

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 1999

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: 0-26642

MYRIAD GENETICS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

87-0494517

(I.R.S. Employer Identification No.)

320 Wakara Way, Salt Lake City, UT

(Address of principal executive offices)

84108

(Zip Code)

Registrant's telephone number, including area code: (801) 584-3600

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 No

As of November 10, 1999, the registrant had 10,116,269
shares of common stock outstanding.

MYRIAD GENETICS, INC.

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MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	Sept. 30, 1999 (Unaudited)	June 30, 1999
	-----	-----
Assets		

Current assets:		
Cash and cash equivalents	\$ 15,677,896	\$ 5,404,944
Marketable investment securities	8,692,710	4,477,138
Prepaid expenses	398,809	622,700
Trade accounts receivables, less allowance for doubtful accounts of \$92,162 at September 30, 1999, \$73,439 at June 30, 1999	1,581,621	1,322,950
Other receivables	5,273,627	1,855,696
	-----	-----
Total current assets	31,624,663	13,683,428
	-----	-----
Equipment and leasehold improvements:		
Equipment	14,075,669	13,351,229
Leasehold improvements	3,739,171	3,520,253
	-----	-----
	17,814,840	16,871,482
Less accumulated depreciation and amortization	7,595,036	6,871,981
	-----	-----
Net equipment and leasehold improvements	10,219,804	9,999,501
Long-term marketable investment securities	22,103,074	29,044,377
Other assets	1,186,616	823,634
	-----	-----
	\$ 65,134,157	\$ 53,550,940
	=====	=====
Liabilities and Stockholders' Equity		

Current liabilities:		
Accounts payable	\$ 1,977,327	\$ 2,917,810
Accrued liabilities	2,244,945	1,754,634
Deferred revenue	10,146,394	662,760
	-----	-----
Total current liabilities	14,368,666	5,335,204
	-----	-----
Stockholders' equity		
Common stock, \$0.01 par value. Authorized 15,000,000 shares; issued and outstanding 9,807,213 on September 30, 1999 and 9,428,732 on June 30, 1999	98,072	94,287
Additional paid-in capital	97,045,003	92,377,949
Accumulated other comprehensive loss	(68,873)	(68,846)
Deferred compensation	(177,739)	(247,774)
Accumulated deficit	(46,130,972)	(43,939,880)
	-----	-----
Net stockholders' equity	50,765,491	48,215,736
	-----	-----
	\$ 65,134,157	\$ 53,550,940
	=====	=====

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended	
	Sept. 30, 1999 (Unaudited)	Sept. 30, 1998 (Unaudited)
Research revenue	\$ 5,247,645	\$ 4,646,516
Molecular diagnostic revenue	1,614,286	913,470
	-----	-----
Total revenues	6,861,931	5,559,986
Costs and expenses:		
Molecular diagnostic cost of revenue	802,931	602,872
Research and development expenses	5,786,801	5,817,490
Selling, general and administrative expenses	3,021,986	2,555,415
	-----	-----
Total costs and expenses	9,611,718	8,975,777
	-----	-----
Operating loss	(2,749,787)	(3,415,791)
Other income (expense):		
Interest income	573,789	696,219
Interest expense	--	(2,371)
Other	(15,094)	19,441
	-----	-----
	558,695	713,289
	-----	-----
Net loss	(\$2,191,092)	(\$2,702,502)
	=====	=====
Basic and diluted loss per common share	(\$0.23)	(\$0.29)
	=====	=====
Basic and diluted weighted average shares outstanding	9,432,737	9,342,942

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended	
	Sept. 30, 1999 (Unaudited)	Sept. 30, 1998 (Unaudited)
Cash flows from operating activities:		
Net loss	(\$2,191,092)	(\$2,702,502)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	793,727	840,594
Loss on sale of assets	609	11,937
Bad debt expense	18,723	9,000
Increase in trade receivables	(277,394)	(207,617)
Decrease in other receivables	1,569,750	31,942
Decrease (increase) in prepaid expenses	223,891	(492,637)
Decrease (increase) in other assets	(362,982)	42,188
Decrease in accounts payable and accrued expenses	(949,015)	(1,449,690)
Increase (decrease) in deferred revenue	9,483,634	(589,416)
Net cash provided by (used in) operating activities	8,309,851	(4,506,201)
Cash flows from investing activities:		
Proceeds from sale of equipment	--	2,595
Capital expenditures	(944,604)	(984,921)
Net change in marketable investment securities	2,725,704	137,755
Net cash provided by (used in) investing activities	1,781,100	(844,571)
Cash flows from financing activities:		
Net payments of notes payable	--	(91,467)
Net proceeds from issuance of common stock	182,001	77,777
Net cash provided by financing activities	182,001	(13,690)
Net increase (decrease) in cash and cash equivalents	10,272,952	(5,364,462)
Cash and cash equivalents at beginning of period	5,404,944	14,595,034
Cash and cash equivalents at end of period	\$ 15,677,896	\$ 9,230,572

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

(1) Basis of Presentation

The accompanying condensed unaudited consolidated financial statements have been prepared by Myriad Genetics, Inc. (the "Company") in accordance with generally accepted accounting principles for interim financial information and pursuant to the applicable rules and regulations of the Securities and Exchange Commission. The condensed unaudited consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation. In the opinion of management, the accompanying financial statements contain all adjustments (consisting of normal and recurring accruals) necessary to present fairly all financial statements. The financial statements herein should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended June 30, 1999, included in the Company's Annual Report on Form 10-K for the year ended June 30, 1999. Operating results for the three-month period ended September 30, 1999 may not necessarily be indicative of the results to be expected for any other interim period or for the full year.

(2) Collaborative Research Agreement

In July 1999, the Company entered into a \$33,500,000 collaboration and license agreement related to genomic research. Under the agreement, the Company received an upfront payment of \$11,500,000 and will receive an additional \$22,000,000 of research funding over the two-year term. Upon completion of the project, the Company will share any profits from the sale of the discovered information equally with its collaborator.

(3) Common Stock

In September 1999 the Company entered into a Subscription Agreement pursuant to which the Company sold 355,000 shares of the Company's unregistered Common Stock, \$.01 par value per share (the "Shares") for a purchase price of \$4,987,750. The Company has no obligation to register the Shares with the Securities and Exchange Commission. In conjunction with the Subscription Agreement, the Company issued a 3-year warrant to purchase an additional 17,750 Shares at a premium of 10%. Proceeds from the stock sale were received October 5, 1999 and reflected as an "Other Receivable" on the Condensed Consolidated Balance Sheet for the period ended September 30, 1999.

(4) Subsequent Events

In October 1999, the Company announced the expansion of its collaboration with Schering to include research into the field of cardiovascular disease. The Company also entered into a Securities Purchase Agreement and a Standstill Agreement with Schering Berlin Venture Corporation ("Schering Berlin") to sell to Schering Berlin 303,030 Shares. Schering Berlin agreed to acquire the Shares for an aggregate purchase price of \$5,000,000 which represents a premium to the 20 day trailing average share price.

(5) Segment and Related Information

The Company's business units have been aggregated into two reportable segments: (i) research and (ii) molecular diagnostics. The research segment is focused on the discovery and sequencing of genes related to major common diseases, marketing of subscriptions to proprietary database information, and the development of therapeutic products for the treatment and prevention of major diseases. The molecular diagnostics segment provides testing to determine predisposition to common diseases.

The accounting policies of the segments are the same as those described in the basis of presentation (note 1). The Company evaluates segment performance based on loss from operations before interest income and

expense and other income and expense. The Company's assets are not identifiable by segment.

	Research -----	Molecular ----- diagnostics -----	Total -----
Three months ended September 30, 1999:			
Revenues	\$ 5,247,645	\$ 1,614,286	\$ 6,861,931
Depreciation and amortization	608,603	185,124	793,727
Segment operating loss	1,586,948	1,162,839	2,749,787
Three months ended September 30, 1998:			
Revenues	4,646,516	913,470	5,559,986
Depreciation and amortization	638,622	201,972	840,594
Segment operating loss	1,634,920	1,780,871	3,415,791
		1999 -----	1998 -----
Total operating loss for reportable segments		(\$2,749,787)	(3,415,791)
Unallocated amounts:			
Interest income		573,789	696,219
Interest expense		--	(2,371)
Other		(15,094)	19,441
Net loss		----- (\$2,191,092) =====	----- (\$2,702,502) =====

(6) Comprehensive Loss

The Company adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), "Reporting Comprehensive Income", effective July 1, 1998. SFAS 130 establishes standards for reporting and displaying comprehensive loss and its components in financial statements. The components of the Company's comprehensive loss are as follows:

	Three Months Ended September 30, 1999 (unaudited) -----	Three Months Ended September 30, 1998 (unaudited) -----
Net loss	(\$2,191,092)	(\$2,702,502)
Unrealized gain (loss) on available-for-sale marketable investment securities	(27)	93,078
Comprehensive loss	----- (\$2,191,119) =====	----- (\$2,609,424) =====

(7) Net Loss Per Common and Common Equivalent Share

Loss per common share is computed based on the weighted-average number of common shares and, as appropriate, dilutive potential common shares outstanding during the period. Stock options and warrants are considered to be potential common shares.

Basic loss per common share is the amount of loss for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share is the amount of loss for the period available to each share of common stock outstanding during the reporting period and to each share that would have been outstanding assuming the issuance of common shares for all dilutive potential common shares outstanding during the period.

In calculating loss per common and common-equivalent share the net loss and the weighted average common and common-equivalent shares outstanding were the same for both the basic and diluted calculation.

For the three months ended September 30, 1999 and September 30, 1998, there were antidilutive potential common shares of 2,017,645 and 2,155,178, respectively. Accordingly, these potential common shares were not included in the computation of diluted loss per share for the years presented, but may be dilutive to future basic and diluted earnings per share.

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

Overview

Since inception, the Company has devoted substantially all of its resources to maintaining its research and development programs, establishing and operating a molecular diagnostic laboratory, and supporting collaborative research agreements, and more recently establishing a high throughput screening and drug development facility. Revenues received by the Company primarily have been payments pursuant to collaborative research agreements, upfront fees, milestone payments, and sales of molecular diagnostics. The Company has been unprofitable since its inception and, for the quarter ended September 30, 1999, the Company had a net loss of \$2,191,092 and as of September 30, 1999 had an accumulated deficit of \$46,130,972.

In April 1995, the Company commenced a five-year collaborative research and development arrangement with Novartis Corporation ("Novartis"). This collaboration may provide the Company with an equity investment, research funding and potential milestone payments of up to \$60,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Novartis.

In September 1995, the Company commenced a five-year collaborative research and development arrangement with Bayer Corporation ("Bayer"). This collaboration provides the Company with an equity investment, research funding and potential milestone payments of up to \$71,000,000. In November 1997 and again in December 1998, the Company announced an expansion of its collaborative research and development arrangement with Bayer. The expanded collaboration may provide the Company with additional research funding and potential milestone payments of up to \$137,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Bayer.

In October 1996, the Company announced the introduction of BRACAnalysis, a comprehensive BRCA1 and BRCA2 gene sequence analysis for susceptibility to breast and ovarian cancer. In January 1998, the Company announced the introduction of CardiaRisk which may assist physicians both in (i) identifying which hypertensive patients are at a significantly increased risk of developing cardiovascular disease and (ii) identifying which patients are likely to respond to low salt diet therapy and antihypertensive drug therapy. The Company, through its wholly owned subsidiary Myriad Genetic Laboratories, Inc., recognized molecular diagnostic revenues, primarily from BRACAnalysis, of \$1,614,286 for the quarter ended September 30, 1999.

In April 1997, the Company commenced a three-year collaborative research and development arrangement with Schering Corporation ("Schering"). The three-year term may be extended for two additional one-year periods. This collaboration may provide the Company with an equity investment, license fees, research funding and potential milestone payments totalling up to \$60,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Schering.

In October 1998, the Company entered into a five-year collaboration with Schering AG, Germany ("Schering AG"), to utilize the Company's protein interaction technology ("ProNet) for drug discovery and development. Under the agreement, the Company will have an option to co-promote all new therapeutic products in North America and receive 50 percent of the profits from North American sales of all new drugs discovered with ProNet. This collaboration may provide the Company with licensing fees, subscription fees, option payments and milestone fees with a value of up to \$51,000,000. If the Company chooses to co-promote the drug as a 50 percent partner, the Company may be required to pay funds to Schering AG to establish equal ownership.

In November 1998, the Company entered into a 15 month collaboration with Monsanto Company ("Monsanto"), to utilize ProNet for drug discovery and development. Under the agreement, Monsanto has the option to extend the research term for an additional twelve months. If the anticipated milestones, option payments, license fees and upfront payments are achieved, the value of the agreement may reach up to \$15,000,000. The Company will also receive royalties on worldwide sales of drugs resulting from the discovery of novel targets found through use of the ProNet technology.

In July 1999, the Company entered into a two-year collaboration and license agreement with the Novartis Agricultural Discovery Institute, Inc. ("NADII"). The genomic collaboration will focus on the discovery of the genetic structure of cereal crops. The collaboration will provide the Company with an upfront payment and research funding of up to \$33,500,000. Upon completion, NADII and the Company intend to jointly offer commercial access to the genomic databases and share equally in any resulting proceeds.

In September 1999 the Company entered into a Subscription Agreement with Peter Friedli to sell to Mr. Friedli 355,000 shares of unregistered Common Stock of the Company, \$.01 par value per share (the "Shares"). Mr. Friedli acquired the Shares for a purchase price of \$4,987,750. The Company has no obligation to register the Shares with the Securities and Exchange Commission. In conjunction with the Subscription Agreement, Mr. Friedli was issued a 3-year warrant to purchase an additional 17,750 Shares at a premium of 10%.

The Company intends to enter into additional collaborative relationships to locate and sequence genes and discover protein networks associated with other common diseases as well as continuing to fund internal research projects. There can be no assurance that the Company will be able to enter into additional collaborative relationships on terms acceptable to the Company. The Company expects to incur losses for at least the next several years, primarily due to expansion of its research and development programs, increased staffing costs and expansion of its facilities. Additionally, the Company expects to incur substantial sales, marketing and other expenses in connection with building its molecular diagnostic business. The Company expects that losses will fluctuate from quarter to quarter and that such fluctuations may be substantial.

Subsequent Event

In October 1999, the Company announced the expansion of its collaboration with Schering to include research into the field of cardiovascular disease. The Company also entered into a Securities Purchase Agreement and a Standstill Agreement with Schering Berlin Venture Corporation ("Schering Berlin") to sell to Schering Berlin 303,030 Shares. Schering Berlin agreed to acquire the Shares for an aggregate purchase price of \$5,000,000 which represents a premium to the 20 day trailing average share price.

RESULTS OF OPERATIONS

Three Months Ended September 30, 1999 and 1998

Research revenues for the quarter ended September 30, 1999 were \$5,247,645 as compared to \$4,646,516 for the same quarter of 1998. The increase in research revenue is primarily attributable to revenue recognized from the NADII collaboration which began in July 1999. Research revenue from the research collaboration agreements is recognized as related costs are incurred. Consequently, as these programs progress and costs increase or decrease, revenues increase or decrease proportionately.

Molecular diagnostic revenues of \$1,614,286 were recognized in the quarter ended September 30, 1999, an increase of 77% or \$700,816 over the same quarter of the prior year. Molecular diagnostic revenue is comprised of sales of diagnostic tests resulting from the Company's discovery of disease genes. The test for genetic predisposition to breast and ovarian cancer was launched by the Company in October 1996 and the test for heart disease and hypertension risk was launched by the Company in January 1998. Sales and marketing efforts since that time have given rise to the increased revenues for the quarter ended September 1999. There can be no assurance, however that molecular diagnostic revenues will continue to increase at the historical rate.

Research and development expenses for the quarter ended September 30, 1999 were \$5,786,801 as compared to \$5,817,490 for the same quarter of 1998. As projects mature and more information is collected in the laboratory, less expensive automated analysis tools take on a more significant role. New projects such as NADII can therefore utilize the available manpower from the more mature projects made available by the shift toward automated analysis tools. The net result is little change in research and development expense although future research and development expenses may increase based on the nature of future projects.

Selling, general and administrative expenses for the quarter ended September 30, 1999 were \$3,021,986 as compared to \$2,555,415 for the same quarter of 1998. The increase was attributable to costs associated with the ongoing promotion of BRACAnalysis as well as additional administrative, sales, marketing and education personnel, market research activities, education material development, and facilities-related costs. During the quarter ended September 30, 1999, the company wrote off an asset resulting in a one-time expense of \$344,531. The Company expects its selling, general and administrative expenses will continue to fluctuate as needed in support of its molecular diagnostic business and its research and development efforts.

Interest income for the quarter ended September 30, 1999 was \$573,789 as compared to \$696,219 for the same quarter of 1998. Cash, cash equivalents, and marketable investment securities were \$47,700,355 at September 30, 1998 as compared to \$46,473,680 at September 30, 1999. This decrease in cash and investments, attributable to expenditures incurred in the ordinary course of business, has resulted in reduced interest income. Interest expense for the quarter ended September 30, 1998, amounting to \$2,371, was due entirely to borrowings under the Company's equipment financing facility.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities was \$8,309,851 during the quarter ended September 30, 1999 as compared to net cash used by operating activities of \$4,506,201 during the same quarter of 1998. Trade receivables for the three months ended September 30, 1999 increased \$277,394. This increase is primarily attributable to the increase in molecular diagnostic revenue for the quarter ended September 30, 1999 as compared to testing revenue for the quarter ended June 30, 1999. Other receivables decreased \$1,569,750 between June 30, 1999 and September 30, 1999 primarily as a result of payments received by the Company for the sale of leasehold improvements, and the receipt of collaborative partner payments for research work performed in prior periods. Prepaid expenses decreased \$223,891 during the quarter ended September 30, 1999. The decrease is primarily due to advance royalties and insurance premiums being expensed during the quarter. Other assets decreased as a result of the Company writing down an asset to its current value. Accounts payable and accrued expenses decreased \$949,015 between June 30, 1999 and September 30, 1999 primarily as a result of payments for lab supplies and equipment which were accrued into the prior quarter. Deferred revenue, representing the difference in collaborative payments received and research revenue recognized, increased \$9,483,634 during the quarter ended September 30, 1999 as a result of an upfront payment from NADII to the Company.

The Company's investing activities provided cash of \$1,781,100 in the three months ended September 30, 1999 and used cash of \$844,571 in the three months ended September 30, 1998. Investing activities were comprised primarily of capital expenditures for research equipment, office furniture, and facility improvements and marketable investment securities. During the quarter ended September 30, 1999, the Company shifted a portion of its investment in marketable investment securities to cash and cash equivalents from longer term investments in order to provide for ongoing corporate expenditures.

Financing activities provided \$182,001 during the quarter ended September 30, 1999 from the exercise of stock options during the period. During the quarter ended September 30, 1998, the Company reduced the principal on its equipment financing facility by \$91,467. This decrease was offset by proceeds of \$77,777 from the exercise of stock options.

The Company anticipates that its existing capital resources will be adequate to maintain its current and planned operations for at least the next two years, although no assurance can be given that changes will not occur that would consume available capital resources before such time. The Company's future capital requirements will be substantial and will depend on many factors, including progress of the Company's research and development programs, the results and cost of clinical correlation testing of the Company's genetic tests, the costs of filing, prosecuting and enforcing patent claims, competing technological and market developments, payments received under collaborative agreements, changes in collaborative research relationships, the costs associated with potential commercialization of its gene discoveries, if any, including the development of manufacturing, marketing and sales capabilities, the cost and availability of third-party financing for capital expenditures and administrative and legal expenses. Because of the Company's significant long-term capital requirements, the Company intends to raise funds when conditions are

favorable, even if it does not have an immediate need for additional capital at such time.

Impact of the Year 2000 Issue

The Year 2000 Issue

The Year 2000 Issue is the result of computer programs using a two-digit format, as opposed to four digits, to indicate the year. Any of the Company's computer programs or other information systems that have time-sensitive software or embedded microcontrollers may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations.

State of Readiness and Costs to Address the Year 2000 Issue

The Company has substantially completed its Year 2000 readiness testing. Testing was performed on all of the Company's critical systems and any necessary modifications have taken place. Where possible, third-party certification of Year 2000 readiness was obtained on systems purchased by the Company. Third-party systems which were not certified by the supplier were tested internally or upgraded to compliant versions. The Company has received assurances from its significant suppliers and customers that they are Year 2000 ready.

Risks of the Year 2000 Issue

If critical systems fail due to a lack of Year 2000 readiness, or if any of the Company's suppliers or customers do not successfully deal with the Year 2000 Issue, the Year 2000 Issue could have a material impact on the operations of the Company. The Company could experience delays in receiving or sending its molecular diagnostic products that would increase its costs and that could cause the Company to lose business and even customers and could subject the Company to claims for damages. Problems with the Year 2000 Issue could also result in delays in the Company invoicing its molecular diagnostic customers or in the Company receiving payments from them. In addition, the Company's research and development efforts which rely heavily on the storage and retrieval of electronic information could be interrupted resulting in significant delays in discovering genes, the loss of current collaborations, and the impairment of the Company's ability to enter into new collaborations. The severity of these possible problems would depend on the nature of the problem and how quickly it could be corrected or an alternative implemented, which is unknown at this time. In the extreme, such problems could bring the Company to a standstill.

The Company estimates direct and indirect costs associated with its Year 2000 readiness did not exceed \$100,000. Direct costs include charges by third-party software vendors for product enhancements, costs involved in testing software products for Year 2000 compliance and resulting costs for enhancements to non-compliant products. Indirect costs principally consist of the time devoted by existing employees in monitoring software vendor progress, testing enhanced software products and implementing any necessary contingency plans. Both direct and indirect costs of addressing the Year 2000 Issue have been charged to earnings as incurred.

Contingency Plan

The Company is considering contingency plans to address situations in which various systems of the Company, or of third parties with which the Company does business, are not Year 2000 compliant. Some risks of the Year 2000 Issue, however, are beyond the control of the Company and its suppliers and customers. For example, no preparations or contingency plan will protect the Company from a downturn in economic activity caused by the possible ripple effect throughout the entire economy caused by the Year 2000 Issue.

Certain Factors That May Affect Future Results of Operations

The Company believes that this report on Form 10-Q contains certain forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described in the forward-looking statements. The Company cautions investors that there can

be no assurance that actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors, including, but not limited to, the following: the timely implementation by the Company of its plan to prepare its computer systems for the Year 2000, the costs to the Company of such preparation, and the timely conversion by other parties on which the Company's business relies; intense competition related to the discovery of disease-related genes and the possibility that others may discover, and the Company may not be able to gain rights with respect to, genes important to the establishment of a successful molecular diagnostic business; difficulties inherent in developing genetic tests once genes have been discovered; the Company's limited experience in operating a molecular diagnostic laboratory; the Company's limited marketing and sales experience and the risk that tests which the Company has or may develop may not be able to be marketed at acceptable prices or receive commercial acceptance in the markets that the Company is targeting or expects to target; uncertainty as to whether there will exist adequate reimbursement for the Company's services from government, private health care insurers and third-party payors; and uncertainties as to the extent of future government regulation of the Company's business; uncertainties as to whether the Company and its collaborators will be successful in developing and obtaining regulatory approval for, and commercial acceptance of, therapeutics based on the discovery of disease-related genes and proteins; uncertainties as to the Company's ability to develop therapeutic lead compounds, which is a new business area for the Company; and the risk that markets will not exist for therapeutic lead compounds that the Company develops or if such markets exist, that the Company will not be able to sell compounds which it develops at acceptable prices. As a result, the Company's future development efforts involve a high degree of risk. For further information, refer to the more specific risks and uncertainties disclosed throughout this Quarterly Report on Form 10-Q.

PART II - Other Information

Item 1. Legal Proceedings.

The Company is not a party to any legal proceedings.

Item 2. Changes in Securities.

On September 30, 1999, the Company entered into a Subscription Agreement pursuant to which the Company sold 355,000 shares of the Company's unregistered Common Stock, \$.01 par value (the "Shares") for an aggregate purchase price of \$4,987,750. The sale of the Shares was made overseas to a foreign investor and was exempt from registration under Regulation S of the Securities Act of 1933 (the "Securities Act"). In connection with this transaction, the Company also granted the purchaser a warrant to purchase an additional 17,750 Shares at an exercise price of \$15.45 per share. These warrants are exercisable at any time prior to 5:00 p.m. Salt Lake City time on October 4, 2002.

On October 15, 1999, the Company entered into a Securities Purchase Agreement and a Standstill Agreement pursuant to which the Company sold 303,030 Shares for an aggregate purchase price of \$5,000,000. The sale was made to an accredited investor in a private placement that was exempt from registration under Rule 506 of Regulation D of the Securities Act.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

None.

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

The following is a list of exhibits filed as part of this Quarterly Report on Form 10-Q.

Exhibit Number	Description
10.1	Collaboration and License Agreement between the Company and Novartis Agricultural Discovery Institute, Inc. dated July 27, 1999. The Company has excluded from this Exhibit 10.1 portions of the Collaboration and License Agreement for which the Company has requested confidential treatment from the Securities and Exchange Commission. The portions of the Collaboration and License Agreement for which confidential treatment has been requested are marked "[]" and such confidential portions have been filed separately with the Securities and Exchange Commission.
10.2	Subscription Agreement between the Company and Peter Friedli dated September 30, 1999.
10.3	Securities Purchase Agreement and Standstill Agreement between the Company and Schering Berlin Venture Corporation dated October 15, 1999.
27.1	Financial Data Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended September 30, 1999.

SIGNATURES

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

MYRIAD GENETICS, INC.

Date: November 15, 1999

By: /s/ Peter D. Meldrum

Peter D. Meldrum
President and Chief Executive Officer

Date: November 15, 1999

/s/ Jay M. Moyes

Jay M. Moyes
Vice President of Finance and Chief
Financial Officer
(principal financial and accounting
officer)

MYRIAD GENETICS, INC.

EXHIBIT INDEX

Exhibit Number -----	Description -----
10.1	Collaboration and License Agreement between the Company and Novartis Agricultural Discovery Institute, Inc. dated July 27, 1999. The Company has excluded from this Exhibit 10.1 portions of the Collaboration and License Agreement for which the Company has requested confidential treatment from the Securities and Exchange Commission. The portions of the Collaboration and License Agreement for which confidential treatment has been requested are marked "[]" and such confidential portions have been filed separately with the Securities and Exchange Commission.
10.2	Subscription Agreement between the Company and Peter Friedli dated September 30, 1999.
10.3	Securities Purchase Agreement and Standstill Agreement between the Company and Schering Berlin Venture Corporation dated October 15, 1999.
27.1	Financial Data Schedule

COLLABORATION AND LICENSE AGREEMENT

This Collaboration and License Agreement (the "Agreement") is dated July 27, 1999 between Novartis Agricultural Discovery Institute, Inc., a Delaware corporation ("NADII"), and Myriad Genetics, Inc., a Delaware corporation ("Myriad").

RECITALS

A. WHEREAS, NADII has requested Myriad to join with it in a collaborative research program whereby Myriad will, in consideration of payments received from NADII, use its proprietary sequencing technology to sequence [_____] and to develop additional related information (the "Project");

B. WHEREAS, Myriad will provide appropriate staff and facilities to undertake the Project and is willing to do so on the terms contained in this Agreement;

C. WHEREAS, at the conclusion of the project, Myriad will grant to NADII a perpetual, world-wide, royalty-free, co-exclusive license for all commercial and non-commercial applications of the information developed through the Project;

D. WHEREAS, following the conclusion of the Project, the Parties expect to resell or sublicense [_____] data to third parties and share the proceeds equally;

E. WHEREAS, NADII expects to obtain preferred access to the information generated under the Project;

F. WHEREAS, NADII has expended and will continue to expend significant resources and efforts to [_____] for cereal functional genomics; and

G. WHEREAS, NADII intends to allow access to [_____] information generated under the Project to its collaborators and to other Novartis organizations.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants of the parties, they hereby agree as follows:

1. The Collaboration Project.

1.1 General. Each of NADII and Myriad shall use reasonably diligent

efforts to satisfy the procedures, goals and objectives of the Project, which are described on Exhibit A hereto (the "Project Description"). The Project Description may be revised and updated from time to time by the Project Committee (as defined below), provided that it continues to focus on the development of new Data and Materials (as defined below) relating to cereal genomes. The term of the Project begins on the date of this Agreement and concludes on the attainment of the penultimate milestone as described in Exhibit A (the "Project Term"). During the Project Term, Myriad will use reasonable commercial efforts to conduct research with respect to and develop information and data relating to cereal genomes as contemplated hereby, to meet and comply with the schedules and projected milestones set forth in the Project Description and to perform its duties as contemplated by this Agreement.

1.2 Staffing and Resources. The initial principal investigators for the

Project shall be [_____] and [_____].employees of Myriad. Such persons shall work under the guidance

and supervision of the research steering committee (the "Project Committee") which is further described in paragraph 1.5 below. Myriad shall make available for use in the Project, at Myriad's expense, approximately [_____] full time equivalent employees ("Project Employees") during the Project Term. Each Project Employee shall have sufficient technical credentials, education and experience as is appropriate to enable him or her to perform the duties required with respect to the Project. Certain of the Project Employees may be consultants to or independent contractors of Myriad, rather than actual employees, of Myriad. If a vacancy in the Project Employees (including a principal investigator) shall occur for any reason, Myriad shall promptly fill the vacancy with one or more qualified replacement Project Employees and notify the Project Committee of such replacement. In the event that either of the principal investigators is for any reason unable to function on the Project and such event materially affects Myriad's ability to conduct the Project and meet the projected milestones set forth in the Project Description of Appendix A, NADII shall have the right to terminate this Agreement in accordance with Section 6.4(a) of this Agreement.

1.3 Equipment. Myriad shall provide all equipment necessary for the

conduct of the Project, all of which shall be owned or leased by Myriad. Myriad shall maintain the equipment in accordance with prudent business practices.

1.4 [_____] Milestones. Myriad shall use reasonable

commercial efforts to achieve [_____] within the Project Term in accordance with the projected milestones set forth in the Project Description of Appendix A.

1.5 The Project Committee. Within ten days of the execution of this

Agreement the parties shall establish the Project Committee to oversee all aspects of the Project. The Project Committee shall consist of the following six members, three of whom shall be appointed by each party in its sole discretion and reasonably acceptable to the other party:

NADII Representatives: [_____]

Myriad Representatives: [_____]

Vacancies shall be filled by the party who appointed the terminated member by written notice to the other party. The Project Committee shall plan, administer and monitor the Project and shall attempt to keep the parties reasonably informed as to the status of Project activities. Its oversight function shall include matters such as (i) adopting material plans, resource allocations, strategies and policies with respect to the Project; (ii) determining which research activities to pursue, and when to change such allocations, strategies and policies (including adjustments to the milestones); (iii) terminating particular activities; (iv) making decisions concerning the protection of any Intellectual Property, including filing for Patent Rights or other protection, and similar matters; (v) setting research priorities; and (vi) demonstrating to the satisfaction of the chief executive officer of NADII that the [_____] milestones set forth in Exhibit A have been achieved. The Project Committee shall meet at least quarterly, with each such meeting to be held, alternatively, in Salt Lake City, Utah and in San Diego, California. The Project Committee shall maintain accurate minutes of its deliberations which record all proposed decisions and actions that are recommended or adopted. The party hosting a meeting shall be responsible for the

preparation and circulation of minutes, drafts of which shall be delivered to all Project Committee members promptly after each meeting. Minutes shall be issued in final form only with the approval and signature of Project Committee members. The presence of two representatives of each party shall constitute a quorum at a Project Committee meeting. Each party's Project Committee representatives shall have the aggregate of one vote on all matters before the Project Committee, regardless of the number of representatives present, and all decisions of the Project Committee shall be made by unanimous vote. If the Project Committee is unable to resolve any disputed matter after good faith negotiations, the question shall be referred to the chief executive officers of each of the parties for resolution. If such officers are unable to resolve the dispute within the following twenty (20) days, the matter shall be resolved in accordance with the best judgment of the chief executive officer of NADII, who shall communicate his or her decision, and the reasons therefor, to all Project Committee members. Each party shall bear the expenses of its Project Committee members and other representatives.

1.6 Research Records and Reports. Each party shall maintain complete and

accurate records that reflect Project activities performed by it. Such records shall be consistent with good scientific practices and include appropriate detail for patent purposes that reflect all Project activities performed by it. Myriad shall provide NADII with weekly updates to all new Data and Materials developed under the Project. Myriad shall provide NADII with reports of other Project events and developments promptly at NADII's request, but not more frequently than weekly.

1.7 Exclusive Activities. During the Exclusive Period, Myriad shall not

collaborate with, undertake, fund any research or disclose to third parties any
information that is directly related to [_____] without the prior
written consent of NADII.

1.8 Insurance. Each party shall maintain comprehensive general liability

insurance with respect to claims for damages from bodily injury and property
damage, covering such risks as are customary in its industry.

1.9 Collaborative Efforts. The parties acknowledge that the successful

execution of the Project will require the cooperation of both parties and the
use of their collective expertise (the "Collaboration"). Each party shall keep
the Project Committee and one another fully informed of the status of all
material activities and events concerning the Project.

2. Ownership of Technology; License; Transfer of Data and Materials and

Commercialization

2.1 Previously Owned Technology. By virtue of entering into this

Agreement for the conduct of the Project, neither NADII nor Myriad shall acquire
any right, title or interest in or to technology or other intellectual property
of the other party, except as expressly set forth in this Agreement. This
Agreement does not grant to either party any license or other right to use in
any advertising or publicity any trademark, service mark, trade name or
equivalent of the other party.

2.2 Ownership of Project Technology.

(a) Until the end of the Project Term, and for [_____] thereafter (the "Exclusive Period"), NADII shall have an exclusive license from Myriad, with the right to

sublicense to third parties on a non-monetary quid pro quo basis, for all right, title and interest in and to all Intellectual Property, including but not limited to Data and Materials Inventions made during the Project Term shall be owned according to inventorship, and inventorship shall be determined under U.S. law.

(b) Upon the expiration of the Exclusive Period and thereafter, all Data and Materials shall be the joint property of NADII and Myriad. As joint owners, each party shall have the right to (1) freely practice and otherwise exploit the Data and Materials for internal research purposes without any obligation to the other party, and (2) freely practice and exploit Data and Materials for commercial purposes, subject to the provisions of Section 2.3 of this Agreement.

(c) Notwithstanding paragraph 2.2(b) above, and subject to good faith negotiations between the parties, NADII shall have the right to maintain as its sole property, a limited portion of the Data and Materials.

(d) Myriad shall, as the parties shall in good faith mutually agree and upon NADII's request, grant to NADII a non-exclusive, non-transferable world-wide license, without the right to sublicense, for use of certain of Myriad's [_____] trade secrets solely by NADII or its Affiliates, without additional compensation.

(e) Notwithstanding paragraphs 2.2(a) and 2.2(b), all discoveries, inventions, and technology developed by Myriad prior to this Agreement, or independently during the Project Term, which is not otherwise expressly licensed to NADII under the terms of this Agreement, shall be the sole property of Myriad.

2.3 Commercial Rights.

(a) During the Exclusive Period, NADII shall have exclusive access to [_____] and all other Data and Materials, as well as exclusive rights to all Intellectual Property, generated pursuant to the Project. At the conclusion of the Exclusive Period, Myriad shall grant to NADII a perpetual, royalty free, world-wide co-exclusive right for commercial use of the Data and Materials and Myriad will retain a similar perpetual royalty free, world-wide co-exclusive right to any commercial application also of the Data and Materials. Rights, title and interest to Intellectual Property other than Data and Materials shall remain with the owner; provided that each party grants a fully-paid, worldwide license the other party to the extent necessary to practice and exploit Data and Materials for their respective commercial purposes.

(b) After the Project Term and until the expiration of this Agreement (the "Marketing Period"), the parties will cooperate with one another in a collaborative effort to resell or sublicense the Data and Materials to interested third parties, and will divide all monetary proceeds equally. NADII shall have sole freedom to enter into licensing agreements with third parties on a non-monetary quid pro quo basis without compensation to Myriad. The Data and Materials to be resold or licensed to third parties (the "Database") shall consist of [_____]. The final content of the Database shall be determined by the Project Committee and be subject to its procedures for resolving disputes. Upon the expiration of the Exclusive Period, the Project Committee shall be disbanded, and each of the parties will then promptly name two members of the marketing committee ("Marketing Committee"), which shall make all decisions with respect to the marketing of the Data and Materials. The Marketing Committee will establish its own

operating procedures which will be comparable to those of the Project Committee as set forth in paragraph 1.4 above. The Marketing Committee will agree on resale terms, strategies and the need for supporting documentation for third-party purchasers, including research institutions and government agencies. NADII may restrict resales or licenses of the Data and Materials to a third party competitor of NADII if NADII believes in good faith that such transfer would be materially or economically detrimental to it, and Myriad will accept such good faith decision by NADII. Each party's Marketing Committee representatives shall have the aggregate of one vote on all matters before the Marketing Committee, regardless of the number of representatives present, and all decisions of the Marketing Committee shall be made by unanimous vote. If the Marketing Committee is unable to resolve any disputed matter after good faith negotiations, the question shall be referred to the chief executive officers of each of the parties for resolution. If such officers are unable to resolve the dispute within the following twenty (20) days, the matter shall be resolved in accordance with the best judgment of the chief executive officer of NADII, who shall communicate his or her decision, and the reasons therefor, to all Marketing Committee members.

2.4 Licenses and Sub-Licenses. Except as provided in paragraphs 2.2(a),

2.2(c) and 2.3(b), neither party shall have the right to assign or sublicense any of its rights to the Data and Materials except to its majority owned subsidiary companies which must assume full responsibility for its obligations hereunder, and notwithstanding the provisions in paragraph 8.3, with the further exception that NADII may assign or sublicense to a NADII Affiliate, or to Novartis Agribusiness Biotechnology Research, Inc. (NABRI) or an Affiliate of NABRI. Any attempt at assignment by sale, transfer, sublicense or other disposition, or by operation of law or

otherwise, of this Agreement or of any rights or obligations hereunder in a manner not permitted under this Agreement shall be a material breach of this Agreement by the attempting party and shall be void and without force or effect, except as provided in paragraph 6.4 below. Notwithstanding the above, the non-exclusive license granted by Section 2.2(d) shall not be assignable or sublicensable under this Section 2.4.

2.5 Patents and Patent Application. During the Project Term, each party

shall promptly disclose to the other party Intellectual Property which the disclosing party believes has a reasonable likelihood of receiving patent protection. The Project Committee shall determine whether to proceed with one or more patent applications with respect to such matters, the jurisdictions in which such applications shall be filed, and other issues with respect to such filing. NADII shall have the final determination as to whether or not to file a patent application and where appropriate applications shall be filed. NADII shall bear all the expenses of filing and maintaining patent applications and patents world-wide. NADII shall diligently prosecute and maintain Patent Rights with respect to such Intellectual Property. NADII will promptly provide Myriad with copies of all relevant documentation related to such prosecution and maintenance, and Myriad will cooperate with NADII in all of such endeavors. All patents and patent applications shall reflect the joint ownership rights of NADII and Myriad in the Intellectual Property where such rights exist. In the event that NADII shall elect to abandon prosecution or maintenance of any patents or patent applications, NADII shall first provide Myriad with adequate advance notice of such abandonment and provide Myriad with the opportunity to assume responsibility of such prosecution or maintenance at Myriad's expense. All patents and

patent applications for which Myriad assumes responsibility for prosecution and maintenance shall be owned solely by Myriad.

2.6 Infringements.

(a) Enforcement of Rights to Intellectual Property. If any party

shall become aware of any infringement or threatened infringement by any third party of any rights constituting Intellectual Property, then the party having such knowledge shall immediately give notice to the other party. The parties shall promptly meet to determine appropriate action with respect to such infringements. The cost of all actions taken by NADII to enforce Intellectual Property rights shall be borne by NADII. In the event that NADII fails to prosecute such infringement, Myriad shall have the right, at its sole option, to prosecute the infringement at its own expense. Any recovery obtained as a result of enforcement actions taken by NADII or Myriad will first be used to repay the prosecuting party's litigation and related costs, and any balance will be divided equally between both parties.

(b) Defense of Third Party Claims. If either party shall become aware

of any alleged infringement of the rights of others by either party through its manufacture, use, importation, sale, offer or application of the Intellectual Property, such party shall promptly notify the other party. With the cooperation of Myriad, NADII shall be solely responsible for defending any such claim at its own cost and expense, and may settle or otherwise dismiss this matter, at its discretion, in accordance with its sound business judgment, provided that Myriad is not obligated to pay any damages and does not suffer a material diminution of its interest in Intellectual Property. Any and all expenses, damages or payments, including any royalties, owed to a third party with respect to a claim defended under this section shall be the responsibility of

NADII, with the exception that third party claims against Intellectual Property owned solely by Myriad, as anticipated in Paragraph 2.5, shall be defended solely by Myriad, at Myriad's sole expense and at Myriad's sole discretion.

3. Funding.

3.1 Payments by NADII. In order to fund the Project, NADII will pay \$33.5

million to Myriad, as follows:

- (i) Within 10 days following the execution of the agreement, \$11.5 million as an upfront payment;
- (ii) on or before the first day of each of the eight calendar quarters during the Project Term, beginning on the date hereof, eight equal payments of [_____]; and
- (iii) within 10 days after completion of the Project and approval by NADII to move to the Commercial Phase, the final [_____].

No milestone, royalty or other payments are required hereunder, and NADII shall not obtain an equity ownership, asset ownership, or other rights in Myriad by virtue of its payments hereunder.

3.2 Use of Proceeds. Myriad shall apply the payments identified in

paragraph 3.1 (less a profit of [_____], and general overhead and administrative costs [_____], of such proceeds) exclusively to pay Project and other related costs, including but not limited to equipment, software development, leasehold improvements, labor, materials and supplies, but

shall not be required to account to NADII for any payments or use of proceeds other than to certify to NADII that the payments have been used according to the Agreement. Myriad shall retain exclusive ownership of all equipment purchased for use in the Project. NADII shall have no financial obligation to any third party for any costs incurred in the performance of this Agreement. Myriad's sole obligation will be to carry out the Project as provided in paragraph 1.1.

4. Representations and Warranties.

4.1 Representations and Warranties of Each Party. Each of Myriad and

NADII hereby represents, warrants and covenants to the other party as follows:

(a) it is a corporation duly organized and validly existing under the laws of the state or other jurisdiction of its incorporation or formation;

(b) the execution, delivery and performance of this Agreement by such party has been duly authorized by all requisite corporate action;

(c) it has the power and authority to execute and deliver this Agreement and to perform its obligations hereunder, including the right, power and authority to grant the licenses contemplated thereby;

(d) the execution, delivery and performance by such party of this Agreement and its compliance with the terms and provisions hereof does not and will not conflict with or result in a breach of any of the terms and provisions of or constitute a default under (i) any material agreement or instrument binding or affecting it or its property; (ii) the provisions of its

charter documents or bylaws; or (iii) any order or decree of any court or governmental authority entered against it or by which any of its property is bound;

(e) the execution, delivery and performance of this Agreement by such party does not require the consent, approval or authorization of, or notice, filing or registration with, any governmental or regulatory authority;

(f) this Agreement constitutes such party's legal, valid and binding obligation enforceable against it in accordance with its terms (subject, as to enforcement, to bankruptcy, insolvency and other laws of general applicability relating to creditors' rights and to the availability of particular remedies under general equity principles);

(g) it shall comply with all applicable material laws and regulations relating to its activities under this Agreement;

(h) to the best of its knowledge, Myriad and NADII own or have rights to the technology identified in Recital A to this Agreement; and

(i) it has not previously assigned, transferred or encumbered its right, title and interest in its technology referenced in Recital A.

4.2 Myriad's Representations. Myriad hereby represents, warrants and -----
covenants to NADII as follows:

(a) it has the full right, power and authority to grant the license contemplated hereby;

(b) to the best of Myriad's knowledge, the development, use and sale of the Data and Materials will not interfere with or infringe any intellectual property rights owned or possessed by any third party.

4.3 Continuing Representations. The representations and warranties of

each Party contained in paragraphs 4.1 and 4.2 shall survive the execution of
this Agreement.

5. Indemnification.

5.1 Indemnification by NADII. NADII shall indemnify, defend and hold

harmless Myriad and its Affiliates, and each of its and their respective
employees, officers, directors and agents (each, a "Myriad Indemnified Party")
from and against any and all liability, loss, damage, cost and expense
(including reasonable attorneys' fees) (collectively, a "Liability") which the
Myriad Indemnified Party may incur, suffer or be required to pay resulting from
or arising in connection with (i) the breach by NADII of any covenant,
representation or warranty contained in this Agreement, (ii) any negligent act
or omission or willful misconduct of NADII (or any Affiliate thereof) in
conducting the Project, or in (or any strict liability claim based on) the
promotion, marketing and sale of any product or any other activity conducted by
NADII or its successors under this Agreement which is the proximate cause of
injury, death or property damage to a third party, and (iii) the successful
enforcement by a Myriad Indemnified Party of its rights under this paragraph
5.1.

5.2 Indemnification by Myriad. Myriad shall indemnify, defend and hold

harmless NADII and its Affiliates, and each of its and their respective
employees, officers, directors and agents (each, a "NADII Indemnified Party")
from and against any and all Liability which the NADII Indemnified Party may
incur, suffer or be required to pay resulting from or arising in connection with
(i) the breach by Myriad of any covenant, representation or warranty contained
in this Agreement, and (ii) any negligent act or omission or willful misconduct
of Myriad (or any

Affiliate thereof) in conducting the Project, or in (or any strict liability claim based on) the promotion, marketing and sale of any product or any other activity conducted by NADII or its successors under this Agreement which is the proximate cause of injury, death or property damage to a third party, and (iii) the successful enforcement by a NADII Indemnified Party of its rights under this paragraph 5.2.

5.3 Conditions of Indemnification. The obligations of the indemnifying

party under paragraphs 5.1 and 5.2 are conditioned upon the delivery of written notice to the indemnifying party of any potential Liability promptly after the indemnified party becomes aware of such potential Liability. The indemnifying party shall have the right to assume the defense of any third party suit or claim related to the Liability if it has assumed responsibility for the suit or claim in writing; however, if in the reasonable judgment of the indemnified party, such suit or claim involves an issue or matter which could have a materially adverse effect on the business, operations or assets of the indemnified party, the indemnified party may waive its rights to indemnity for defense costs under this Agreement and control the defense or settlement thereof, but in no event shall any such waiver be construed as a waiver of any other indemnification rights such party may have at law or in equity. If the indemnifying party defends the suit or claim, the indemnified party may participate in (but not control) the defense thereof at its sole cost and expense.

5.4 Settlements. Neither party may settle a claim or action related to a

third party Liability without the consent of the other party if such settlement would impose any monetary obligation on such party or require it to submit to an injunction or otherwise limit the other

party's rights under this Agreement. Any payment made by a party to settle any such claim or action shall be at its own cost and expense.

5.5 Limitation of Liability. With respect to any claim by one party

against the other arising out of the performance or failure of performance of a party under this Agreement, the parties expressly agree that the liability of such party to the other party for such breach shall be limited to direct damages only and in no event shall a party be liable for lost profits, punitive, exemplary or consequential damages.

5.6 Disclaimer of Warranties. Unless expressly provided in this

Agreement, neither party makes any warranty, express or implied, with respect to any technology, products, goods, services, rights or other subject matter of this Agreement and hereby disclaims all warranties including warranties of merchantability and fitness for a particular purpose.

6. Term and Termination

6.1 Term and Expiration. This Agreement shall be effective as of the day

set forth in the opening paragraph of this Agreement and, unless terminated earlier pursuant to Paragraphs 6.2, 6.3, or 6.4 below, shall continue in effect for a period commensurate with the longer of (a) the life of the patents covering Data and Materials or (b) 10 years after the Project Term, unless terminated earlier in accordance with Paragraph 6.2, 6.3 or 6.4 below. Upon termination of this Agreement due to its expiration, the licenses granted pursuant to Section 2 shall become perpetual.

6.2 Unilateral Termination. This Agreement may be terminated by NADII

upon 30 days written notice in the event of appearance in the public domain of sufficient [_____] DNA

sequence information such that the combination of publicly available data and Data and Materials complete the goals of the Project.

6.3 Termination by Mutual Consent. This Agreement may be terminated by

mutual consent of the parties.

6.4 Termination for Cause. This Agreement may be terminated by either

party at any time:

(a) with respect to obligations other than payment obligations, if the other party is in material breach of its obligations hereunder and has not cured or taken significant and continuous steps to cure such breach within ninety (90) days after notice of the breach, which notice includes a description in reasonable detail of the particulars of the alleged breach;

(b) with respect to payment obligations, if NADII has not cured or taken steps to substantially cure its breach (such as the mailing of the delinquent check) within ten (10) days after notice of the particulars of the alleged breach;

(c) upon the filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by the other party, or in the event a receiver or custodian is appointed for such party's business, or if a substantial portion of such party's business is subject to attachment or similar process; provided, however, in the case of any involuntary bankruptcy proceeding

such right to terminate shall only become effective if the party consents to the involuntary bankruptcy or such proceeding is not dismissed within sixty (60) days after its filing; or

(d) NADII may terminate this Agreement with immediate effect if Myriad suffers a change of control or sells to a third party the major part of the assets relevant to this Agreement, or is taken over or merges with another company or entity, and NADII reasonably believes such change of control or sale to a third party would be materially or economically detrimental to it, such right of termination to be exercised within three months after NADII becomes aware of the relevant facts.

As used in this Section, the term "material breach" shall include, but shall not be limited to, the failure of Myriad to reach two consecutive projected milestones (without being subject to the right to cure) as set forth in the Project Description of Appendix A.

6.5 Effect of Termination on License. In the event a party terminates

this Agreement because of a material breach by the other party, all licenses for commercial purposes granted to the breaching party under paragraph 2.3 shall terminate.

6.6 Effect of Termination. In the event of termination, the rights and

obligations of both parties, including any payment obligations not due and owing as of the termination date, shall terminate. Expiration or termination of the Agreement shall not relieve the parties of any right or obligation accruing prior to such expiration or termination, and unless otherwise provided under this Agreement, the provisions of Sections 2, 3, 5, 7 and 8 as well as Paragraphs 4.1 and 4.2 shall survive the expiration of the Agreement. Any expiration or early termination of this Agreement shall be without prejudice to the rights of a party against the other that accrued under this Agreement prior to termination. In the event that this Agreement is terminated by NADII on grounds that Myriad has failed to meet two consecutive projected milestones set forth in the

Project Description of Appendix A, as provided in Section 6.4 above, Myriad shall relinquish its right to share in the monetary proceeds received for the resell of Data and Materials to a third party. In the event that this Agreement is terminated because of a material breach by Myriad within the first twelve months of the Project Term, NADII shall have the right [_____]. In the event that this Agreement is terminated by NADII in accordance with Paragraph 6.4(d), the rights granted to Myriad pursuant to Section 2 shall terminate, provided, however, that all rights to receive monetary proceeds under Paragraph 2.3(b) shall not be terminated.

7. Other Covenants and Agreements.

7.1 Confidentiality.

(a) "Confidential Information" of a party shall mean (i) all information, whether written or oral, disclosed by such party hereunder bearing a legend or otherwise indicating that such information is confidential, (ii) all intellectual property of such party that is disclosed or furnished by such party hereunder, (iii) improvements specific to the intellectual property of such party made in the course of the Project, (iv) any results of the Project that are specific to the intellectual property of such party, and (v) the terms and existence of this Agreement.

(b) During the Project Term, and for a period of ten (10) years thereafter, except as expressly authorized by the other party in writing, each of the parties will use diligent efforts, and at least the same degree of care that it uses to protect its own confidential

information of like importance, to prevent unauthorized use, dissemination and disclosure of the other party's Confidential Information. In furtherance, and not in limitation of the foregoing, each party agrees that, except as otherwise permitted hereunder, it shall (i) use such Confidential Information exclusively for the purpose of exercising its rights and fulfilling its obligations under this Agreement, (ii) restrict disclosure of such Confidential Information to those of its employees, agents, contractors, and collaborative partners and Affiliates who have a "need to know" such information, and refrain from disclosing such Confidential Information to anyone other than such employees, agents, contractors and collaborative partners and Affiliates, and (iii) cause each of its supervising employees to instruct all other such employees, agents, contractors and collaborative partners and Affiliates, to maintain the confidentiality of such information and not to use such Confidential Information except as expressly permitted herein.

(c) The provisions contained in subparagraph (b) above shall not apply to any portion of the Confidential Information of any party which: (i) becomes a matter of public knowledge through no fault of the party receiving the Confidential Information, (ii) is rightfully received by the receiving party from a third party, (iii) was known to the receiving party before its first receipt from the disclosing party, as shown by files existing at the time of initial disclosure, or (iv) is independently developed by the receiving party without use of another party's Confidential Information.

(d) After any termination of this Agreement, upon written request, each party shall promptly discontinue the use of, and return all originals and copies of, any requested Confidential Information that has been fixed in any tangible means of expression within thirty (30) days of such request; provided,

however, that if a party's license rights pursuant to

paragraph 2 shall remain in effect notwithstanding such termination, such party shall be permitted to retain such information as is necessary, in its reasonable judgment, in connection with the continued exercise of its license rights to the extent specifically permitted hereby. If information concerning licensed technology is retained after termination pursuant to the preceding sentence, the retaining party shall provide the other party with a written description, in reasonable detail, of the information concerning the other party's licensed technology that has been retained.

(e) If a party is required pursuant to applicable law by any governmental authority to disclose any Confidential Information of the other party, such party shall provide the party whose Confidential Information is the subject of the request or requirement with prompt written notice of such request or requirement so that the other party may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver by the other party, the party being requested or required to disclose any Confidential Information is nonetheless legally compelled to disclose such Confidential Information, it may, without liability under this Agreement, disclose that portion of the Confidential Information which it is legally compelled to disclose.

7.2 Publication. Each party also recognizes the mutual interest in

obtaining valid patent protection and in protecting business interests and trade secret information. Consequently, either party, its employees or consultants wishing to make a publication covering Data and Materials or other information arising from the Project shall deliver to the other party a copy of the proposed written publication or an outline of an oral disclosure at least sixty (60)

days prior to submission for publication or presentation. If the other party reasonably determines that the proposed disclosure would reveal proprietary information in a manner that would compromise such party's ability to protect its proprietary information, then neither party may make the proposed disclosure.

8. Miscellaneous.

8.1 Remedies. The provisions of this paragraph 8.1 shall be the sole and

exclusive remedy for any default under or breach by any party of any term or provision of this Agreement or for its enforcement, and no claim may be brought under or with respect to this Agreement except in accordance with and pursuant to these terms.

(a) If there is a dispute under this Agreement, the parties shall meet with one another and diligently attempt to resolve their disagreements. If they are unable to do so, then upon request of any party to the dispute, they will mediate the dispute, utilizing an impartial mediator pursuant to the rules of the American Arbitration Association ("AAA") or any other reputable organization that sponsors mediation upon which the parties shall mutually agree. If, after thirty (30) days, the mediation is not successful, then any party to the dispute may bring arbitration to resolve the dispute but only if it makes a written demand to do so within twenty-four (24) months of the date it has delivered a written claim as to the same matter to the other party pursuant to the terms of this Agreement.

(b) Assuming negotiations and mediation are unsuccessful and a party makes a timely written demand for arbitration, the arbitration shall occur before a single arbitrator in Salt Lake City, UT (if the arbitration demand is made by NADII) or in San Diego, CA (if the

demand is made by Myriad) in accordance with the commercial arbitration rules of the AAA. To assure predictability, the arbitrator shall be an attorney at law selected by the parties (with the assistance of the AAA if necessary) with experience in intellectual property issues. The arbitrator shall base the decision on applicable principles of law and equity and judicial precedent and, on request of a party, will include in the award findings of fact and conclusions of law upon which the award is based. The arbitrator may grant such legal or equitable relief as he or she seems to be appropriate, including money damages, specific performance and injunctive relief. Questions of whether the dispute is subject to arbitration shall also be decided by the arbitrator.

(c) Within ten (10) days after the appointment of the arbitrator, each party to the dispute shall present to the arbitrator a written statement of the issues in dispute. Within five (5) days thereafter, the arbitrator shall give notice to the parties of a preliminary hearing to discuss the issues, which hearing will occur approximately twenty (20) days thereafter. The final arbitration hearing will occur within one hundred twenty (120) days after the arbitration is initiated. Prior thereto, there will be limited discovery as approved by the arbitrator at the preliminary hearing, including no more than three depositions per party.

(d) Any party may request and obtain from a court of competent jurisdiction provisional or ancillary remedies for relief such as an injunction or the appointment of a receiver, but the institution of a judicial proceeding will not constitute a waiver of the right of a party to submit a dispute to arbitration. Judgment upon an arbitration award may be entered in any court having jurisdiction. Subject to the award of the arbitrator, each party shall pay an equal share of the arbitrator's fees, except the arbitrator shall have the power to award all

expenses (including attorney's fees and costs) to the prevailing party, as determined by the arbitrator.

(e) All matters relative to the arbitration, including the result thereof, shall be maintained as confidential by the parties to this Agreement, their employees and representatives.

8.2 Publicity. No party shall issue a press release or otherwise

publicize, advertise, announce or publicly describe the terms of this Agreement unless it is approved by the other party. Any press release or other public announcement approved by the parties may be released again without the approval of the other party, provided it does not disclose material information not previously authorized to be released. If the party considering disclosure believes, after consultation, that it is legally required to make a disclosure, it may, without liability hereunder, disclose the information which it is legally compelled to disclose.

8.3 Assignment. This Agreement shall inure to the benefit of, and shall

be binding upon, the parties and their respective successors and permitted assigns. Except as provided for in Paragraph 2.4, no party may assign or transfer this Agreement or any of its rights or duties under this Agreement without the prior written consent of the other party except (i) to a majority owned subsidiary of such party which expressly assumes the obligations of the assigning party hereunder (including, without limitation, by operation of law), or (ii) to a successor by merger, consolidation, stock sale, asset sale or comparable transaction. Notwithstanding the other provisions of this Paragraph 8.3, Myriad shall not have the right, under any circumstances, to transfer or assign any rights to Data and Materials or other Intellectual Property if NADII believes in good faith that such transfer or assign would be

materially or economically detrimental to it, and Myriad will accept such good faith decision by NADII.

8.4 Amendment. This Agreement may be amended, modified or supplemented

only by a written instrument specifically referring to this Agreement that is signed and delivered by duly authorized officers of each party.

8.5 Waiver. The failure of any party to enforce at any time any provision

of this Agreement shall not be construed to be a waiver of any such provision and will not affect the validity of this Agreement or any part hereof or the right of such party to enforce any such provision. No waiver of any breach hereof will be construed to be a waiver of any other breach.

8.6 Notices. Each notice required or permitted to be given or sent under

this Agreement shall be given by hand delivery, or by facsimile transmission (with confirmation copy by registered first-class mail), or by registered or overnight courier (return receipt requested), to the parties at the addresses and facsimile numbers indicated below:

If to Myriad, to:

Myriad Genetics, Inc.
320 Wakara Way
Salt Lake City, UT 84108
Attention President
Facsimile No.: (801) 584-3640
(with a copy to Myriad's General Counsel)

If to NADII, to:

Novartis Agricultural Discovery Institute, Inc.
3115 Merryfield Row, Suite 100
San Diego, CA 92121
Attention: President
Facsimile No.: (858) 812-1106
(with a copy to NADII's General Counsel)

Any such notice shall be deemed to have been received on the earlier of the date actually received or the date five (5) days after the same was posted or sent. Either party may change its address or its facsimile number by giving the other party written notice, delivered in accordance with this paragraph.

8.7 Force Majeure. If the performance of this Agreement or any

obligations hereunder is prevented, restricted or interfered with by reason of fire or other casualty or due to strikes, riot, storms, explosions, acts of God, war, or a similar occurrence or condition beyond the reasonable control of the parties, the party so affected shall, upon giving prompt notice to the other parties, be excused from such performance during such prevention, restriction or interference, and any failure or delay resulting therefrom shall not be considered a breach of this Agreement.

8.8 No Agency. This Agreement shall not be construed to constitute the

parties as partners, joint venturers or agents. No party (or its agents and employees) is the representative of the other party for any purpose and no party has power or authority as agent, legal representative, employee or in any other capacity to represent, act for, bind, or otherwise create or assume any obligation on behalf of, any other party for any purpose whatsoever.

8.9 Further Assurances. The parties shall each perform such acts, execute

and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Agreement.

8.10 Expenses. Each party shall each bear its own costs and expenses

(including attorneys' fees) incurred in connection with the negotiation and preparation of this Agreement

and, except as otherwise provided herein, consummation of the transactions contemplated hereby.

8.11 Governing Law. Because the performance of the obligations

established by this Agreement are anticipated to occur within the State of Utah, this Agreement shall be governed by, and construed in accordance with, the laws of Utah, without giving effect to its conflicts of laws provisions.

8.12 Entire Agreement. This Agreement, including any exhibits and

schedules hereto, each of which is incorporated herein by this reference, contains the entire agreement and understanding of the parties, and supersedes any prior understandings and agreements, with respect to its subject matter.

8.13 Severability. If any provision of this Agreement, or the application

thereof to any person, place or circumstance, shall be held by a court of competent jurisdiction or by an arbitrator named pursuant to paragraph 8.1 hereof to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein. In such event, the parties shall negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly effects the parties' intent in entering into this Agreement.

8.14 Broker's Fees: Each of the parties represents and warrants that it

has not dealt with any broker or finder in connection with any of the transactions contemplated by this Agreement, and, to its knowledge, no broker or other person is entitled to any commission or

finder's fee in connection with such transactions. Each of the parties shall be responsible for, and shall indemnify and hold the other party harmless against, the fees of its investment bankers and other advisors, if any.

8.15 Paragraph Headings. The headings included in this Agreement are for

convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

8.16 Counterparts. This Agreement may be executed in any number of

counterparts each of which shall constitute an original instrument but all of which, taken together, shall constitute one and the same instrument.

9. Definitions. For purposes of this Agreement, the following terms shall

have the following meanings:

"Affiliate" shall mean any corporation or other business entity which,

directly or indirectly controls, is controlled by, or is under common control with NADII or MYRIAD, as the case may be. As used in this definition, "control" means (a) direct or indirect beneficial ownership of at least forty percent (40%) of the voting stock of a corporation; or (b) possession of the power to direct or cause the direction of the management and policies of such corporation or other business entity, whether through the ownership of the outstanding voting securities or by contract or otherwise.

"Project Committee" shall have the meaning set forth in paragraphs 1.2 and

1.5.

"Confidential Information" shall have the meaning set forth in paragraph

7.1(a).

"Marketing Period" shall have the meaning set forth in paragraph 2.3(b).

"Coverage" shall mean a [_____]

_____].

"Data and Materials" shall mean those articles and information created or

developed during the course of the Exclusive Period and pursuant to this
Agreement, as described in Exhibit A. Data and Materials includes but is not
limited [_____]. Articles and information independently created or developed by
NADII, whether or not based on sequence information supplied by Myriad under
this Agreement, shall be excluded from the definition of Data and Materials,
except where such article or information is expressly provided to the
Collaboration by NADII.

"Intellectual Property" shall include ideas, processes, principles,

designs, methods, techniques, software, inventions, improvements, know-how, Data
and Materials and/or discoveries which are made or developed during the Project
Term pursuant to the Project and as part of the Collaboration and which relate
solely to cereal genomes.

"Patent Rights" shall mean any US or foreign patent applications,

provisional applications or patents, and any divisionals, continuations,
continuations-in-part, reexaminations, reissues or supplemental protection
certificates thereof which are drawn to Intellectual Property.

"Liability" shall have the meaning set forth in Paragraph 5.1.

"Marketing Committee" shall have the meaning set forth in Paragraph 2.3(b).

"Myriad" shall mean Myriad Genetics, Inc., a Delaware corporation.

"Myriad Indemnified Party" shall have the meaning set forth in Paragraph

5.1.

"NADII" shall mean Novartis Agricultural Discovery Institute, Inc.

"NADII Indemnified Party" shall have the meaning set forth in Paragraph

5.2.

"Project" shall have the meaning set forth in Recital A.

"Project Description" shall have the meaning set forth in Paragraph 1.1.

"Project Employees" shall have the meaning set forth in Paragraph 1.2.

"Project Term" shall have the meaning set forth in Paragraph 1.1.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NOVARTIS AGRICULTURAL DISCOVERY INSTITUTE, INC.

By: /s/ Steven P. Briggs

Name: Steven P. Briggs

Title: President and C.E.O.

MYRIAD GENETICS, INC.

By: /s/ James S. Kuo, M.D.

Name: James S. Kuo, M.D.

Title: Vice President

Exhibit A
PROJECT DESCRIPTION

(1) Purpose of the Project. [_____
-----]

(2) Development Phase. [_____
-----]

(3) Production Phase. [_____
-----]

(4) Transfer of Data and Materials. [_____
-----]

[_____

_____]

MONTHS	DATE	PROJECTED MILESTONES	QUARTERLY PAYMENT SCHEDULE
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[

]

\$33.5M TOTAL

SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT is made as of the 30th day of September, 1999, by and between Myriad Genetics, Inc. (the "Company"), a Delaware corporation with primary offices at 320 Wakara Way, Salt Lake City, Utah 84108, U.S.A., and the purchaser whose name and address is set forth below (the "Purchaser").

1. The Purchaser hereby subscribes for 355,000 shares of Common Stock of the Company, U.S. \$.01 par value per share (the "Shares"), at a purchase price of U.S. \$14.05 per Share, for an aggregate purchase price of U.S. \$4,987,750.

2. The Purchaser represents, acknowledges, warrants and covenants with the Company, as of the date hereof and the closing of the Purchaser's purchase of the Shares, that (i) the Purchaser is a resident of Switzerland and is not a "U.S. Person" as defined in Regulation S under the United States Securities Act of 1933, as amended (the "Act"), and is not acquiring the Shares for the account or benefit of any U.S. Person; (ii) the Shares have not been registered, and will not be registered, under the Act, and the Purchaser will reoffer and resell the Shares only in accordance with the provisions of Regulation S under the Act, pursuant to registration under the Act, or pursuant to an available exemption from registration; (iii) the Purchaser will not engage in hedging transactions with regard to the Shares unless in accordance with the provisions of Regulation S under the Act or otherwise in compliance with the Act; and (iv) the Purchaser will give each person to whom it transfers the Shares notice of any restrictions on transfer of the Shares.

The certificate representing the Shares will bear a legend which reflects the foregoing restrictions, substantially similar to the following:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE BENEFIT OF, U.S. PERSONS AS PART OF THEIR DISTRIBUTION AT ANY TIME EXCEPT (1) IN ACCORDANCE WITH REGULATION S UNDER THE ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT. HEDGING TRANSACTIONS INVOLVING THE SHARES OF THE COMPANY MAY NOT BE CONDUCTED UNLESS CONDUCTED IN COMPLIANCE WITH THE ACT. TERMS USED IN THIS PARAGRAPH SHALL HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S.

The Purchaser understands that a stop transfer instruction will be in effect with respect to transfer of the Shares consistent with the requirements of applicable federal and state securities laws.

3. The Purchaser agrees to indemnify the Company (the "Indemnitee") and hold it harmless from and against any losses, claims, damages, liabilities and costs, including expenses reasonably incurred in investigating, preparing for or defending against any legal action or claim, directly or indirectly caused by, based upon or arising out of the Indemnitee's breach of its representations, warranties, covenants and obligations herein. As used in this paragraph 3, Indemnitee shall include the directors, officers, controlling persons and advisors of the Indemnitee. In no case shall the Indemnitee be liable under this Agreement with respect to any claim made against it unless notified in writing of the nature of the claim within 45 days after receipt of written notice thereof.

4. The Purchaser hereby acknowledges that Peter Friedli will receive compensation totaling \$498,775 in connection with its purchase of the Shares.

5. This Agreement shall be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law. This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute but one and the same instrument.

PURCHASER

Peter Friedli

Print name of Purchaser

/s/ Peter Friedli

Signature of individual Purchaser or authorized officer

Address:

Myriad Genetics, Inc. hereby accepts the Purchaser's Subscription.

MYRIAD GENETICS, INC.

By: /s/ Christopher L. Wight

Christopher L. Wight
Vice President, General Counsel

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE BENEFIT OF, U.S. PERSONS AS PART OF THEIR DISTRIBUTION AT ANY TIME EXCEPT (1) IN ACCORDANCE WITH REGULATION S UNDER THE ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT. HEDGING TRANSACTIONS INVOLVING THE SHARES OF THE COMPANY MAY NOT BE CONDUCTED UNLESS CONDUCTED IN COMPLIANCE WITH THE ACT. TERMS USED IN THIS PARAGRAPH AND NOT OTHERWISE DEFINED IN THIS WARRANT HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S.

MYRIAD GENETICS, INC.

WARRANT TO PURCHASE COMMON STOCK

This certifies that, for value received, Peter Friedli, or such person's registered assigns (the "Holder"), is entitled to purchase from MYRIAD GENETICS, INC., a Delaware corporation (the "Company"), at an Exercise Price of \$15.45 per share, 17,750 fully paid and nonassessable shares of Common Stock, subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, (i) the term "Common Stock" shall mean the Company's presently authorized Common Stock, \$.01 par value per share, and any stock into or for which such Common Stock may hereafter be converted or exchanged.

1. Term of Warrant. The purchase or conversion right represented by this warrant (hereinafter the "Warrant") is exercisable, in whole or in part at any time during the period (the "Warrant Term") commencing on the date hereof and continuing until 5:00 p.m., Salt Lake City time, on the THIRD ANNIVERSARY OF THE DATE HEREOF.

2. Method of Exercise and Payment. Subject to Section 1 hereof, the purchase right represented by this Warrant may be exercised by the Holder hereof, in whole or in part, during the Warrant Term by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the Company and by the payment to the Company of an amount equal to the then applicable Exercise Price per share multiplied by the number of shares then being purchased in lawful money of the United States of America. The Company agrees that the shares so purchased shall be deemed to be issued to the Holder hereof as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for such shares as aforesaid (such date being

referred to as the "Exercise Date"). In the event of any exercise of this

Warrant, certificates for the shares of stock so purchased shall be delivered to the Holder hereof within 15 days thereafter and, unless this Warrant has been fully exercised or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been exercised, shall also be issued to the Holder hereof within such 15 day period.

3. Stock Fully Paid; Reservation of Shares. All Common Stock which may be

issued upon the exercise or conversion of this Warrant will, upon issuance, be fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized, and reserved for the purpose of the issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Common Stock to provide for the exercise of the rights represented by this Warrant.

4. Adjustment of Purchase Price and Number of Shares. The kind of securities

purchasable upon the exercise of this Warrant, the Exercise Price and the number of shares purchasable upon exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events as follows:

(a) Reclassification, Consolidation or Merger. In case of any

reclassification or change of outstanding securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), or in case of any consolidation or merger of the Company with or into another corporation, other than a merger with another corporation in which the Company is a continuing corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant, or in case of any sale of all or substantially all of the assets of the Company, the Company, or such successor or purchasing corporation, as the case may be, shall execute a new Warrant, providing that the Holder of this Warrant shall have the right to exercise such new Warrant and procure upon such exercise, in lieu of each share of Common Stock theretofore issuable upon exercise of this Warrant, the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, consolidation, or merger by a holder of one share of Common Stock. Such new Warrant shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 4. No consolidation or merger of the Company with or into another corporation referred to in the first sentence of this paragraph (b) shall be consummated unless the successor or purchasing corporation referred to above shall have agreed to issue a new Warrant as provided in this Section 4. The provisions of this subsection (b) shall similarly apply to successive reclassification, changes, consolidations, mergers and transfers.

(b) Subdivision or Combination of Shares. If the Company at any time

while this Warrant remains outstanding and unexpired shall subdivide or combine its Common Stock,

the Exercise Price shall be proportionately decreased in the case of a subdivision or increased in the case of a combination.

(c) Stock Dividends. If the Company at any time while this Warrant is

outstanding and unexpired shall pay a dividend with respect to Common Stock payable in, or make any other distribution with respect to Common Stock (except any distribution specifically provided for in the foregoing subparagraphs (a) or (b) of, Common Stock, then the Exercise Price shall be adjusted, from and after the date of determination of shareholders entitled to receive such dividend or distribution, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (a) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution and (b) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution.

(d) Adjustment of Number of Shares. Upon each adjustment in the

Exercise Price pursuant to any of Sections 4 (a) through (c), the number of shares of Common Stock purchasable hereunder shall be adjusted, to the nearest whole share, to the product obtained by multiplying the number of shares purchasable immediately prior to such adjustment in the Exercise Price by a fraction, the numerator of which shall be the Exercise Price immediately prior to such adjustment and the denominator of which shall be the Exercise Price immediately thereafter.

5. Fractional Shares. No fractional shares of Common Stock will be issued in

connection with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefor upon the basis of the Exercise Price then in effect.

6. Compliance with the Act.

(a) The Holder represents, warrants, acknowledges and agrees that (1) it is a resident of Switzerland and is not a "U.S. Person" as defined in Regulation S under the Act, and is not acquiring this Warrant or the shares of Common Stock to be issued upon exercise of this Warrant (the "Shares") for the account or benefit of any U.S. Person; (2) this Warrant and the Shares have not been registered, and will not be registered under the Act, and may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in accordance with the provisions of Regulation S under the Act, pursuant to registration under the Act, or pursuant to an available exemption from registration; (3) the Holder will not engage in hedging transactions with regard to the Warrant or the Shares unless in accordance with the provisions of Regulation S under the Act or otherwise in compliance with the Act; and (4) it will give each person to whom it transfers this Warrant or the Shares notice of any restrictions on transfer of this Warrant or the Shares.

(b) Without limiting the generality of the foregoing, the Company shall be under no obligation to issue the Shares unless and until the Holder shall have executed an

investment letter in form and substance satisfactory to the Company, including a warranty at the time of such exercise that is acquiring such shares for its own account, for investment and not with a view to, or for sale in connection with, the distribution of any such shares, in which event the Holder shall be bound by the provisions of the following legend or a legend in substantially similar form which shall be endorsed upon the certificate(s) evidencing the shares issued pursuant to such exercise:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE BENEFIT OF, U.S. PERSONS AS PART OF THEIR DISTRIBUTION AT ANY TIME EXCEPT (1) IN ACCORDANCE WITH REGULATION S UNDER THE ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT. HEDGING TRANSACTIONS INVOLVING THE SHARES OF THE COMPANY MAY NOT BE CONDUCTED UNLESS CONDUCTED IN COMPLIANCE WITH THE ACT. TERMS USED IN THIS PARAGRAPH SHALL HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S.

(c) The Holder hereof understands that a stop transfer instruction will be in effect with respect to transfer of Shares consistent with the requirements of applicable federal and state securities laws.

7. Miscellaneous.

(a) No Rights as Shareholder. This Warrant shall not entitle its holder to any of the rights of a stockholder of the Company until the holder has exercised this Warrant.

(b) Governing Law. This Warrant shall be governed by and construed under the laws of the State of Delaware.

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IN WITNESS WHEREOF, this Warrant is executed as of this 4th day of October,
1999.

MYRIAD GENETICS, INC.

By: /s/ Peter D. Meldrum

Name: Peter D. Meldrum

Title: President and Chief Executive Officer

SECURITIES PURCHASE AGREEMENT

between

MYRIAD GENETICS, INC.,

and

SCHERING BERLIN VENTURE CORPORATION

Dated as of October 15, 1999

SECURITIES PURCHASE AGREEMENT

THIS AGREEMENT, made as of October 15, 1999 (the "Effective Date"), is by and between MYRIAD GENETICS, INC., a Delaware corporation with principal offices at 320 Wakara Way, Salt Lake City, Utah (the "Company"), and SCHERING BERLIN VENTURE CORPORATION, a Delaware corporation with offices at 340 Changebridge Road, Pine Brook, New Jersey (the "Purchaser").

WHEREAS the Company and the Purchaser are discussing a potential business collaboration in connection with which the parties hereto intend to enter into this Securities Purchase Agreement and a Standstill Agreement substantially in the form attached as Exhibit A hereto;

NOW, THEREFORE, in consideration of the mutual covenants contained in the Standstill Agreement and this Securities Purchase Agreement, the parties agree as follows:

SECTION 1. Authorization of Sale of the Common Shares. The Company has

authorized the issuance and sale to the Purchaser of that number of shares (each, a "Common Share" and, collectively, the "Common Shares") of common stock, \$.01 par value per share ("Common Stock"), of the Company, as is equal to the quotient obtained by dividing \$5,000,000 by \$16.50 (the "Common Stock Price"), rounded to the next highest full Common Share.

SECTION 2. Agreement to Sell and Purchase the Shares. On the terms and

subject to the conditions of this Securities Purchase Agreement, at the Closing (as defined in Section 3 hereof), the Company will sell, transfer and deliver to the Purchaser, and the Purchaser will buy from the Company the Common Shares, at an aggregate purchase price of \$5,000,000 (the "Common Purchase Price").

SECTION 3. Delivery of the Shares at the Closing. The completion of the

purchase and sale of the Common Shares pursuant to this Stock Purchase Agreement (the "Closing") shall occur on the Effective Date or such later time as shall be agreed to by the Company and the Purchaser. At the Closing, the Company shall issue and deliver to Purchaser a stock certificate representing the Common Shares, such certificate to be registered in the name of the Purchaser. The Company's obligation to close the transaction shall be subject to the following conditions, any of which may be waived by the Company: (a) the receipt by the Company of a certified or official bank check or wire transfer of funds in the full amount of the Common Purchase Price for the Common Shares being purchased hereunder; (b) the accuracy of the representations and warranties made by the Purchaser herein as though such representations and warranties had been made on and as of the Closing, and the fulfillment of those undertakings of the Purchaser to be fulfilled prior to the Closing and the Company's receipt of a Certificate of an authorized officer of the Purchaser certifying the same; (c) the execution and delivery by the Purchaser of the Standstill Agreement; and (d) no statute, law, ordinance, rule or regulation or injunction enacted, entered, promulgated, enforced or issued by any Federal, state, local or foreign government or any court of competent jurisdiction, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign (a "Governmental Entity"), or other legal restraint or prohibition preventing the consummation of the transactions contemplated hereby being in effect. The Purchaser's obligation to close the transaction shall be subject to the fulfillment of the following conditions, any of which may be waived by the Purchaser: (a) the accuracy of the representations and warranties made by the Company herein as of the Closing as though such representations and warranties had been made on and as of the Closing, the accuracy of the statements of the Company made in any certificates pursuant to the provisions hereof and the fulfillment of those undertakings of the Company to be fulfilled prior to the Closing, and the Purchaser's receipt of a certificate executed by the President of the Company certifying the same; (b) no statute, law, ordinance, rule or regulation or injunction enacted, entered, promulgated, enforced or issued by any Governmental Entity or other legal restraint or prohibition preventing the consummation of the transactions contemplated hereby being in effect and (c) there not being pending or threatened any suit, action or proceeding challenging or seeking to restrain or prohibit the transactions contemplated by this Securities Purchase Agreement or seeking to obtain from

Purchaser in connection with the transactions contemplated by this Securities Purchase Agreement any damages that are material in relation to Purchaser or seeking to impose limitations on the ability of Purchaser to acquire or hold, or exercise full rights of ownership of, the Common Shares, including the right to vote the Common Shares on all matters properly presented to the stockholders of the Company.

SECTION 4. Representations, Warranties and Covenants of the Company. The

Company hereby represents and warrants to, and covenants with, the Purchaser as follows:

4.1. Organization. Each of the Company and its wholly-owned

subsidiaries, Myriad Pharmaceuticals, Inc., Myriad Genetic Laboratories, Inc. and Myriad Financial, Inc. (the "Subsidiaries"), has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction in which it is chartered or organized. Each of the Company and the Subsidiaries has full corporate power and authority and possesses all governmental franchises, licenses, permits, authorizations and approvals necessary to enable it to own, lease, operate and occupy its properties and to conduct its business as presently conducted and is duly registered or qualified to do business and in good standing in each jurisdiction in which it owns or leases property or transacts business and where the failure to be so qualified would have a material adverse effect upon the business, condition (financial or other), properties, prospects or results of operations of the Company and the Subsidiaries, taken together. The Company does not own, directly or indirectly, any interest in any corporation, association, or other entity, other than the Subsidiaries. The Company has delivered to Purchaser true and complete copies of its certificate of incorporation and by-laws, in each case as amended through the date of this Securities Purchase Agreement.

4.2. Due Authorization. The Company has all requisite corporate power

and authority to execute, deliver and perform its obligations under this Securities Purchase Agreement, and the execution and delivery of this Securities Purchase Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action. The Company has duly executed and delivered this Securities

Purchase Agreement and this Securities Purchase Agreement constitutes a legal, valid and binding agreement of the Company enforceable against the Company in accordance with its terms, except as (i) rights to indemnity and contribution may be limited by state, federal or foreign laws or the public policy underlying such laws, (ii) enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' and contracting parties' rights generally, and (iii) enforceability may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.3. Non-Contravention. The execution and delivery of this Securities

Purchase Agreement, the issuance and sale of the Common Shares to be sold by the Company hereunder, the fulfillment of the terms of this Securities Purchase Agreement and the consummation of the transactions contemplated hereby will not conflict with, result in a breach or constitute a violation of, or default (with the passage of time or otherwise) under or result in the creation or imposition of any lien, charge, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Company or the Subsidiaries or an acceleration of indebtedness pursuant to (i) the charter, by-laws or other organizational documents of the Company or the Subsidiaries (ii) the terms of any obligation, agreement, bond, debenture, note or any other evidence of indebtedness or any indenture, mortgage, deed of trust or any other agreement or instrument to which any of the Company or the Subsidiaries is a party or by which any of them is bound or to which any of the property or assets of the Company or the Subsidiaries is subject, or (iii) any statute, law, rule, administrative regulation, ordinance, judgement, decree or order applicable to the Company or the Subsidiaries of any court, or governmental body, regulatory body, administrative agency, arbitrator or other authority having jurisdiction over the Company or the Subsidiaries or any of its or their properties. No consent, approval, authorization or other order of, or registration, qualification or filing with, any court, regulatory body, administrative agency, or other governmental body is required to be made or obtained by or on behalf of the Company for the valid issuance and sale of the Common Shares to be sold pursuant to this Securities Purchase Agreement or in connection with the execution, delivery and performance of this Securities Purchase Agreement or the consummation of the transaction contemplated hereby, other than such as have been made or obtained.

4.4. No Material Adverse Change. Subsequent to the date of the most

recent Quarterly Report on Form 10-Q filed by the Company with the Securities and Exchange Commission, the Company and the Subsidiaries taken together have not incurred any material liabilities or obligations, direct or contingent, other than in the ordinary course of business, and there has not been any material adverse change in their consolidated condition (financial or other), earnings, results of operations, business, prospects, properties, key personnel or capitalization.

4.5 Capitalization. As of June 30, 1999, the Company had a total

authorized capitalization consisting of (i) 15,000,000 shares of common stock, \$0.01 par value per share of which 9,428,732 shares were outstanding, and (ii) 5,000,000 shares of preferred stock, \$0.01 par value per share, of which no shares were outstanding. As of such date, there were outstanding options to acquire a total of 1,954,791 shares of Common Stock and outstanding warrants to acquire a total of 26,243 shares of Common Stock. The outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and nonassessable. The Common Shares have been duly authorized and, when issued and paid for pursuant to the terms of this Securities Purchase Agreement, will be validly issued, fully paid and nonassessable.

4.6 Disclosure. No representation or warranty of the Company

contained in this Securities Purchase Agreement, and no statement contained in any document or certificate furnished by or on behalf of the Company to Purchaser pursuant to this Securities Purchase Agreement contains, or will contain any untrue statement of a material fact, or omits, or will omit to state any material fact necessary in order to make the statements contained herein, in light of the circumstances under which they were made, not misleading or necessary in order to fully and fairly provide the information required to be provided in any such document or certificate.

4.7 Private Offering. None of the Company, its affiliates and its

representatives has issued, sold or offered any security of the Company to any person under circumstances that would cause the sale of the Common Shares, as contemplated by this Securities Purchase Agreement, to be subject to the registration requirement of the Securities Act

of 1933, as amended (the "Securities Act"), or applicable state securities laws. None of the Company, its affiliates and its representatives will offer the Common Shares or any part thereof or any similar securities for issuance or sale to, or solicit any offer to acquire any of the same from, anyone so as to make the issuance and sale of the Common Shares subject to the registration requirements of Section 5 of the Securities Act or applicable state securities laws. Assuming the representations of the Purchaser contained in Section 5.1 are true and correct, the sale and delivery of the Common Shares hereunder are exempt from the registration and prospectus delivery requirements of the Securities Act or applicable state securities laws.

SECTION 5. Representations, Warranties and Covenants of the Purchaser.

5.1. Securities Act Exemption. The Purchaser represents and warrants

to, and covenants with, the Company, as of the date hereof and as of the Closing Date, that (i) the Purchaser is an "accredited investor" as defined in Regulation D under the Securities Act, and also is knowledgeable and experienced in making investments in private placement transactions such as the purchase of the Common Shares; (ii) the Purchaser is acquiring the Common Shares for its own account for investment and with no present intention of distributing any of such Common Shares, and no arrangement or understanding exists with any other person regarding the distribution of any of such Common Shares (these representations and warranties not limiting the Purchaser's right to sell pursuant to an effective registration statement registering the Common Shares for resale or pursuant to any other means of sale legally available), (iii) the Purchaser will not, directly or indirectly, voluntarily offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the Common Shares except in compliance with the Securities Act, applicable state securities laws and the respective rules and regulations promulgated thereunder; and (iv) the Purchaser has had an opportunity to ask questions of and receive answers from the management of the Company regarding the Company, its business and the offering of the Common Shares.

5.2. Due Authorization. The Purchaser further represents and warrants

to, and covenants with, the Company that (i) the Purchaser has all requisite power and authority to

execute, deliver and perform this Securities Purchase Agreement and to consummate the transactions contemplated hereby and has taken all necessary action to authorize the execution, delivery and performance of this Securities Purchase Agreement and (ii) upon the execution and the delivery hereof, this Securities Purchase Agreement shall constitute a valid and binding obligation of the Purchaser enforceable in accordance with its terms, except as rights to indemnity and contribution may be limited by state, federal or foreign laws or the public policy underlying such laws, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' and contracting parties' rights generally, and except as enforceability may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

5.3. Restrictions on Transfer. The Purchaser acknowledges and

understands that the Common Shares have not been registered under the Securities Act and applicable state securities laws and, therefore, cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is available. The certificate representing the Common Shares issued to the Purchaser will bear a legend in substantially the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS. SUCH SECURITIES MAY NOT BE OFFERED, SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT AND APPLICABLE STATE LAW OR AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED. THE SECURITIES EVIDENCED BY THIS CERTIFICATE ARE ALSO SUBJECT TO THE PROVISIONS OF A SECURITIES PURCHASE AGREEMENT DATED AS OF OCTOBER 15, 1999.

The Purchaser agrees that any sale, transfer, pledge, hypothecation or other disposition of the Common Shares shall be made in compliance with such legends.

5.4. Lock-up. If (i) during the Registration Period (as hereafter

defined), the Company shall file a registration statement with the SEC under the Securities Act (other than in connection with the registration of securities issuable pursuant to an employee stock option, stock purchase or similar plan or pursuant to a merger, exchange offer or a transaction of the type specified in Rule 145 under the Securities Act) with respect to the Common Stock or securities convertible into, or exchangeable or exercisable for, Common Stock and (ii) with reasonable prior notice, the Company (in the case of a non-underwritten offering by the Company pursuant to such registration statement) advises the Purchaser in writing that a public sale or distribution of Common Shares would materially adversely affect such offering or the underwriter (in the case of an underwritten offering by the Company pursuant to such registration statement) advises the Company in writing (in which case the Company shall notify the Purchaser) that a public sale or distribution of Common Shares would adversely impact such offering, then the Purchaser agrees that it shall, if so requested by the Company, enter into an agreement providing that it shall not, to the extent not inconsistent with applicable law, effect any public sale or distribution of Common Shares, including sales under Rule 144 of the Securities Act, or any securities convertible into or exercisable for Common Shares until the earliest of (A) 90 days from the effective date of such registration statement, (B) the abandonment of such offering, and (C) if such offering is an underwritten offering, the termination in whole or in part of any "holdback" period obtained by the underwriter in such offering from the Company in connection therewith.

SECTION 6. Survival of Representations, Warranties and Agreements;

Indemnification.

6.1 Survival of Representations, Warranties and Agreements. Notwithstanding

any investigation made by any party to this Securities Purchase Agreement, all covenants, agreements, representations and warranties made by the Company and the Purchaser herein shall survive the execution hereof, the delivery to the Purchaser of the Common Shares being

purchased, and the payment therefor. The provisions of Sections 6.2, 6.3, 7.6, and 14 shall survive the termination or cancellation of this Securities Purchase Agreement.

6.2 Indemnification by the Company. The Company hereby agrees to defend,

indemnify and hold the Purchaser, its Affiliates, and their respective officers, directors, employees and agents (collectively, the "Purchaser Indemnitees") harmless from and against any damages, liabilities, losses and expenses (including reasonable attorneys' fees and expenses) suffered or incurred by the Purchaser Indemnitees as a result of or based upon any material breach of any representation, warranty or agreement of the Company in this Securities Purchase Agreement, or by reason of any claim, action or proceeding asserted or arising out of a breach of any such representation, warranty or agreement. Affiliate means, with respect to any specified person, any other person that directly or indirectly, through one or more intermediates, controls, is controlled by or is under common control with, such specified person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by and "under common control with"), as used with respect to any person, means the direct or indirect possession of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by contract or otherwise.

6.3 Indemnification by the Purchaser. The Purchaser hereby agrees to

defend, indemnify and hold the Company and its Affiliates and their respective officers, directors, employees and agents (collectively, the "Company Indemnitees") harmless from and against any damages, liabilities, losses and expenses (including reasonable attorneys' fees and expenses) which are suffered or incurred by the Company Indemnitees as a result of or based upon any material breach of any representation, warranty or agreement of the Purchaser in this Securities Purchase Agreement, or by reason of any claim, action or proceeding asserted or arising out of a breach of any such representation, warranty or agreement.

SECTION 7. Registration of the Shares; Compliance with the Securities Act.

7.1 "Piggyback" Registration. If at any time the Company shall

initiate a

registration under the Securities Act of any of its Common Stock or securities convertible into or exercisable for shares of Common Stock for its own account, other than securities to be issued solely (i) in connection with any acquisition of any entity or business, (ii) upon the exercise of stock options, or (iii) pursuant to employee benefit plans (including registrations on Form S-8 or Form S-4 or their then equivalents), it shall send to the Purchaser prompt written notice of such determination (which notice shall include the anticipated date of the initial sale of securities in such offering (the "Sale Date") and the number of shares of Common Stock proposed to be included in such registration) at least 30 days prior to the Sale Date and, if within fifteen (15) days after the giving of such notice, the Purchaser shall so request in a writing received by the Company, the Company shall include in such registration statement the number of Common Shares that the Purchaser requests to be registered therein; except that, if in connection with any underwritten public offering of Common Stock by the Company, the underwriter shall advise the Company in writing that, in the judgment of the underwriter, the number of shares of Common Stock requested to be included in such offering would materially adversely affect its ability to effect such offering, then the number of Common Shares to be included in such registration statement shall be limited to the extent necessary to effect such offering as determined by the underwriter (which may be the complete exclusion of such Common Shares); provided, however, that such limitation shall be proportionate to the limitation applied to any other holders of Common Stock with "piggyback" registration rights who request the inclusion of shares in the registration statement based on the number of shares of Common Stock requested to be included. The Purchaser may elect to withdraw from participation in a registration pursuant to this Section 7.1 by written notice to the Company no later than the seventh day prior to the effective date of such registration statement. The Company will use commercially reasonable efforts to maintain the effectiveness of any registration statement under which any of the Common Shares are being offered pursuant to this Section 7.1 until the earlier to occur of (a) the completion of the distribution pursuant to such registration statement or (b) thirty (30) days after the effectiveness of such registration statement.

7.2 Demand Registrations. (a) Subject to the provisions of this

Section 7.2, the Purchaser shall have the right, upon written demand given to the Company (the "Demand

Notice") to request the Company to register its Common Shares (a "Demand Registration") under and in accordance with the provisions of the Securities Act by filing and having declared effective a registration statement (a "Demand Registration Statement"), covering the Common Shares held by it.

(b) Within 45 days of receipt of a Demand Notice, the Company shall file with the SEC a registration statement on the appropriate form for the registration and sale (which shall be a short form registration if possible), in accordance with the intended method or methods of distribution, of the total number of Common Shares specified by the Purchaser in such Demand Notice.

(c) The Company shall use its reasonable best efforts to cause such Demand Registration Statement to be declared effective by the SEC and to keep such Demand Registration Statement continuously effective throughout the Registration Period. As used herein, "Registration Period" shall mean with respect to a Demand Registration Statement a period commencing on the effective date of such Demand Registration Statement and ending on the earlier of the (i) first day on which all Common Shares included in such Demand Registration Statement have been sold as described therein and (ii) the 180th day after the effective date.

(d) In connection with any Demand Registration in which other holders of Common Stock elect to include shares of Common Stock in such Demand Registration pursuant to registration rights granted by the Company to such holders (such holders being collectively referred to with the Purchaser as the "Selling Securityholders"), such election shall only be valid if such holders agree to pay a pro rata share of all the costs and expenses incurred in connection with such Demand Registration. In the event that such Demand Registration involves an underwritten offering and the managing underwriter or underwriters participating in such offering (collectively, the "Underwriter") shall advise the Company and the Selling Securityholders in writing that, in the judgment of the Underwriter, the number of shares of Common Stock requested to be included in such offering would materially adversely affect its ability to effect such offering, then the Company will include in such offering, to the extent of the number of

shares of Common Stock that can be sold in such offering: first, Common Shares requested to be sold by the Purchaser and second, all other Common Stock proposed to be registered by the Selling Securityholders other than the Purchaser. No securities other than shares of Common Stock shall be included in such Demand Registration Statement without the written consent of the Purchaser.

(e) Notwithstanding the foregoing, the Company shall be entitled to postpone, for a period of not more than 90 days after receipt of a Demand Notice, the filing of any Demand Registration Statement otherwise required to be prepared and filed by it pursuant to Section 7.2(a) hereof if, at the time the Company receives a Demand Notice, the Board of Directors of the Company determines in its reasonable judgment that such registration and offering would interfere with any material financing, acquisition, corporate reorganization or other material transaction or development involving the Company and promptly gives the Purchaser written notice of such determination; provided that (i) upon such postponement by the Company, the Company shall be required to file such Demand Registration Statement as soon as practicable after the Board of Directors of the Company shall determine, in its reasonable business judgment, that such registration and offering will not interfere with the aforesaid material financing, acquisition, corporate reorganization or other material transaction or development involving the Company and (ii) no more than one such postponement shall occur in any 360 day period.

(f) The Purchaser may, at any time prior to the Effective Date of such Demand Registration, revoke such demand by providing written notice to the Company. In such event, the Purchaser shall reimburse the Company for its out-of-pocket expenses incurred in the preparation, filing and processing of the Demand Registration.

7.3 Notice During Effectiveness of Registration Statements. The

Company will promptly notify the Purchaser and each underwriter under any registration statement under which any of the Common Shares are being offered pursuant to Section 7.1 or 7.2 hereof, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event of which the Company has knowledge as a result of which the

prospectus contained in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. The Purchaser agrees upon receipt of such notice forthwith to cease making offers and sales of Common Shares pursuant to such registration statement or deliveries of the prospectus contained therein for any purpose until the Company has prepared and furnished such amendment or supplement to the prospectus as may be necessary so that, as thereafter delivered to a purchaser of Common Shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing. The Purchaser further agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in this Section 7.3, the Purchaser will, if requested by the Company, deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in the Purchaser's possession of the prospectus current at the time of receipt of such notice from the Company.

7.4 Expenses of Registration. All costs and expenses incurred in

connection with any registration pursuant to Section 7.1, including, without limitation, all registration, filing and qualification fees, printing expenses, fees and disbursements of counsel for the Company, and expenses of any special audits of the Company's financial statements incidental to or required by such registration shall be paid by the Company; provided, however, that the Company shall have no obligation to pay any stock transfer taxes, underwriters' fees, discounts or commissions with respect to the sale of the Common Shares, or the fees and expenses of any counsel or advisor to the Purchaser. All costs and expenses incurred in connection with any registration pursuant to Section 7.2, including, without limitation, all registration, filing and qualification fees, printing expenses, fees and disbursements of counsel for the Company, and expenses of any special audits of the Company's financial statements incidental to or required by such registration shall be paid by the Purchaser; provided, however, that the Purchaser shall have no obligation to pay any stock transfer taxes, underwriters' fees, discounts or commissions with respect to the sale of Common Stock offered by persons other than the Purchaser.

7.5 Registration Procedures. Whenever the Purchaser has requested

that any Common Shares be included or registered in a Company registration statement pursuant to this Section 7, the Company will use commercially reasonable efforts to effect the registration and sale of such Common Shares upon the terms and conditions hereof, and in connection with any such request, the Company will:

(a) prepare and file with the SEC, and furnish to the Purchaser and its counsel prior to the filing thereof, a copy of such registration statement (including any preliminary prospectus contained therein), and each amendment (including post-effective amendments) thereto and each amendment or supplement, if any, to the prospectus included therein and shall reflect in each such document, when so filed with the SEC, such comments as the Purchaser reasonably may propose;

(b) use its best efforts to ensure that (i) such registration statement and any amendment thereto and such prospectus forming part thereof and any amendment or supplement thereto complies as to form in all material respects with the Securities Act, (ii) such registration statement and any amendment thereto does not, when it becomes effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading and (iii) any prospectus forming part of such registration statement, and any amendment or supplement to such prospectus, does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading; provided, however, that the Company shall have no liability under clauses (ii) or (iii) of this paragraph (b) with respect to any such untrue statement or omission made therein in reliance upon and conformity with information furnished to the Company by or on behalf of the Purchaser for inclusion therein;

(c) use its best efforts to register or qualify or cooperate with Purchaser and its counsel in connection with the registration or qualification of such Common Shares under the securities or blue sky laws of such jurisdictions as the Purchaser, may reasonably request and do any and all other acts and things which may be reasonably necessary or advisable to enable the Purchaser to consummate the disposition in such jurisdictions of the Common Shares; provided, that the Company will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this paragraph (b), or (ii) take any action that would subject it to the service of process in suits other than relating to the sale of the Common Shares or any violation of state securities laws in any jurisdiction where it is not now so subject;

(d) use its best efforts to cause the Common Shares covered by such registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the Purchaser or the underwriter or underwriters, if any, to consummate the disposition of such Common Shares subject to the proviso contained in paragraph (c) above;

(e) promptly advise the Purchaser and, if requested by the Purchaser, promptly confirm such advice in writing:

- (i) when such registration statement or prospectus and any amendment or supplement thereto has been filed with the SEC and when such registration statement or any post-effective amendment thereto has become effective;
- (ii) of any request by the SEC for amendments or supplements to such registration statement or the prospectus included therein or for additional information;

- (iii) of the issuance by the SEC of any stop order suspending the effectiveness of such registration statement or the initiation or threat of any actions or proceeding for that purpose;
 - (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of the Common Shares included in such registration statement for sale in any jurisdiction or the initiation or threatening of any action or proceeding for such purpose; and
 - (v) of the happening of any event that requires the amendment or supplementation of such registration statement or prospectus (or documents incorporated or deemed to be incorporated therein by reference) so that, as of such date, the statements therein are not misleading and do not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein (in the case of the prospectus, in light of the circumstances under which they were made) not misleading;
- (f) use its reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of such registration statement or the lifting of any suspension of the qualification or exemption from qualification of any common Shares for sale in any jurisdiction in the United States, at the earliest possible time;
- (g) furnish to the Purchaser and its counsel and the underwriter, if any, and its counsel, without charge, a conformed copy of such registration statement and any and all post-effective amendments thereto, including financial statements and schedules, and all exhibits thereto (including those incorporated therein by reference);

(h) deliver to the Purchaser, without charge, as many copies of the prospectus included in such registration statement and any amendment or supplement thereto as the Purchaser shall reasonably request; and subject to Section 9.9 hereof, the Company consents to the use of the prospectus or any amendment or supplement thereto by the Purchaser in connection with the offering and sale of the Common Shares covered by the prospectus or any amendment or supplement thereto;

(i) enter into customary agreements (including an underwriting agreement in customary form) and take such other actions (including obtaining customary opinions of counsel for the Company) as are reasonably required in order to expedite or facilitate the disposition of such Common Shares;

(j) to the extent customary for an offering of the type registered by such registration statement, use its best efforts to obtain a comfort letter from the Company's independent public accountants in customary form and covering matters of the type customarily covered by comfort letters with respect to such type of offering;

(k) otherwise comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as reasonably practicable, an earnings statement covering a period of 12 months after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Act and Rule 158 thereunder.

(l) cause all such Common Shares to be listed on each securities exchange or quotation system on which similar securities issued by the Company are then listed;

(m) cooperate and assist in any filings required to be made with the National Association of Securities Dealers, Inc. (the "NASD") and in the performance of

any due diligence investigation that is required in accordance with the rules and regulations of the NASD;

(n) cooperate with the Purchaser to facilitate the timely preparation and delivery of certificates representing Common Shares to be sold pursuant to such registration statement in such denominations and registered in such names as the Purchaser may reasonably request at least two business days prior to such sales;

(o) at any time and from time to time upon the occurrence of any event contemplated by paragraph 7.5 (e) (v) above, the Company shall use its reasonable best efforts to prepare and file with the SEC as soon as reasonably practicable a post-effective amendment to such registration statement or an amendment or supplement to the related prospectus or file any other required document so that, as thereafter delivered to purchasers of the Common Shares offered thereby, the prospectus will not include an untrue statement of a material fact or omit to state any material fact necessary to make the statements contained therein (in the case of the prospectus, in the light of the circumstances under which they were made) not misleading; and

(p) the Company shall make reasonably available for inspection during normal business hours by the Purchaser and any attorney, accountant or other agent retained by the Purchaser (collectively, the "Inspectors"), all financial and other records and other information, pertinent cooperate documents and properties of any of the Company and its Subsidiaries and Affiliates (collectively, the "Records"), as shall be reasonably necessary to enable the Inspectors to exercise their due diligence responsibility; provided, however, that the Records that the Company determines, in good faith, to be confidential and which it notifies any Inspectors are confidential shall not be disclosed to any Inspector unless such Inspector signs a confidentiality agreement reasonably satisfactory to the Company.

The Company may require the Purchaser to furnish to the Company such information regarding the distribution of the Common Shares as the Company may from time to time reasonably request in writing that is required for inclusion in any registration statement.

7.6 Indemnification.

(a) Indemnification by the Company. In connection with any

registration statement in which the Purchaser's Common Shares are included pursuant hereto, the Company will indemnify and hold harmless the Purchaser, together with each of the Purchaser's officers, directors, employees, agents and partners, and each underwriter of the Common Shares, if any, and each person who controls the Purchaser or any underwriter within the meaning of the Exchange Act or the Securities Act, against all claims, losses, expenses, damages and liabilities (or actions in respect thereto) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement or prospectus or an amendment thereof or supplement thereto, or arising out of or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each such person for any legal and other expenses reasonably incurred in connection with investigating, defending or settling any such claim, loss, damage, liability or action, provided that the Company will not be liable, in any such case to the extent that any such claim, loss, damage or liability arises out of or is based on any untrue statement or omission (or alleged untrue statement or omission) made therein in reliance upon and in conformity with written information furnished to the Company by the Purchaser or underwriter specifically for use therein. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) Indemnification by the Purchaser. The Purchaser will, if any of

its Common Shares are included in a registration pursuant hereto, indemnify the Company, each of its directors, and each of its officers who signs the registration statement, if any, of the Common Shares covered by such registration statement, and each person who controls the Company and

any underwriter within the meaning of the Securities Act, against all claims, losses, expenses, damages and liabilities (or actions in respect thereto) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement or prospectus or any amendment thereof or supplement thereto, or arising out of or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each such person for any legal and other expenses reasonably incurred in connection with investigating, defending or settling any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement or omission (or alleged untrue statement or omission) is made in such registration statement or prospectus or any amendment thereof or supplement thereto in reliance upon and in conformity with written information relating to the Purchaser furnished to the Company by the Purchaser specifically for use therein.

(c) Contribution. In the event that the indemnity provided in

Paragraph (a) or (b) of this Section 7.6 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Company and the Purchaser will contribute to the aggregate losses, claims, damages or liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of the Company on the one hand and of the Purchaser on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. Relative fault shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or by the Purchaser on the other, and each party's relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission; provided, however, that, in any such case, (a) the Purchaser will not be required to contribute any amount in excess of the public offering price of all Common Shares offered by it pursuant to such registration statement and (b) no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person or entity who was

not guilty of such fraudulent misrepresentation. The Company and the Purchaser agree that it would not be just and equitable if contributions were determined by pro rata allocation or any other method of allocation that does not take account of the equitable considerations referenced above.

(d) Indemnification Procedures. Each party entitled to indemnification

under this Section 7.6 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom, provided that counsel for the Indemnifying Party who shall conduct the defense of such claim or litigation shall be approved by the Indemnified Party (which approval shall not be unreasonably withheld), and the Indemnified Party may participate in such defense at such party's expense, and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations hereunder, unless and to the extent it did not otherwise learn of such claim and such failure resulted in the forfeiture by the Indemnifying Party of substantial rights and defenses. Notwithstanding the Indemnifying Party's election to appoint counsel to represent the Indemnified Party in an action, the Indemnified Party shall have the right to employ separate counsel (including local counsel), and the Indemnifying Party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the Indemnifying Party to represent the Indemnified Party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, (iii) the Indemnifying Party shall not have employed counsel satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after notice of the institution of such action or (iv) the Indemnifying Party shall authorize the Indemnified Party to employ separate counsel at the expense of the Indemnifying Party. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the prior written consent of each Indemnified Party,

compromise, consent to entry of any judgment or enter into any settlement which does not include an unconditional release of each Indemnified Party from all liability in respect of such claim or litigation.

7.7 Transferability of Registration Rights. The registration rights

granted hereunder may be transferred by the Purchaser (a) with the prior written consent of the Company, (b) without the prior written consent of the company to any Affiliate of the Purchaser, or (c) without the prior written consent of the Company in connection with transfers of a material portion of the Common Shares or Preferred Shares to not more than two (2) transferees; provided, however, that each transferee of registration rights hereunder shall be subject to the same obligations as the Purchaser, and provided, further, that if any of such transferees are Affiliates of the Purchaser, one entity (which may be the Purchaser) shall be designated by the Purchaser to act on behalf of the Purchaser and such Affiliates to give and receive all notices and other communications pursuant to this Section 7.

SECTION 8. Rule 144 Reporting

With a view to making available the benefits of certain rules and regulations of the Commission which may at any time permit the sale of the Common Shares to the public without registration, the Company agrees to:

- (a) make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act;
- (b) use its best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act;
- (c) furnish to any holder of Common Shares forthwith upon request a written statement by the Company as to its compliance with the reporting

requirements of Rule 144 and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed by the Company as such holder may reasonably request in availing itself of any rule or regulation of the Commission allowing such holder to sell any Common Shares without registration; and

(d) take such action as the Purchaser may reasonably request, to the extent required from time to time to enable Purchaser to sell Common Shares without registration under the Securities Act within the limitations of the exemption provided by Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

SECTION 9. No Fee. The parties hereto hereby represent that there are no

brokers or finders entitled to compensation in connection with the transactions contemplated hereby.

SECTION 10. Notices. All notices, requests, consents and other

communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as a party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by telecopy or facsimile transmission, (iii) sent by overnight courier, or (iv) sent by registered or certified mail, return receipt requested, postage prepaid:

if to the Company, to:

Myriad Genetics, Inc.
320 Wakara Way
Salt Lake City, Utah 84108
Fax: (801) 584-3640
Attention: President

and

Attention: General Counsel

with a copy to:

Jonathan L. Kravetz, Esq.
Mintz, Levin, Cohn, Ferris,
Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Fax: (617) 542-2241

if to the Purchaser, to:

Schering Berlin Venture Corporation
340 Changebridge Road
Montville, NJ 07045-1000
Attention: General Counsel
Fax: (973) 276-2000

All notices, requests, consents and other communications hereunder shall be deemed to have been given either (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (ii) if made by telecopy or facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (iv) if sent by registered or certified mail, on the 5th business day following the day such mailing is made.

SECTION 11. Changes. Any term of this Securities Purchase Agreement may be

amended or compliance therewith waived only with the written consent of the parties hereto.

SECTION 12. Assignment. Subject to Section 7.8 hereof, the rights and

obligations under this Securities Purchase Agreement may not be assigned by any party hereto without the prior written consent of the other party; provided, however, that the Purchaser may, without such prior written consent of the Company, assign its rights and obligations hereunder to an Affiliate.

SECTION 13. Benefit. All statements, representations, warranties,

covenants and agreements in this Securities Purchase Agreement shall be binding on, and inure to the benefit of,

the respective parties hereto and their respective successors and permitted assigns. Nothing herein shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Securities Purchase Agreement, except as expressly provided in Section 7.6.

SECTION 14. Expenses. Subject to Section 7.4 hereof, each of the parties

hereto shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Securities Purchase Agreement, the Standstill Agreement and the transactions contemplated hereby and thereby whether or not the transactions contemplated hereby or thereby are consummated.

SECTION 15. Headings. The headings of the various sections of this

Securities Purchase Agreement have been inserted for convenience of reference only and shall not be deemed to be part hereof.

SECTION 16. Severability. In case any provision contained in this

Securities Purchase Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

SECTION 17. Governing Law. This Securities Purchase Agreement shall be

governed by and construed in accordance with (a) the internal laws of the State of Delaware without giving effect to principles of conflicts of law, and (b) with respect to Section 8 hereof, United States federal law.

SECTION 18. Counterparts. This Securities Purchase Agreement may be

executed in counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other parties.

IN WITNESS WHEREOF, the parties hereto have duly executed this Securities Purchase Agreement as of this 15th day of October, 1999.

SCHERING BERLIN VENTURE CORPORATION

By: /s/ John Nicholson

Name: John Nicholson
Title: Treasurer

MYRIAD GENETICS, INC.

By: /s/ Peter D. Meldrum

Peter D. Meldrum
President and Chief Executive Officer

MYRIAD GENETICS, INC.

STANDSTILL AGREEMENT

THIS AGREEMENT, dated as of October 15, 1999, is between SCHERING BERLIN VENTURE CORPORATION, a Delaware corporation having a place of business at 340 Changebridge Road, Pine Brook, New Jersey (the "Purchaser"), and MYRIAD GENETICS, INC., a Delaware corporation having a place of business at 320 Wakara Way, Salt Lake City, Utah (the "Company").

WITNESSETH:

WHEREAS on the date hereof, the Purchaser is acquiring 303,030 shares (the "Shares") of common stock, \$.01 par value per share ("Common Stock") of the Company pursuant to the terms of a Securities Purchase Agreement dated as of the date hereof (the "Securities Purchase Agreement"); and

WHEREAS the execution and delivery of this Agreement by the Purchaser is a condition precedent to the Company's obligations under the Securities Purchase Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements set forth herein and for other good and valuable consideration the receipt of which is hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I

Representations and Warranties

Section 1.01 The Purchaser hereby represents and warrants to the Company as follows:

(a) The Purchaser has full legal right, power and authority to enter into and perform this Agreement. The execution and delivery of this Agreement by the Purchaser and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action on behalf of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms, except that such enforcement may be subject to (i) bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and contracting parties' rights generally and (ii) general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(b) Neither the execution and delivery of this Agreement by the Purchaser nor the consummation by it of the transactions contemplated hereby conflicts with or constitutes a material violation of or default under the charter, by-laws or other constituent document of the Purchaser, any statute, law, regulation, order or decree applicable to the Purchaser, or any material contract, commitment, agreement, arrangement or restriction of any kind to which the Purchaser is a party or by which it is bound.

Section 1.02 The Company hereby represents and warrants to the Purchaser as follows:

(a) The Company has full legal right, power and authority to enter into and perform this Agreement. The execution and delivery of this Agreement by the Company and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action on behalf of the Company. This Agreement is a valid and binding obligation of the Company enforceable against it in accordance with its terms, except that such enforcement may be subject to (i) bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and

contracting parties' rights generally and (ii) general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(b) Neither the execution and delivery of this Agreement by the Company nor the consummation by it of the transactions contemplated hereby conflicts with or constitutes a material violation of or default under the charter, by-laws or other constituent document of the Company, any statute, law, regulation, order or decree applicable to the Company, or any material contract, commitment, agreement, arrangement or restriction of any kind to which the Company is a party or by which it is bound.

ARTICLE II

Limitations and Restrictions

Section 2.01 Definitions. As used in this Agreement:

(a) "Affiliate" shall mean any entity controlling, controlled by or under common control with the Purchaser, and "control" shall mean ownership of more than 50% of the stock entitled to vote for directors, or the authority to act as general partner of a partnership or managing member of an LLC, or such other relationship which constitutes actual control to the extent necessary to prevent any action prohibited hereunder;

(b) "group" shall have the meaning with which such term is used in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

(c) "person" shall have the meaning with which such term is used in Section 13(d)(3) under the Exchange Act and under Section 2(2) of the Securities Act of 1933, as amended (the "Securities Act").

Section 2.02 Restrictions on Certain Actions by the Purchaser. Except (i)

with the written consent of the Company (which shall not be unreasonably withheld) or (ii) by way of stock dividends or other distributions or offerings made available to the holders generally of securities of the Company held by the Purchaser, the Purchaser agrees that during the term of this Agreement, it will not, nor will any of its Affiliates:

(a) acquire, announce an intention to acquire, offer or propose to acquire, solicit an offer to sell or agree to acquire, by purchase, by gift or otherwise, any shares of Common Stock or other securities of the Company with general voting rights, or any other Company securities convertible into, exchangeable for or exercisable for Common Stock or other voting securities of the Company (all such securities, collectively, "Voting Securities"); provided that this Section 2.02(a) shall not apply unless and until the Purchaser (together with its Affiliates) has acquired beneficial ownership (as such term is used under Section 13(d) of the Exchange Act) of at least two percent (2%) of the Common Stock of the Company;

(b) participate in the formation of any person or group, or join with any person or group, which owns or seeks to acquire beneficial ownership of Voting Securities, for the purpose of acquiring Voting Securities;

(c) solicit or participate in any "solicitation" of "proxies" (as such terms are defined or used in Regulation 14A under the Exchange Act, these terms to have such meaning throughout this Agreement) with respect to the Company;

(d) deposit any Voting Securities in a voting trust or subject them to a voting agreement or other agreement or arrangement with respect to the voting of such Voting Securities other than this Agreement;

(e) otherwise act, alone or in concert with others, to seek to control the management, Board of Directors or policies of the Company or make any public announcement or proposal with respect to any form of business combination or other extraordinary transaction with the Company or any restructuring, recapitalization, similar transaction or other transaction not in the ordinary course of business with respect to the Company which could result in a change of control or publicly disclose an intent, purpose, plan or proposal with respect to the Company that would violate the provisions of this Section 2.02, or assist, participate in, facilitate or solicit any effort or attempt by any person to do so or seek to do any of the foregoing;

Provided, however, that nothing in this Section 2.02 shall prohibit the Purchaser or its Affiliates from proposing collaborative research agreements or license agreements with the Company.

Section 2.03 Employee Benefit Plans. For the avoidance of doubt, it is

hereby agreed that the restrictions contained in Section 2.02 shall not apply to
any pension plan or other employee benefit plan of the Purchaser or its
Affiliates which is administered by an independent trustee or trustees.

Section 2.04 Freedom to Vote. Nothing contained herein shall prevent the

Purchaser or any of its Affiliates from voting any equity securities owned by
them in their sole discretion, and to that extent, seeking to influence the
policies or affairs of the Company, the membership of the Board of Directors of
the Company or any other matter.

ARTICLE III

Miscellaneous -----

Section 3.01 Interpretation. For all purposes of this Agreement, the term

Common Stock shall include any securities of the Company entitled to vote
generally for the election of directors of the Company which securities the
holders of the Common Stock shall have received or as a matter of right be
entitled to receive as a result of (i) any capital reorganization or
reclassification of the capital stock of the Company or, (ii) any consolidation,
merger or share exchange of the Company with another corporation in which the
Company survives after such transaction; provided, however, that nothing in this
Agreement shall preclude the Purchaser or its Affiliates from acquiring or being
entitled to acquire Common Stock in exchange for or in respect of their
securities of the Company in any such transaction.

Section 3.02 Enforcement. (a) The Purchaser acknowledges and agrees that

irreparable damage would occur if any of the provisions of this Agreement were
not performed in accordance with their specific terms or were otherwise breached
and that monetary damages would be an inadequate remedy therefor. Accordingly,
the Company will be entitled to seek an injunction or injunctions to prevent
breaches of this Agreement and to enforce specifically its provisions in any
court of the United States or any state having jurisdiction, this being in
addition to any other remedy to which the Company may be entitled at law or in
equity.

with a copy to:

Jonathan L. Kravetz, Esq.
Mintz, Levin, Cohn, Ferris,
Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Fax: (617) 542-2241

if to the Purchaser:

Schering Berlin Venture Corporation
340 Changebridge Road
Montville, NJ 07045-1000
Attention: General Counsel
Fax: (973) 276-2000

or to such other address or telecopy number as any party may, from time to time, designate in a written notice given in a like manner. Notice by telecopy shall be deemed delivered at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise.

Section 3.08 Successors and Assigns. This Agreement shall bind the

successors and assigns of the parties, and inure to the benefit of any successor or assign of any of the parties; provided, however, that no party may assign this Agreement without the other party's prior written consent, and provided, further, that this Agreement shall not be binding upon any purchaser of the Shares from the Purchaser or an Affiliate of the Purchaser in a transaction effected on a public trading market or pursuant to a public offering.

Section 3.09 Governing Law. This Agreement will be governed by and

construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof.

Section 3.10 Termination. This Agreement shall terminate one (1) year

following the Effective Date hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first referred to above.

SCHERING BERLIN VENTURE CORPORATION.

By: /s/ John Nicholson

Name: John Nicholson
Title: Treasurer

MYRIAD GENETICS, INC.

By: /s/ Peter D. Meldrum

Peter D. Meldrum
President and CEO

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND CONDENSED CONSOLIDATED BALANCE SHEETS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

3-MOS			
	JUN-30-2000		
	JUL-01-1999		
	SEP-30-1999		
		15,677,896	
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		6,947,410	
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		802,931	
		9,611,718	
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		0	
		0	
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