



## Legal Policy 160.102 Related Party Transactions

Effective Date: 12/1/2009

### ***I. Purpose***

The intent of this Policy is to document the Company's definition of a related party and a related party transaction as well as the guidelines related to reviewing and reporting related party transactions.

### ***II. Scope***

This Policy applies to all Officers and Board of Directors ("Directors") of GTx, Inc.

### ***III. Policy Statements***

#### **A. Definitions**

- 1) A "Related Party" is (i) a person who is an immediate family member of an officer or director or a spouse of an officer or director or someone else who is related by blood to either an officer or director or spouse of an officer or director; or (ii) an entity which is owned or controlled by an officer or director or a spouse or other immediate family member of an officer or director or an entity in which an officer or director, any spouse of an officer or director or any other immediate family of an officer or director or spouse of an officer or director is deemed to have a substantial ownership interest or control of such entity by virtue of such person owning more than 20% of such entity. Additionally, a "Related Party" may be a person or entity that proposes to enter into a transaction with the Company if the Audit Committee of the Board of Directors ("Committee") finds that such transaction would violate Item 404 of Regulation S-K.
- 2) A "related party transaction" is a transaction between the Company and (i) any person who is an officer or director of the Company or (ii) any person or entity that is a Related Party to a person who is an officer or director of the Company. For purposes of this policy, Officers shall be defined as "executive officers" under applicable SEC guidelines.

#### **B. General**

It is the policy of GTx to prohibit all related party transactions with the Company unless the Audit Committee ("Committee") shall determine in advance of the Company entering into any such transaction that there is a compelling business reason to enter into such a transaction, in accordance with the guidelines set forth below.

#### **C. Guidelines for Reviewing Related Party Transactions**

There is a general presumption that a related party transaction with the Company will not be approved by the Committee. However, the Committee may approve a related party transaction if:

- 1) The Committee finds that there is a compelling business reason to approve the transaction, taking into account such factors as the absence of other unrelated parties to perform similar work for a similar price within a similar timeframe; and

- 2) The Committee finds that it has been fully apprised of all significant conflicts that may exist or otherwise arise on account of the transaction, and it believes, nonetheless, that the Corporation is warranted entering into the related party transaction and has developed an appropriate plan to manage the potential conflicts of interest.

**D. Employment Exception to Guidelines**

Notwithstanding the Guidelines set forth in Section C above, Management is authorized by the Committee to employ persons who are Related Parties of a Director or Officer, without obtaining the Committee's prior approval, as long as:

- 1) Such person is not being employed in a management, key scientific or sensitive control function, and
- 2) The annual salary of such person does not exceed \$50,000.

Any person employed under this Section D. shall be reported to the Committee at the next regularly scheduled meeting. For purposes hereof a "sensitive control function" shall be a function whereby sensitive financial and/or employment data would be made available to such persons.

**E. Notification**

The General Counsel of the Company shall be responsible for:

- 1) Ensuring that this specific policy is distributed to all Officers and Directors and other managers of the Company, and
- 2) Requiring that any proposed related party transaction be presented to the Committee for consideration before the Company enters into any such transactions.

**IV. Related Documents / Information**

None.

**V. Policy Owner**

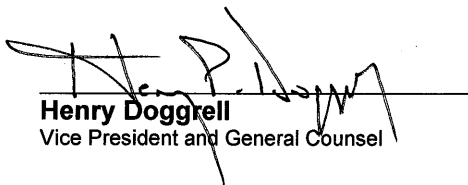
Henry Doggrell, General Counsel, Ext. 135, hdoggrell@gtxinc.com

**VI. Revision History**

Revision #	Date Revised	Summary of Change
Revision 1	9/6/2011	Format only

**VII. Approval**

The signature below indicates that this Policy has been approved by the Audit Committee as of the approval date set forth below.

  
**Henry Doggrell**  
 Vice President and General Counsel

Sept. 6, 2011  
 Date

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