taxes paid or payable including any interest with respect thereto or interest that would have been payable but for such item, net of any Tax imposed on such interest.

“Tax Contest” means an audit, review, examination, or any other administrative or judicial proceeding with the purpose or effect of re-determining any Tax (including any administrative or judicial review of any claim for refund).

“Tax Detriment” means the amount that any item of income or gain (or any other item) increases Taxes paid or payable including any interest with respect thereto.

“Tax Return” means any report of Tax due, any claims for refund of Tax paid, any information return with respect to Tax, any election made with respect to Tax, or any other similar report, statement, declaration, or document required to be filed under the Code or other law in respect of Tax, including any attachments, exhibits, or other materials submitted with any of the foregoing, and including any amendments or supplements to any of the foregoing for any taxpayer or consolidated, combined or unitary group of taxpayers.

## 2. Responsibility for Tax

### 2.1 BioPharma’s Responsibility.

(a) BioPharma shall be responsible for and indemnify and hold harmless the Biotechnologies Group from (i) any liability for Biotechnologies Federal Income Tax and Biotechnologies Combined Income Tax with respect to the Pre-Distribution Period (other than Income Taxes described in Section 2.2(b)); (ii) any Income Tax of the BioPharma Group by reason of Biotechnologies Group being severally liable for such Income Tax pursuant to Treasury Regulations Section 1.1502-6 or any analogous provision of state or local law; and (iii) any item described in Section 3.1 to the extent not covered by Section 3.2.

(b) Notwithstanding the provisions of clause (i) of Section 2.1(a), for all periods in which Biotechnologies is a member of BioPharma’s consolidated group, Biotechnologies shall be responsible for and shall pay to BioPharma, on or prior to the Distribution Date, an amount equal to the estimate of the Biotechnologies Federal Income Tax for such periods, as determined by BioPharma in good faith and in the ordinary course of business, subject to final determination of such amount as provided in Section 2.5(a).

(c) Notwithstanding the provisions of clause (i) of Section 2.1(a), for all periods in which Biotechnologies or any other member of the Biotechnologies Group is a member of a state or local consolidated, combined or unitary group of which any member of the BioPharma Group is the parent, Biotechnologies shall be responsible for and shall pay to BioPharma, on or prior to the Distribution Date, an amount equal to the estimate of the Biotechnologies Combined

Income Tax for such periods, as determined by BioPharma in good faith and in the ordinary course of business, subject to final determination of such amount as provided in Section 2.5(a).

## 2.2 Biotechnologies' Responsibility.

(a) Biotechnologies shall be responsible for, and indemnify and hold harmless the BioPharma Group from (i) all Income Tax of the Biotechnologies Group with respect to a Post-Distribution Period; (ii) Income Taxes described in Section 2.2(b); (iii) all Other Biotechnologies Tax (regardless of which period it relates to); and (iv) any act for which Biotechnologies is liable under Section 3.2.

(b) In the event that any jurisdiction determines that the income of any member of the Biotechnologies Group is included or includible with the income of any member of the BioPharma Group for purposes of calculating the combined, consolidated, or unitary Tax liability of the BioPharma Group and, as of the date hereof, the income of such member of the Biotechnologies Group was not so included by any member of the BioPharma Group in a combined, consolidated, or unitary group of which such member of the BioPharma Group was the common parent, Biotechnologies shall be responsible for and shall pay to BioPharma any Income Tax liability incurred by any member of the BioPharma Group as a result of such determination.

2.3 General Responsibilities. For purposes of this Agreement, in the case of any taxable period that begins before and ends after the Distribution Date, the amount of Biotechnologies Federal Income Tax and/or Biotechnologies Combined Income Tax payable for such taxable period shall be allocated pro rata between the time period before the Distribution Date and the time period after the Distribution Date, as of each such time period.

## 2.4 Refunds and Tax Benefits.

(a) Refunds and Carry backs.

(i) Except as provided in (ii) or (iii) below, BioPharma shall be entitled to any refunds of Biotechnologies Federal Income Tax and Biotechnologies Combined Income Tax (including refunds paid by means of a credit against other or future Tax liabilities) arising with respect to taxable periods ending on or before the Distribution Date; and Biotechnologies shall be entitled to any refunds of Income Tax of the Biotechnologies Group (including refunds paid by means of a credit against other or future Tax liabilities) arising with respect to taxable periods beginning after the Distribution Date. BioPharma and Biotechnologies agree to allocate such refunds (including refunds paid by means of a credit against other or future Tax liabilities) arising with respect to taxable periods that begin before and end after the Distribution Date to whichever of BioPharma or Biotechnologies initially accrued or recorded a liability for the Taxes to which such refund is attributable.

(ii) Biotechnologies shall be entitled to any refunds or credits of Biotechnologies State Income Tax or Other Biotechnologies Tax (including refunds paid by means of a credit against other or future Tax liabilities).

BioPharma after receipt thereof, and BioPharma shall promptly forward to Biotechnologies or reimburse Biotechnologies for any refunds due Biotechnologies after receipt thereof. In the case of a refund received in the form of a credit against other or future Tax liabilities, reimbursement in respect of such refund shall be due in each case on the due date for payment of the Tax against which such refund has been credited. If BioPharma reasonably so requests, Biotechnologies, at BioPharma's expense, shall file for and pursue any refund to which BioPharma is entitled under this Section 2.4(a). If Biotechnologies reasonably so requests, BioPharma, at Biotechnologies's expense, shall file for and pursue any refund to which Biotechnologies is entitled to under this Section 2.4(a).

(iv) BioPharma agrees that if the Biotechnologies Group carries back any item of loss, deduction or credit which arises in any taxable period the Income Tax for which Biotechnologies is responsible, into any taxable period the Income Tax for which BioPharma was responsible, then Biotechnologies shall be entitled to any Tax Benefit or refund of Tax realized as a result of the carry back.

(v) Notwithstanding anything to the contrary in this Section 2.4, BioPharma shall not be entitled to, and Biotechnologies shall be entitled to, any refunds or credits with respect to Income Tax for which Biotechnologies was liable under Section 2.2(b).

(b) Allocation of Benefits. If as a result of or in settlement of any Tax Contest, any adjustments shall be made to any Tax Returns relating to Income Tax of the Biotechnologies Group or the BioPharma Group for any period in which one of the parties was responsible for all or a portion of such Income Tax, and if such adjustment results in both Tax Detriment to one party or its subsidiaries and Tax Benefit to the other party or its subsidiaries, then the party receiving the Tax Benefit shall pay to the party subject to the Tax Detriment the amount of such Tax Benefit at such time or times as and to the extent that the party receiving the Tax Benefit realizes such benefit through a refund of Tax or reduction in the amount of Tax which would otherwise be paid if such adjustment had not been made.

## 2.5 Preparation of Tax Returns; Payment of Tax.

(a) BioPharma shall cause the Biotechnologies Group to join, for any Pre-Distribution Period for which the Biotechnologies Group is required to do so (and may cause the Biotechnologies Group (or any member thereof) to join for any such period or Tax Return for which the Biotechnologies Group is eligible but not required to do so), in all federal, state or local consolidated, combined or unitary Income Tax Returns of BioPharma's filing group. BioPharma shall prepare and timely file all such federal, state or local consolidated, combined or unitary Tax Returns and shall timely pay subject to 7.1(b) and (c) all Tax with respect to such Tax Returns. BioPharma shall provide to Biotechnologies a copy of the portion of each such Tax Return and any supporting schedules that relate to the Biotechnologies Group within 20 days after the filing thereof. No later than December 31 (or as close as reasonably practicable thereto) of the year in which BioPharma's federal Income Tax Return with respect to such Tax is filed, BioPharma shall provide to Biotechnologies a statement of the Biotechnologies Federal Income

Tax and Biotechnologies Combined Income Tax for such period, as determined by BioPharma in good faith and in the ordinary course of business based upon such Tax Returns. If (x) the sum of the estimates of such Biotechnologies Federal Income Tax and Biotechnologies Combined Income Tax as paid by Biotechnologies pursuant to Section 2.1(b) and (c) above is less than (y) the sum of the Biotechnologies Federal Income Tax and Biotechnologies Combined Income Tax as determined under this Section 2.5(a), Biotechnologies shall pay to BioPharma the difference between (x) and (y). If (x) the sum of the estimates of such Biotechnologies Federal Income Tax and Biotechnologies Combined Income Tax as paid by Biotechnologies pursuant to Section 2.1(b) and (c) above is more than (y) the sum of the Biotechnologies Federal Income Tax and Biotechnologies Combined Income Tax as determined under this Section 2.5(a), BioPharma shall pay to Biotechnologies the difference between (x) and (y).

(b) BioPharma shall prepare (or cause to be prepared), at Biotechnologies's expense (or where appropriate through the utilization of Biotechnologies's staff), and Biotechnologies shall timely file (or cause to be timely filed) any Tax Return relating to Biotechnologies State Income Tax for any period that begins before the Distribution Date (or any portion of such a Tax Return which relates to the Pre-Distribution Period) whether it is required to be filed before or after the Distribution Date. BioPharma shall provide a copy of each such Tax Return (or portion thereof) and any supporting schedules to Biotechnologies at least 30 days before the date such Return is to be filed (including any extensions) by Biotechnologies for Biotechnologies's review and approval, which approval shall not be unreasonably withheld. Biotechnologies shall pay all Tax with respect to such Tax Return for which it is responsible pursuant to Section 2.1. BioPharma shall pay to Biotechnologies at least 5 days prior to the filing of such Tax Return any amount due on such Tax Return that is the responsibility of BioPharma pursuant to Section 2.1.

(c) Biotechnologies shall be responsible for the preparation and filing of Tax Returns relating to Other Biotechnologies Tax. Biotechnologies shall pay all Tax with respect to any such Tax Returns.

(d) Biotechnologies shall not file (or allow the Biotechnologies Group to file) any amended Tax Returns with respect to the Biotechnologies Group for any Pre-Distribution Period without BioPharma's consent.

2.6 Cooperation and Exchange of Information. BioPharma on the one hand, and Biotechnologies, on the other, will timely and competently provide each other with such cooperation and information as either of them reasonably may request of the other in (i) filing any Tax Return, (ii) determining a liability for Tax or a right to a refund of Tax or (iii) participating in or conducting any Tax Contest. Such cooperation and information shall include providing copies of relevant Tax Returns or portions thereof, together with accompanying schedules and related work papers and documents relating to rulings or other determinations by any Tax Authorities. Each party shall devote the personnel and resources necessary in order to carry out this Section 2.6 and shall make its employees available on a mutually convenient basis to provide explanations of any documents or information provided hereunder. Except as provided below, each party shall carry out their responsibilities under this Section 2.6 without charge to the other. Notwithstanding the foregoing, Biotechnologies shall reimburse BioPharma

for any out-of-pocket costs and expenses incurred with respect to matters concerning Biotechnologies State Income Tax for the Pre-Distribution Period. It is further understood that in order to reduce the cost to Biotechnologies in connection with Biotechnologies State Income Tax matters, to the extent appropriate, BioPharma shall utilize and Biotechnologies shall provide, members of Biotechnologies's staff.

## 2.7 Tax Contests.

(a) Notice. Each of the parties shall provide prompt notice to the other party of any pending or threatened Tax Contest of which it becomes aware related to Tax for which it is indemnified by the other party hereunder. Such notice shall contain factual information (to the extent known) describing any asserted Tax liability in reasonable detail and shall be accompanied by copies of any notice and other documents received from any Tax Authority in respect of any such matters. If an indemnified party has knowledge of an asserted Tax liability with respect to a matter for which it is to be indemnified hereunder and such party fails to give the indemnifying party prompt notice of such asserted Tax liability, then if the indemnifying party is not precluded from contesting the asserted Tax liability in any forum, but such failure to give prompt notice results in a monetary detriment to the indemnifying party, then any amount which the indemnifying party is otherwise required to pay the indemnified party pursuant to this Agreement shall be reduced by the amount of such detriment.

(b) Control of Tax Contests. Each party shall have full responsibility and discretion in handling, settling or contesting any Tax Contest involving a Tax for which it is liable pursuant to Section 2 of this Agreement and shall pay any costs associated with such Tax Contest; provided, however, BioPharma shall have full responsibility and discretion in handling, settling or contesting any Tax Contest with respect to a consolidated, combined or unitary federal or state Income Tax of which BioPharma or a BioPharma Subsidiary is the common parent. In the event that BioPharma controls (pursuant to the proviso in the previous sentence) any Tax Contest which gives rise to a Biotechnologies indemnification obligation hereunder, BioPharma shall consult with Biotechnologies with respect to such Tax Contest (to the extent such Tax Contest relates to issues for which Biotechnologies is liable) and shall consider in good faith Biotechnologies's advice with respect thereto. Furthermore BioPharma may participate in any Tax Contest with respect to any Covered Transaction Tax (as hereinafter defined), and Biotechnologies shall consider in good faith BioPharma's advice with respect thereto, regardless of whether BioPharma has liability or indemnification obligations with respect to such Tax under this Agreement.

## 3. Transaction Tax

3.1 General. Except as otherwise provided in Section 3.2, BioPharma shall be responsible for and pay any and all Tax resulting from income or gain recognized by BioPharma as a result of the Distribution failing to qualify for or maintain tax-free treatment pursuant to Section 355 of the Code or other provisions of the Code or corresponding provisions of other applicable Tax laws, and any Tax resulting from any income or gain recognized by BioPharma or its Subsidiaries (including the Biotechnologies Group) under Treasury Regulations Sections 1.1502-

13 or 1.1502-19 (or any corresponding provisions of other applicable Tax laws) as a result of the Distribution (collectively “Covered Transaction Tax”).

3.2 Inconsistent Acts and Events. Biotechnologies shall be liable for, and shall indemnify and hold harmless the BioPharma Group from and against any liability for, any Covered Transactions Tax (including without limitation reasonable attorney fees and other costs incurred in connection therewith) to the extent arising from (i) any breach by the Biotechnologies Group of the representations or covenants under Section 4 and (ii) any Section 355(e) Event (defined herein) with respect to Biotechnologies. A “Section 355(e) Event” with respect to Biotechnologies means any fact, circumstance, event or occurrence relating to the stock of Biotechnologies or assets of the Biotechnologies Group, that causes the Distribution to be a taxable event to BioPharma as the result of the application of Section 355(e) of the Code and the Treasury Regulations (i.e., the Distribution becomes taxable to BioPharma under Section 355(e) of the Code and, but for such fact, circumstance, event or occurrence, the Distribution would not have been a taxable event to BioPharma under Section 355(e) of the Code).

#### 4. Representations and Covenants

##### 4.1 Representations.

(a) Each of Biotechnologies and BioPharma represent that, as of the date of this Agreement, it and its Subsidiaries knows of no fact or set of facts that would jeopardize the expected Tax treatment of the Distribution.

(b) Each of Biotechnologies and BioPharma represent and warrant that neither it nor any of its Subsidiaries has any plan or intent to take any action which is inconsistent with the expected Tax treatment of the Distribution.

##### 4.2 Covenants.

(a) Biotechnologies covenants and agrees that it will not take any action, and it will cause its Subsidiaries to refrain from taking any action, that violates Section 355(e) of the Code and the Treasury Regulations promulgated thereunder or which is otherwise inconsistent with the Tax-free treatment of the Distribution.

(b) Consistent Tax Returns. Each of BioPharma and Biotechnologies covenants and agrees that it will not take, and it will cause its Subsidiaries to refrain from taking, any position on a Tax Return that is inconsistent with the treatment of the Distribution as tax-free pursuant to Section 355 of the Code.

#### 5. Miscellaneous Provisions

5.1 Notice. Any payment, notice or communication required or permitted to be given under this Agreement shall be in writing (including facsimile) and mailed, faxed or delivered to the parties at the following addresses (or at such other address as one party may specify by notice to the other party):

Integrated BioPharma, Inc.  
225 Long Avenue  
Hillside, New Jersey 07205  
Attn: President

if to Biotechnologies:

iBioPharma, Inc.  
9 Innovation Way, Suite 100  
Newark, Delaware 19711  
Attn: President

Notification of a change of address shall be given by either party to the other as provided in this Section 5.1. All such notices and communications shall be effective (i) when received, if mailed or delivered, or (ii) when confirmed by fax answerback, if faxed.

5.2 Governing Law. This Agreement shall be governed by the laws applicable to contracts entered into and to be performed within the Commonwealth of Delaware excluding its conflict laws.

5.3 Entire Agreement. This Agreement and the Distribution Agreement embodies the entire understanding between the parties relating to its subject matter and supersedes and terminates all prior agreements and understandings among the parties with respect to such matters. No promises, covenants or representations of any kind, other than those expressly stated herein, have been made to induce any party to enter into this Agreement. This Agreement shall not be modified or terminated except by a writing duly signed by each of the parties hereto, and no waiver of any provisions of this Agreement shall be effective unless in a writing duly signed by the party sought to be bound. If, and to the extent, the provisions of this Agreement conflict with the Distribution Agreement, or any other agreement entered into in connection with the Distribution, the provisions of this Agreement shall control.

5.4 Assignment; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned, in whole or in part, by operation of law or otherwise by any of the parties without the prior written consent of the other party; provided, however, that no such consent shall be required in the event of a merger, consolidation or sale of either BioPharma or Biotechnologies. Subject to the preceding sentence, this Agreement shall be binding on, and shall inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and assigns.

5.5 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same.

circumstances shall be held invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

5.7 Headings. Headings of sections in this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

5.8 Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of this Agreement shall survive for thirty days after the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof).

5.9 Payments. Unless a provision in this Agreement specifically provides a time period for payment, any payment owed under this Agreement shall be paid within 30 days after the date on which such payment becomes due.

[SIGNATURE PAGE FOLLOWS]



executed by its respective duly authorized officer as of the date first set forth above.

INTEGRATED BIOPHARMA, INC.

By: /s/ Dina L. Masi

Name: Dina L. Masi

Title: Chief Financial Officer

IBIOPHARMA, INC.

By: /s/ Robert L. Erwin

Name: Robert L. Erwin

Title: President

[Signature Page to the Tax Responsibility Allocation Agreement]