

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): March 22, 2006 (March 16, 2006)

CYTOKINETICS, INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-50633
(Commission File Number)

94-3291317
(IRS Employer
Identification No.)

**280 East Grand Avenue
South San Francisco, California 94080**
(Address of principal executive offices, including zip code)

(650) 624-3000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

General Electric Capital Corporation Loan Proposal

On March 16, 2006 Cytokinetics, Incorporated (the “Company”) and General Electric Capital Corporation (“GE”) signed a Loan Proposal that is subject to the Master Security Agreement, by and among the Company and GE, dated as of February 2, 2001 (the “MSA”) as amended on March 24, 2005.

Under the MSA, funds borrowed by the Company from GE, and other obligations of the Company to GE, are secured by property and equipment of the Company purchased by such borrowed funds and other collateral agreed to by the Company.

Under the terms of the Loan Proposal, GE is providing a line of credit of up to \$5.0 million to finance certain equipment until December 31, 2006. A Copy of the Loan Proposal is attached to this Current Report on Form 8-K (“Current Report”) as Exhibit 10.61, and is incorporated herein by reference.

Amendment of Portola Collaboration and Facilities Agreement

On March 17, 2006, the Company and Portola Pharmaceuticals, Inc. (“Portola”) entered into the Second Amendment to Collaboration and Facilities Agreement (the “Amendment”) which amends certain provisions of the Collaboration and Facilities Agreement, by and among the Company and Portola, dated as of August 19, 2004 and as amended on March 24, 2005 (the “Collaboration Agreement”).

Under the Collaboration Agreement, Portola provides the Company with research and related services and access to a portion of Portola’s facilities and personnel to support such services. Charles J. Homcy, M.D., is the President and CEO of Portola, a member of the Company’s Board of Directors and a consultant to the Company.

The Amendment extends the term of the Collaboration Agreement to December 31, 2006 and amends certain pricing and other terms and conditions of such agreement. A copy of the Amendment is attached to this Current Report on Form 8-K (“Current Report”) as Exhibit 10.62, and is incorporated herein by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following Exhibits are filed as part of this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
10.61	GE Loan Proposal, executed as of March 16, 2006, by and between the Company and General Electric Capital Corporation.
10.62*	Second Amendment to Collaboration and Facilities Agreement, dated March 17, 2006, by and between the Company and Portola Pharmaceuticals, Inc.

*Pursuant to a request for confidential treatment, portions of this Exhibit have been redacted from the publicly filed document and have been furnished separately to the Securities and Exchange Commission as required by Rule 24b-2 under the Securities and Exchange Act of 1934.

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 hereunto duly authorized.

CYTOKINETICS, INCORPORATED

By: /s/ James H. Sabry
James H. Sabry
Chief Executive Officer

Dated: March 22, 2006

Exhibit Index

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*Pursuant to a request for confidential treatment, portions of this Exhibit have been redacted from the publicly filed document and have been furnished separately to the Securities and Exchange Commission as required by Rule 24b-2 under the Securities and Exchange Act of 1934.

GE Commercial Finance
Healthcare Financial Services
Life Science Finance
1901 Main Street, 7th Floor
Irvine, CA 92614
949-477-1518/FAX: 866-288-7998

February 1, 2006

1st revision (changes underlined)

CONFIDENTIAL LOAN PROPOSAL FOR:

Cytokinetics, Inc.

Submitted By: Todd Cortell

Cytokinetics, Inc.

Mary Rogers
Director of Financial Planning & Analysis
Cytokinetics, Inc.
280 East Grand Avenue
South San Francisco, CA 94080

Dear Ms. Rogers:

General Electric Capital Corporation ("GE Capital") has reviewed the information provided by you in connection with the requested financing for Cytokinetics, Inc. (referred to as "Cytokinetics" or the "Company"). Based on the review to date and subject to the timely receipt of a signed copy of this proposal letter as indicated below, GE Capital is pleased to consider arranging and providing a \$5,000,000 financing (the "Financing") as outlined in the attached Term Sheet incorporated herein by reference, subject to the general terms and conditions in this proposal letter and the Term Sheet.

GE Capital is one of the largest and most diversified financial services companies in the world with assets exceeding \$300 billion and operations in over 45 countries. We have been actively providing equipment financing for Life Science companies for over a decade and it is our privilege to be a financial partner to hundreds of Life Science companies.

This proposal letter, including the attached Term Sheet (together, the "Proposal"), is being provided to the Company on a confidential basis and is merely an indication of interest regarding the Financing transaction on the general terms and conditions outlined below and should not be construed as a commitment. GE Capital may change the terms of this Proposal or cease future consideration of the Financing at any time in its sole discretion. The attached Term Sheet summarizes only the principal terms and conditions under which the proposed Financing will be considered and does not purport to set forth all of the terms and conditions applicable to such Financing, which terms and conditions will be fully contained in the final documentation.

The Company may not use this Proposal to solicit other offers or to modify, renegotiate or otherwise improve the terms and conditions of any other offer heretofore or hereafter received by the Company but is not restricted from making any disclosure or dissemination of the United States federal income tax structure or aspects of the transactions contemplated by this proposal or any documents executed pursuant to this Proposal. Further, each of GE Capital and the Company acknowledges that it has no proprietary rights to any United States federal income tax elements or structure of this Proposal. In addition, the Company shall not, except as required by law, use the name of, or refer to GE Capital, in any correspondence, discussions, advertisement, press release or disclosure made in connection with the Financing without the prior written consent of GE Capital.

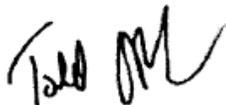
By signing below, the Company acknowledges the terms and conditions of this Proposal. Upon receipt of the executed Proposal, GE Capital shall commence the investment and credit approval process. Before funding can take place, all proper documentation of title and UCC releases from other lenders shall be in place and approved by GE Capital. We thank you for your consideration and look forward to working with you toward completing this transaction.

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Cytokinetics, Inc.

I would appreciate the opportunity to discuss this proposal with you at your earliest convenience. Please do not hesitate to contact me at 949-477-1518 if you have any questions or if I may be of further assistance.

Sincerely,



Todd Cortell
Vice President — Account Manager

PROPOSAL ACCEPTED BY:

Cytokinetics, Inc.

Name: /s/ Sharon Surrey-Barbari

Title: SVP of Finance & CFO

Date: 3/16/06

Federal Tax ID#: _____

Email Address: _____

Contact Name for Inspection: _____ Phone #: _____

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Term Sheet

Transaction: Loan

Borrower: Cytokinetics, Inc.

Lender: General Electric Capital Corporation its affiliates or its assignee ("GE Capital")

Loan Amount: Up to \$5,000,000

Equipment (Collateral): All "collateral" described in the Master Security Agreement between the parties dated February 2, 2001, as amended January 1, 2005 (the "MSA"), in accordance with the concentration requirements set forth in the Equipment Concentration Rider in the attached Addendum A. All such Equipment must be acceptable to GE Capital and located at Company owned or leased facilities within the continental United States.

Additional Consideration: Borrower shall provide Lender with a security deposit in the amount of fifty percent (50.0%) of the Loan Amount (required at the time of funding a Schedule). Lender shall reduce the security deposit to fifty percent (50.0%), and pay annual interest of 3%, of the outstanding principal balance semi-annually on January 1st and July 1st until the loan expires.

Loan Term and Payment: 60 months of Principal and Interest at 1.989569% of financed cost (Payment Factor), paid monthly in arrears for each loan schedule, based on an interest rate of 7.20%.

Anticipated Funding Period: By December 31, 2006

Line Mechanics: Minimum fundings will be \$50,000.
Equipment with invoice dates older than 90 days will be subject to appropriate discount.
Amortization begins on the start date, which is the first day of the month following the funding date. Interim interest will be charged for any period between the funding date and the start date.

Financial Covenants: None

Funding Frequency: Equipment that is financed within 90 days of the invoice date is considered new. Equipment that is older than 90 days will be financed based on the standard LSTF Depreciation Guidelines per the table below:

	Days from Invoice Date to Funding Date		Increment per 30 day period
	0-120 days	120-150	
Lab & Scientific	0	10%	2.50%
Computers, Furniture & Fixtures	0	12%	3%

GENERAL TERMS AND CONDITIONS

Our proposal contains the following provisions and the Loan Payments we propose are specifically based upon these provisions and our assumptions.

1. **Maintenance and Insurance:** All maintenance and insurance (fire and theft, extended coverage and liability) are the responsibility of the Company. Company will be responsible for maintaining in force, all risk damage, and liability insurance in amounts and coverages satisfactory to GE Capital.
2. **Documentation:** Standard GE Capital Master Loan and Schedule Documentation for this type of Loan ("Loan Documents"). Any changes to the Loan Documents must be approved by GE Capital legal counsel.
3. **Indexing:** The Interest Rate, Payment Factor and corresponding Loan Payments are based on the Federal Reserve's 5 year Treasury Constant Maturities Rate (H.15/ "Treasury Rate") as of January 30, 2006, currently 4.46% and will be adjusted effective as of the date of funding of any Financing to reflect any increases or decreases in the Treasury Rate.
4. **Transaction Costs:** By execution and return of this proposal letter, the Company will be responsible for (i) all of its closing costs, (ii) all out of pocket fees and expenses incurred by GE Capital in connection with the Financing under consideration including, without limitation, actual out-of-pocket expenses associated with engagement of outside counsel, UCC searches and filings costs, inspection and appraisal fees and similar costs, and (iii) the Company waives any right to a jury trial in any action or proceeding brought against GE Capital. The Company will indemnify and hold harmless GE Capital and its affiliates, officers, directors, employees and agents (each, an "Indemnified Person") against all claims, costs, damages, liabilities and expenses (each, a "Claim") that may be incurred by or asserted against any of them in connection with this Term Sheet and proposal or the matters contemplated herein, except to the extent arising from the negligence, gross negligence, willful misconduct or failure to comply with applicable law by any Indemnified Person. The foregoing indemnification obligation is subject to the following: GE Capital will promptly notify the Company in writing of any Claim in respect of which any Indemnified Person intends to claim such indemnification. GE Capital will permit, and will cause each Indemnified Person seeking indemnification hereunder to permit, the Company at its discretion to settle any such Claim, and GE Capital agrees, on its own behalf and on behalf of each Indemnified Person, to the complete control of such defense or settlement by the Company. Notwithstanding the foregoing, the Company will not enter into any settlement that would adversely affect such Indemnified Person's rights hereunder or impose any obligations on such Indemnified Person in addition to those set forth herein in order for it to exercise such rights without such Indemnified Person's prior written consent, which will not be unreasonably withheld or delayed. No such action, claim or other matter will be settled without the prior written consent of the Company, which will not be unreasonably withheld or delayed. Such Indemnified Person will cooperate fully with the Company and its legal representatives in the

investigation and defense of any action, claim or other matter covered by the indemnification obligations of this Section. The Indemnified Person will have the right, but not the obligation, to be represented in such defense by counsel of its own selection and at its own expense. The Company will not be responsible for any attorneys' fees or other costs incurred other than as provided herein.

5. **Electronic Payment System:** GE Capital's standard payment collection method is through an electronic payment system. An enrollment form will be provided with the Loan Documents.
6. **Confidentiality:** This proposal letter is being provided to the Company on a confidential basis. Except as required by law, this proposal nor its contents, nor any communications or information shared between the parties, may be disclosed, except to individuals who are the each party's respective officers, employees or advisors who have a need to know of such matters and then only on the condition that such matters remain confidential. In addition, none of such persons shall, except as required by law, use the name of, or refer to the other party, in any correspondence, discussions, advertisement, press release or disclosure made in connection with the transaction contemplated herein without the prior written consent of such other party.
7. **Expiration:** This proposal will expire March 17, 2006, if not accepted prior to that date.
8. **Other Conditions:** This proposal expresses GE Capital's willingness to seek internal approval for the transaction contemplated herein. By signing and returning this letter both parties acknowledge that: The above proposed terms and conditions do not constitute a commitment by GE Capital, (ii) GE Capital's senior management may seek changes to the above terms and conditions, and (iii) GE Capital may decline further consideration of this transaction at any point in the approval process. GE Capital's agreement to fund the proposed transaction remains subject to and would be preceded by completion of a legal and business due diligence, as well as collateral and credit review and analysis, all with results satisfactory to GE Capital and the closing of and initial funding under such transaction would be conditioned upon the prior execution and delivery of final legal documentation and all conditions precedent acceptable to GE Capital and its counsel and no Material Adverse Change as defined in Amendment NO.1 to the MSA dated January 1, 2005. For transactions that contemplate more than one funding, GE Capital's obligation to make each such subsequent funding would be subject to confirmation that no Material Adverse Change has occurred.

Cytokinetics, Inc.

AUTHORIZATION FOR RELEASE OF INFORMATION

The undersigned hereby authorizes past and present depositing institutions, creditors, vendors suppliers of the undersigned to provide such information pertaining to any loans, leases, lines credit, account balances, and payment histories of the undersigned to General Electric Capital Corporation as it may request.

Cytokinetics, Inc.

By: /s/ Sharon Surrey-Barbari

Title: SVP of Finance & CFO

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Addendum A — Expected Equipment Composition

By end of term:

<u>Equipment Class</u>	<u>Amount</u>	<u>Concentration Requirement</u>
Laboratory & scientific equipment:	\$3,500,000	Minimum of 80%
Lab and office furniture, office equipment, & similar:	\$ 500,000	Maximum of 10%
Computers, networking equipment, & similar:	\$ 500,000	Maximum of 20%
Soft costs (software, tax, freight & similar):	\$ 500,000	Maximum of 10%
Total	\$5,000,000	100 %

CONFIDENTIAL

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2/1/2006

**GE Commercial Finance
Healthcare Financial Services
Life Science Finance
v.6_10-14-05**

**SECOND AMENDMENT
TO
COLLABORATION AND FACILITIES AGREEMENT**

This SECOND AMENDMENT (“**Second Amendment**”) is hereby entered into as of January 1, 2006 (the “**Second Amendment Effective Date**”), by and between Portola Pharmaceuticals, Inc. (“**Portola**”) and Cytokinetics, Inc. (“**Cytokinetics**”) (collectively, the “**Parties**”). Terms used in this Second Amendment and not otherwise defined herein shall have the meanings given to them in the Agreement (as defined below).

RECITALS

- A. Portola and Cytokinetics are parties to the Collaboration and Facilities Agreement dated August 19, 2004, as previously amended March 24, 2005 (the “**Agreement**”).
- B. The Parties wish to extend the Term and amend certain terms and conditions of the Agreement, all as described in more detail herein below.

AGREEMENT

NOW, **THEREFORE**, the Parties agree as follows:

1. **Assistance**. As requested by Cytokinetics and as reasonably practicable, Portola shall cause its employees, [***] and [***], to assist Cytokinetics in the design, development and setup of the Cytokinetics’ [***] to be located at 256 East Grand Avenue, South San Francisco, California (the “**CK [***]**”) and the Cytokinetics [***] program.
2. **Deletion of Certain Terms**. Sections 1(a), 1(b), 1(n), 1(p), 1(s), 1(y), 1(jj), and 1(ll) of the Agreement are hereby deleted.
3. **Amendment of Section 1(o)**. Section 1(o) of the Agreement is hereby replaced with the following:

“**Direct Cytokinetics Costs**” means the cost of specific items (e.g., reagents, special [***], [***], equipment, etc.) purchased at Cytokinetics’ written request and used solely for the Collaboration and/or by or on behalf of Cytokinetics. Direct Cytokinetics Costs shall exclude Replacement [***] Purchases, [***] Costs and General Lab Operating Costs.”
4. **Amendment of Section 1(mm)**. Section 1(mm) of the Agreement is hereby replaced with the following:

“**Term**” shall have the meaning set forth in Section 13.”
5. **Addition of Section 1(pp)**. The following definition is added as Section 1(pp) to the Agreement:

“**Replacement [***] Purchases**” means one hundred percent (100%) of the actual direct cost of a [***] purchased by Portola to replace a [***] used under the Collaboration where the need to replace such [***] is the result of the lack of [***] of a Cytokinetics [***] being studied [***] under the Collaboration.”
6. **Amendment of Section 2(d)(i)**. Section 2(d)(i) of the Agreement is hereby replaced with the following:

*** Confidential treatment request pursuant to a request for confidential treatment filed with the Securities and Exchange Commission. Omitted portions have been filed separately with the Commission.

“Subject to the terms of this Agreement, Portola shall provide the following services to Cytokinetics, to the extent reasonably requested by Cytokinetics and agreed in writing by Portola, with at least the same level of priority as Portola’s own studies of a similar nature: (A) oversee studies conducted at the Master Premises hereunder; (B) conduct studies [***] (e.g., [***], [***] and [***] studies) as described in the Research Plan in collaboration with or on behalf of Cytokinetics Personnel; provided that, unless requested by Cytokinetics in advance in writing, Portola shall not conduct more than two (2) such studies per month; (C) conduct studies [***] (e.g., [***] studies with [***]) as described in the Research Plan in collaboration with or on behalf of Cytokinetics Personnel; and (D) support [***] and [***] analyses for all studies conducted by Portola hereunder.”

7. Amendment of Section 2(d)(ii). Section 2(d)(ii) of the Agreement is hereby replaced with the following:

“Subject to the terms of this Agreement, Portola shall: (A) provide Cytokinetics with [***], [***] and related support for a [***] of [***] to [***] ([***]-[***]) [***] required for the studies and tasks described in the Research Plan; and (B) provide Cytokinetics Personnel with access to and use of the appropriate rooms within Portola’s [***] in the Master Premises, if available, for the conduct of the studies and tasks described in the Research Plan, including without limitation studies [***] (e.g., [***], [***] and [***] studies) by Cytokinetics Personnel.”

8. Amendment of Section 2(d)(iii). Section 2(d)(iii) of the Agreement is hereby replaced with the following:

“Subject to the terms of this Agreement, Portola agrees, and shall ensure that the Portola Personnel complete diligently the obligations of Portola as set forth in the Research Plan in accordance with the specifications specified therein. Portola Personnel will report the results of their efforts under the Collaboration to Cytokinetics in a timely manner using a mutually agreed reporting format. In connection with the services performed hereunder, Portola shall ensure that the Portola Personnel who perform such services shall maintain laboratory notebooks, records and data (“Records”) in accordance with good laboratory and research practices. All Records shall be the sole property of Cytokinetics, and shall be treated in all respects as Cytokinetics Information, as provided for in Article 7. All Records shall be delivered to Cytokinetics upon expiration or termination of this Agreement as provided for in Article 14.”

9. Amendment of Section 3(a). Section 3(a) of the Agreement is hereby replaced with the following:

“Beginning as of the Second Amendment Effective Date, Portola hereby grants to Cytokinetics, subject to the terms and conditions of this Agreement: (i) the right to use the [***] located within Rooms G127, G129, G130, G131, G132, G134, G135, G136, G137, G138, G139, G141, G142, G143, G144, G145, G146, G147, G148, G149, G150, G151, G152, G153, G154 and G155 of the Master Premises (collectively the “**Lab Space**”); (ii) a license to use the Common Areas located in the Master Premises to the extent reasonably necessary for Cytokinetics to utilize the Lab Space; (iii) the right of ingress to and egress from the Master Premises along existing driveways, roads or paths; and (iv) the right to use the Personal Property. The Lab Space and the Common Areas shall be collectively referred to as the “**Licensed Premises**”. The Lab Space is depicted on **Exhibit B** attached hereto and incorporated herein by this reference. Cytokinetics’ licenses and rights described in this Section 3(a) shall be non-exclusive. Portola shall provide electricity, water, heating, ventilating and air conditioning to the Licensed Premises at the levels required for the uses permitted herein.”

*** Confidential treatment request pursuant to a request for confidential treatment filed with the Securities and Exchange Commission. Omitted portions have been filed separately with the Commission.

10. Amendment of Section 3(b). Section 3(b) of the Agreement is hereby replaced with the following:

“Cytokinetics hereby expressly acknowledges and agrees to the following: (i) the Licensed Premises shall not be used by Cytokinetics for any purpose other than to conduct the studies and tasks described in the Research Plan or as allowed by the Sublease, whichever is stricter, and that Cytokinetics shall use the Licensed Premises in full compliance with the restrictions of the stricter of this Agreement or the Sublease; (ii) Cytokinetics Personnel shall not enter any portion of the Master Premises other than the Licensed Premises; (iii) Portola shall have priority access to, and use of, the Lab Space, and Cytokinetics shall have access to the Lab Space on an “as available” basis, *provided that* Portola shall use reasonable efforts to accommodate Cytokinetics’ need for such Lab Space; (iv) Cytokinetics has no right, title or interest in or to any of the Licensed Premises other than as expressly set forth herein and that the license hereby granted does not grant an estate in the Licensed Premises; (v) Cytokinetics shall not allow more than [***] ([***)] Cytokinetics Personnel in the Licensed Premises at any single time; and (vi) Cytokinetics shall allow only Cytokinetics Personnel into the Licensed Premises and shall not allow any invitees into the Licensed Premises without prior notice to Portola.”

11. Amendment of Section 3(c). Section 3(c) of the Agreement is hereby replaced with the following:

“Cytokinetics may only use the Lab Space with Portola’s prior verbal or written permission. Cytokinetics agrees that the use of the Licensed Premises by Cytokinetics Personnel shall not interfere with Portola’s use of the Master Premises (other than reasonable interference caused by Cytokinetics’ use of the balance of the Licensed Premises in accordance with this Agreement) or any other tenant’s use of the Master Premises (other than reasonable interference caused by Cytokinetics’ use of the balance of the Licensed Premises in accordance with this Agreement).”

12. Amendment to Section 3(e). Section 3(e) of the Agreement is hereby replaced with the following:

“During the term of this Agreement, Cytokinetics shall not make any alterations or improvements to the Licensed Premises or the Master Premises without the prior written consent of Portola, which consent may be withheld in Portola’s sole and absolute discretion.”

13. Amendment of Section 4(a). Section 4(a) of the Agreement is hereby replaced with the following:

“(a) Fees.

(i) In consideration of the services provided by Portola under this Agreement, and beginning as of the Second Amendment Effective Date, Cytokinetics shall pay to Portola, an amount equal to the sum of the following: (1) the Infrastructure Fee (as defined below); (2) the [***] Study Fees (as defined below); (3) the Direct Cytokinetics Costs; and (4) the Replacement [***] Purchases. Notwithstanding the foregoing, in the event Portola does not maintain throughout any given month a [***] of at least [***] ([***)] [***] for use on behalf of Cytokinetics in connection with this Agreement, then the Infrastructure Fee for such month shall be reduced by [***] dollars (\$[***]).

(1) The “**Infrastructure Fee**” to be charged to Cytokinetics is [***] dollars (\$[***]) per month (subject to reduction as described in Section 4(a)(i) above) and covers all costs for services provided by Portola in such month relating to [***], [***] and related support and maintenance (including maintenance of a [***] of [***] to [***] ([***]-[***]) [***] for use on behalf of Cytokinetics), equipment for the conduct of studies (including [***] and [***] equipment), access and use by Cytokinetics Personnel of Portola’s [***] in the Master Premises, participation of [***] and [***] in a minimum of [***] ([***)] meetings per month with Cytokinetics Personnel and their

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consultation to Cytokinetics, and participation of [***] and [***] in the design of the CK [***] and setting up Cytokinetics' [***] program (as described in Paragraph 1 of this Second Amendment).

(ii) In the event that the Parties agree to conduct any [***] studies or perform any related tasks in accordance with the Research Plan, then Portola shall propose a flat fee (an "[***] Study Fee") for such [***] study or task based upon the protocol provided by Cytokinetics. If the proposed [***] Study Fee is acceptable to Cytokinetics, the Parties shall agree to such fee in writing, and Portola shall thereafter be obligated to perform such study in accordance with the protocol therefor. Solely for planning purposes, the following non-binding estimates of [***] Study Fees for certain types of [***] studies, including the [***] Study Fee, the [***] Study Fee, the [***] Study Fee, the [***] Study Fee, the [***] Study Fee and the [***] Study Fee, are set forth below.

(1) The "[***] Study Fee" to be charged to Cytokinetics for each study [***] conducted by Portola pursuant to this Agreement is approximately [***] dollars (\$[***]), and covers all costs for the conduct of such study by Portola, including support of [***] and [***] analyses.

(2) The "[***] Study Fee" to be charged to Cytokinetics for each [***] study with [***] conducted by Portola pursuant to this Agreement is approximately [***] dollars (\$[***]), and covers all costs for the conduct of such study by Portola, including support of [***] and [***] analyses.

(3) The "[***] Study Fee" to be charged to Cytokinetics for each [***] study [***] conducted by Portola pursuant to this Agreement is approximately [***] dollars (\$[***]), and covers all costs for the conduct of such study by Portola, including support of [***] and [***] analyses.

(4) The "[***] Study Fee" to be charged to Cytokinetics for each [***] study [***] conducted by Portola pursuant to this Agreement is approximately [***] dollars (\$[***]), and covers all costs for the conduct of such study by Portola, including support of [***] and [***] analyses.

(5) The "[***] Study Fee" to be charged to Cytokinetics for each study involving [***] and [***] conducted by Portola pursuant to this Agreement is approximately [***] dollars (\$[***]), and covers the costs for the conduct of such study by Portola, including support of [***] and [***] analyses.

(6) The "[***] Study Fee" to be charged to Cytokinetics for each [***] study [***] conducted by Portola pursuant to this Agreement is approximately [***] dollars (\$[***]), and covers the costs for the conduct of such study by Portola, including support of [***] and [***] analyses.

(iii) Notwithstanding anything herein to the contrary, Portola shall not charge Cytokinetics more than once for any given cost and no cost shall be included in more than one of the following: Infrastructure Fee, the Direct Cytokinetics Costs, and the [***] Study Fees.

(iv) Following each month of the Term beginning after the Second Amendment Effective Date, Portola shall provide Cytokinetics a detailed invoice for: (1) the Infrastructure Fee for such month; (2) the Direct Cytokinetics Costs incurred by Portola for such month; (3) the Replacement [***] Purchases for such month; and (4) the [***] Study Fees for the

*** Confidential treatment request pursuant to a request for confidential treatment filed with the Securities and Exchange Commission. Omitted portions have been filed separately with the Commission.

[***] studies completed in such month. Cytokinetics shall pay to Portola the amounts set forth in each such invoice as provided to Cytokinetics on a monthly basis within thirty (30) days of its receipt thereof or the end of the month in which Cytokinetics receives such invoice, whichever is later. Cytokinetics shall have the right, at its expense, exercisable upon reasonable prior written notice to Portola, once per calendar quarter during the Term and once after the Term, to inspect at Portola's office during normal business hours Portola's records as they relate to the amounts payable by Cytokinetics under this Agreement. Portola shall refund to Cytokinetics any overpayment identified by such inspection within thirty (30) days of request by Cytokinetics. The amounts payable to Portola under this Section 4(a) shall be payable, without demand (other than the invoice described in this Section 4(a)) or offset, in lawful money of the United States. If this Agreement terminates or expires on any date which is not the first day of a calendar month, the amounts payable to Portola under this Section 4(a) for such month shall be prorated based on the number of days in the applicable calendar month.

14. Amendment of Section 9(b). Section 9(b) of the Agreement is hereby replaced with the following:

“Condition of Personal Property. Except as expressly set forth herein, Cytokinetics accepts the Personal Property in its AS-IS condition, and Cytokinetics acknowledges and agrees that Portola has made no representation or warranty of any kind, express or implied, with respect to the design, operation or condition of the Personal Property or any part thereof, or its fitness for a particular purpose. Cytokinetics shall take no action that causes any existing warranty covering all or any portion of the Personal Property to be invalidated (other than properly using the Personal Property as permitted under this Agreement), and Cytokinetics agrees to use the Personal Property in a manner so as not to damage the Personal Property throughout the Term hereof (subject to wear and tear from use authorized herein). Cytokinetics expressly acknowledges and agrees that Portola shall have priority access to, and use of the Personal Property, and Cytokinetics shall have access to the Personal Property on an “as available” basis, *provided that* Portola shall use reasonable efforts to accommodate Cytokinetics’ need to use such Personal Property and Cytokinetics shall have the right to use the Personal Property specifically designated for use by Cytokinetics at all times and Cytokinetics shall have the right to use the Personal Property located in the Lab Space as part of Cytokinetics’ use of the Lab Space as described in Section 3(a) above. Upon the expiration or earlier termination of this Agreement, the Personal Property shall be surrendered to Portola in its then, as-is condition, damage caused by Cytokinetics excepted. The Personal Property shall remain the property of Portola, and Cytokinetics shall have no right, title or interest therein except the right to use set forth in Section 2(a).”

15. Amendment of Section 9(c). Section 9(c) of the Agreement is hereby replaced with the following:

“Cytokinetics shall not damage the Licensed Premises. Except as set forth in the immediately preceding sentence, Portola shall be solely responsible for maintaining the Licensed Premises, the Personal Property, and the building systems servicing the Licensed Premises, in good, clean condition and in compliance with all laws, including making or causing the Landlord to make all necessary repairs and replacements.”

16. Amendment of Section 13. Section 13 of the Agreement is hereby replaced with the following:

“Term. The term of this Agreement shall begin on the Effective Date and end on December 31, 2006 (the “Term”).”

17. Amendment to Section 14(f)(iii). Section 14(f)(iii) of the Agreement is hereby replaced with the following:

“Survival. The terms and provisions of the following Articles and Sections shall survive any expiration or termination of this Agreement: Articles 1, 2, 5, 7, 12 and 15; and Sections 4(d)

*** Confidential treatment request pursuant to a request for confidential treatment filed with the Securities and Exchange Commission. Omitted portions have been filed separately with the Commission.

(for the period set forth therein), 6(b)-6(g), 8(b) (solely with respect to the claims arising during the Term), 9(b) and 14(f).”

- 18. Amendment of Exhibit D. **Exhibit D** to the Agreement and all references thereto in the Agreement are hereby deleted.
- 19. Amendment of Exhibit E. **Exhibit E** to the Agreement shall be replaced by **Exhibit E-1** set forth in Schedule A to this Second Amendment.
- 20. Effectiveness. This Second Amendment shall be effective upon the Second Amendment Effective Date, subject to the signing by both Parties.
- 21. Miscellaneous.

(a) Entire Agreement. The Agreement, as modified by, and together with, this Second Amendment, is the entire agreement between the Parties with respect to the subject matter of the Agreement. Except as specifically set forth in this Second Amendment, the relationship between the parties with respect to the subject matter of the Agreement continues to be governed by the terms of the Agreement, the provisions of which remain in full force and effect. In the event of a conflict between the terms of the Agreement and the terms of this Second Amendment, the terms of this Second Amendment control. This Second Amendment is not intended to confer any rights or remedies hereunder upon any person other than the Parties.

(b) Counterparts. This Second Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, this Second Amendment has been executed by the Parties hereto to be effective as of the Second Amendment Effective Date.

PORTOLA PHARMACEUTICALS, INC.

CYTOKINETICS, INC.

By: /s/ Charles Homcy

By: /s/ Robert I. Blum

Name: Charles Homcy

Name: Robert I. Blum

Title: CEO

Title: President

Date: 3/17/06

Date: 3/16/06

SCHEDULE A TO SECOND AMENDMENT

Exhibit E-1

Research Plan

1. Portola will conduct [***] activities for Cytokinetics in support of [***] studies for the Cytokinetics Research and Development Programs [***] (as determined by the Research Committee): [***], [***] and [***]. Study [***] will be [***] using [***], [***], [***] or [***] of [***] and [***] will be obtained and provided to Cytokinetics for further analysis.
2. Portola and Cytokinetics will work collaboratively on [***], [***] and [***] associated with studies conducted by Portola Personnel under the Cytokinetics Research and Development Programs.
3. Cytokinetics and Portola will work together to conduct collaborative studies related to the Cytokinetics Research and Development Programs and in line with Portola's expertise. These studies may include:
 - a. [***] and [***] studies using [***] and [***].
 - b. [***] studies with [***] to be provided to Portola by Cytokinetics or Cytokinetics' designee.
 - c. [***] studies.
 - d. [***] studies [***].
 - e. [***] and [***].
 - f. [***] studies.
 - g. General [***], [***] and/or [***] as required and deemed appropriate by the Research Committee.

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