

SPONSORED RESEARCH AGREEMENT

This Agreement entered into on this ____ day of ____, 20____ ("Effective Date"), by and between Oklahoma State University, an institute of higher education of the State of Oklahoma, hereinafter referred to as "**University**," and ____, a corporation duly organized under the laws of the State of ____ and having a principal place of business at ____, hereinafter referred to as "**Sponsor**."

RECITALS

WHEREAS, Sponsor desires to retain University to perform certain research concerning "Title of Proposal/Work"; and

WHEREAS, University, in furtherance of its educational objectives, desires to undertake the performance of the said research under the terms and conditions hereinafter set forth.

TERMS

In consideration of the mutual promises and conditions herein contained, the parties agree as follows:

1.0 DEFINITIONS

As used herein, the following terms shall have the following meanings:

1.01 "Project" shall mean the Project as described in the Statement of Work, marked as "Exhibit A," which is incorporated into this Agreement.

1.02 "Agreement Period" is ____ through ____ unless sooner terminated as provided herein.

2.0 SCOPE OF RESEARCH WORK

2.01 University shall commence the performance of the Project promptly after the Effective Date, and shall use reasonable efforts to perform the Project substantially in accordance with the terms and conditions of this Agreement. Anything in this Agreement to the contrary notwithstanding, Sponsor and University may at any time amend the Project by mutual written Agreement.

- 2.02 The Project will be under the direction of _____ as Principal Investigator for the Project and others (e.g., technicians, graduate students, post-doctoral fellows or faculty members) as assigned by the Principal Investigator.
- 2.03 In the event that the Principal Investigator becomes unable or unwilling to continue the Project or leaves the employment of the University, a mutually acceptable substitute will be selected. In the event a mutually acceptable substitute is not available, University and/or Sponsor shall have the option to terminate the Project.

3.0 DELIVERABLES

- 3.01 University, through the Principal Investigator, will submit to Sponsor the deliverables as defined in the Statement of Work.

4.0 COSTS, BILLINGS, OTHER SUPPORT AND OBLIGATIONS

- 4.01 Sponsor agrees to pay to the University _____ for the services, reports, and other items to be delivered hereunder to Sponsor.
- 4.02 University shall invoice Sponsor monthly and payment in full is due thirty (30) days from date of invoice (due date). Payment shall be made by Sponsor to University at the following address:

**OSU Grants
P.O. Box 248957
Oklahoma City, OK 73124-8957**

- 4.03 Sponsor agrees that any amounts remaining unpaid after the due date will accrue interest on a daily basis at the rate charged on unpaid account balances by the Oklahoma State University Bursar's Office. The current rate is 1.5% per month on any unpaid balance until paid in full or an Annual Percentage Rate (APR) of 19.56% when computed from the due date.
- 4.04 University shall retain title to any equipment purchased by Sponsor for the Project or purchased with funds provided by Sponsor under this Agreement.
- 4.05 Notwithstanding anything to the contrary, in the event of early termination of this Agreement pursuant to Section 10.01 hereof, Sponsor shall pay all costs accrued by the University to date of termination, including any non-cancelable obligations.

5.0 PUBLICITY

5.01 Neither party will use the name of the other party, nor of any member of the other party's Project staff, in any publicity, advertising, or news release without prior written approval of the other party. The parties agree that the required approvals set forth herein will not be unreasonably withheld.

6.0 PUBLICATIONS

6.01 Sponsor recognizes that under University policy, the results of University projects must be publishable and agrees that researchers engaged in the Project will be permitted to present at symposia, national, or regional professional meetings, and to publish in journals, theses or dissertations, or otherwise of their own choosing, methods and results of the Project, provided, however, that Sponsor shall have been furnished copies of any proposed publication or presentation at least thirty (30) calendar days in advance of the submission of such proposed publication or presentation to a journal, editor, or other third party.

6.02 Sponsor shall have thirty (30) calendar days after receipt of said copies to object, in writing, to such proposed presentation or proposed publication because there is patentable subject matter which needs protection. In the event that Sponsor makes such objection, said researcher shall refrain from making such publication or presentation for a maximum of ninety (90) days from date of receipt of such objection in order for University to file patent application(s) with the United States Patent and Trademark Office and/or foreign patent office(s) directed to the patentable subject matter contained in the proposed publication or presentation.

7.0 INTELLECTUAL PROPERTY

7.01 "Intellectual Property" shall mean, individually and collectively, all inventions, improvements, discoveries, data, software, developments, and other creative works (whether or not patentable), including without limitation any patent, trademark, copyright, mask work right, or other property right pertaining to same.

7.02 "Project Intellectual Property" shall mean Intellectual Property which is first made, conceived or generated in the course of work under the Project.

7.03 "Background Intellectual Property" shall mean a party's pre-existing Intellectual Property that is described on "Exhibit B," which would be useful or necessary for work under the Project or to the practice or commercialization of the results of the Project.

7.04 The Project is an original investigation for the advancement of scientific knowledge not having a specific commercial objective, and the University shall own all right, title, and interest in and to

- Project Intellectual Property made (a) solely by one or more employees of University, or (b) jointly by one or more employees of University and by one or more employees of Sponsor (“University Intellectual Property”).
- 7.05 Sponsor shall own all right, title, and interest in Project Intellectual Property made solely by employees or agents of Sponsor.
- 7.06 The parties acknowledge and agree that Sponsor will not conduct any work under the Project on University premises or with the use of University property.
- 7.07 Each party agrees to execute appropriate documents upon the request of the other party for the purpose of evidencing and effectuating their respective ownership interests in Project Intellectual Property.
- 7.08 Neither party shall acquire any ownership interest in the other party’s Background Intellectual Property as a result of the execution or performance of this Agreement. Upon the written request of Sponsor and subject to the rights of third parties, University agrees to negotiate a non-exclusive, royalty-bearing license to Sponsor under any Background Intellectual Property of University that is essential to the practice or commercialization of University Intellectual Property licensed to Sponsor pursuant to the provisions of this Section. The sole purpose and function of any such license under University’s Background Intellectual Property shall be to enable Sponsor to commercialize licensed University Intellectual Property.
- 7.09 University will notify Sponsor of University Intellectual Property within thirty (30) days after a written disclosure of such intellectual property is received by University’s Technology Development Center. University Intellectual Property covered by each such notice to Sponsor shall be deemed “Optioned IP”.
- 7.10 University hereby grants to Sponsor an option to negotiate with University for a royalty-bearing exclusive license under the Optioned IP on commercially reasonable, competitive terms (“Option”). The period during which Sponsor may exercise the Option as to any particular Optioned IP (“Option Period”) shall commence on the date Sponsor is notified of such Optioned IP and shall terminate on the first-to-occur of the following: (a) the expiration of ninety (90) days from the date Sponsor is notified of such Optioned IP; (b) termination of this Agreement by University due to breach or default on the part of Sponsor; (c) termination of this Agreement by Sponsor for any reason other than breach or default on the part of University; or (d) proper exercise of the Option by Sponsor.
- 7.11 Sponsor may exercise its Option only by giving written notice thereof to University’s Technology Development Center during the Option Period applicable to the Optioned IP that is the subject of such notice. Such notice (a) shall be addressed to the Technology Development Center as provided in Section 21.03; (b) shall state specifically that the Sponsor is exercising its Option; and (c) shall identify the Optioned IP to which the notice applies. Notwithstanding any other

provision of this Agreement, Sponsor shall have no right to exercise the Option at any time when Sponsor is in default or breach of any of its obligations under this Agreement.

- 7.12 During the Option Period and the Negotiation Period (as defined in Section 7.12), if any, University and Sponsor will confer concerning the proper protection for the relevant Optioned IP. All applications for patent or other intellectual property protection on such Optioned IP shall be in the University's name, and University shall have the right to make all decisions regarding the scope and content thereof.
- A. Upon written request by Sponsor during the Option Period and the Negotiation Period, if any, University shall promptly prepare, file, and prosecute application(s) for patent or other intellectual property protection on the relevant Optioned IP. Such application(s) shall be filed in the United States and any other jurisdiction(s) specified in Sponsor's written request. Sponsor shall reimburse University for all out-of-pocket expenses incurred in the filing, prosecution, and maintenance of such application(s), with payment to be made by Sponsor within thirty (30) days after receipt of each invoice from University.
 - B. University may in its sole discretion seek patent or any other intellectual property protection on Optioned IP in any jurisdiction at any time, whether or not Sponsor requests University to do so. If Sponsor exercises its Option on such Optioned IP, Sponsor shall reimburse University for out-of-pocket expenses incurred by University during the Option Period and the Negotiation Period, if any, in the filing, prosecution, and maintenance of application(s) for intellectual property protection on such Optioned IP, with payment to be made by Sponsor within thirty (30) days after receipt of each invoice from University.
 - C. During the Option Period and the Negotiation Period, if any, for any particular Optioned IP, University shall keep Sponsor advised as to all developments with respect to application(s) for patent or other intellectual property protection on such Optioned IP and shall promptly supply Sponsor with copies of all documents filed with and received from any patent or other governmental office in connection with such application(s) in sufficient time for Sponsor to comment thereon. Sponsor agrees to cooperate in good faith with University in all such matters.
- 7.13 Upon Sponsor's proper exercise of the Option for any particular Optioned IP, University and Sponsor will negotiate in good faith in an effort to reach agreement on the terms of a license to such Optioned IP that are satisfactory to both parties, the negotiation period not to exceed six (6) months ("Negotiation Period").
- 7.14 As to any particular Optioned IP, upon the first-to-occur of (a) expiration of the Option Period with the Option unexercised or (b) expiration of the Negotiation Period without the execution of a license agreement covering such Optioned IP, or (c) execution of a license agreement covering such Optioned IP, University shall have no further obligation to Sponsor under this Agreement with regard to such Optioned IP.

7.15 In the absence of a license agreement between University and Sponsor covering Optioned IP, Sponsor agrees that it will not use such Optioned IP for any commercial or non-commercial purpose.

7.16 Notwithstanding any provision of this Agreement or of any license agreement between the parties to the contrary, University and its researchers shall retain a royalty-free, non-exclusive, non-commercial license to use Optioned IP for educational and research purposes.

8.0 GOVERNMENT RIGHTS

8.01 The parties acknowledge that any rights in inventions or discoveries granted by or to a party under this Agreement shall be subject to any rights held by the United States government, if applicable. Such rights, if any, would include a non-exclusive, nontransferable paid up license to practice or have practiced subject invention(s) (as defined in 37 CFR § 401) for or on behalf of the United States throughout the world.

9.0 CONFIDENTIAL INFORMATION

9.01 The University and Sponsor recognize that the conduct of a research program may require the transfer of proprietary information between the parties. Accordingly, it is agreed that the acceptance by either of them of the other's proprietary information shall be subject to the following:

- A. The term "Confidential Information", in the case of documentary information, shall include any documentary information which is clearly marked as proprietary (or confidential) at the time when it is disclosed to the receiving party. "Confidential Information" that is originally orally disclosed shall include only that information which is identified as being proprietary or confidential by written communication sent within thirty (30) days after it is disclosed to the receiving party.
- B. The subject matter of the Confidential Information is to be limited to that which is relative to the Project.
- C. The receiving party will not publish or otherwise reveal to any third party the Confidential Information (properly designated) of the disclosing party without the disclosing party's written permission, unless the information, as evidenced by appropriate documentation:
 - (1) is already lawfully in the receiving party's possession at the time of receipt from the disclosing party;
 - (2) is or later becomes public through no fault of the receiving party;
 - (3) is published by the University and/or its employee(s) in accordance with the provisions of Section 6 above;

- (4) is lawfully received from a third party having no obligation of confidentiality to the disclosing party either directly or indirectly;
- (5) has been in the possession of the receiving party for five (5) years or longer; or
- (6) is required by law to be disclosed.

10.0 TERM AND TERMINATION

- 10.01 This Agreement shall become effective upon the Effective Date and shall continue in effect for the full duration of the Agreement Period unless sooner terminated in accordance with the provisions of this Section. The parties hereto may, however, extend the term of this Agreement for additional periods as desired under mutually agreeable terms and conditions which the parties reduce to writing and sign. Either party may terminate this Agreement upon ninety (90) days written notice to the other.
- 10.02 In the event that either party shall commit any breach of or default of any of the terms or conditions of this Agreement, and also shall fail to remedy such default or breach within ninety (90) days after receipt of written notice thereof from the other party hereto, the party giving notice may, at its option and in addition to any other remedies which it may have at law or in equity, terminate this Agreement by sending notice of termination in writing to the other party to such effect, and such termination shall be effective as of the date of the receipt of such notice.
- 10.03 Termination of this Agreement by either party for any reason shall not affect the rights and obligations of the parties accrued prior to the effective date of termination of this Agreement. No termination of this Agreement, however effectuated, shall affect the parties' rights and duties or release the parties hereto from their obligations under Sections 4, 5, 6, 7, 8, 9, 10, 13, and 14.

11.0 INDEPENDENT CONTRACTOR

- 11.01 In the performance of all services hereunder:
 - A. In making and performing this Agreement, University and Sponsor act and shall act at all times as independent contractors and nothing contained in this Agreement shall be construed or implied to create an agency, partnership, joint venture, or employer and employee relationship between University and Sponsor.
 - B. Neither party is authorized or empowered to act as agent for the other for any purpose and shall not on behalf of the other enter into any contract, warranty, or representation as to any matter. Neither shall be bound by the acts or conduct of the other.

12.0 LIABILITY AND RISK

- 12.01 University represents that it has statutorily prescribed liability insurance coverage for the negligent acts of its officers, employees, and agents while acting within the scope of their employment by University, and University has no liability insurance policy as such that can extend protection to any other person, including Sponsor.
- 12.02 Subject to the provisions of the Oklahoma Governmental Tort Claims Act, including its limits of liability and exclusions therefrom, University assumes any and all risks of personal injury and property damage attributable to the negligent acts or omission of the University, its officers, employees and agents thereof.
- 12.03 Sponsor hereby assumes any and all risks of personal injury and property damage attributable to the negligent acts or omissions of Sponsor, its officers, employees, and agents thereof.
- 12.04 Sponsor agrees to indemnify and hold harmless University and its governing Board, officers, agents, and employees from any liability, loss, or damage they may suffer as the result of claims, demands, costs, or judgments against them arising out of the activities to be carried out pursuant to this Agreement.

13.0 DISCLAIMER OF WARRANTIES

13.01 UNIVERSITY EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED OR EXPRESS WARRANTIES AND MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSES OF THE TECHNOLOGY OR THE PROCESS, PRODUCTS, OR SYSTEMS CONTEMPLATED BY THIS AGREEMENT.

- 13.02 Sponsor agrees to indemnify and hold University, its governing Board, officers, agents, and employees harmless against any and all claims for loss, damage, or injuries in connection with or arising out of (1) use by Sponsor, its directors, employees, contractors, subcontractors, or agents or by third parties of the system, processes, or products contemplated by the Project or (2) the design, manufacture, distribution, or use of any of the systems, processes, or other products developed in connection with or arising out of the Project. Such indemnity shall include all costs and expenses, including attorneys' fees and any costs of settlement.

14.0 EXPORT CONTROLS

- 14.01 Sponsor agrees that it shall comply with any and all applicable export control laws of the United States of America, including those that may relate to the export of technical data and equipment, such as International Traffic in Arms Regulations ("ITAR") and/or Export Administration Action/Regulations ("EAR"), as amended. Because University is an institution of

higher education, University intends to conduct the Project as fundamental research under the export regulations, such that the results generated by University qualify as “public domain” under ITAR or “publicly available” under EAR. Sponsor agrees that it will not disclose export-controlled information to University (except that which is categorized as EAR 99) unless and until such disclosure has been approved in writing by University’s Export Control Officer. In the event Sponsor inadvertently discloses export-controlled information in violation of this provision, any Project deadlines applicable to University will be adjusted based on the amount of time it takes to address such disclosure.

15.0 GOVERNING LAW

15.01 This Agreement shall be governed and construed in accordance with the laws of the State of Oklahoma, notwithstanding any conflict of law provision to the contrary. The forum for any proceeding or suit in law or equity arising from or incident to this Agreement shall be located in the State of Oklahoma.

16.0 SOVEREIGN IMMUNITY

16.01 University does not waive its sovereign immunity by entering into this Agreement and specifically retains all immunities and defenses available to it as a sovereign pursuant all applicable law. Designations of venue, choice of law, enforcement actions, and similar provisions should not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Agreement shall not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity shall be construed in favor of sovereign immunity.

17.0 ASSIGNMENT

17.01 This Agreement shall not be assigned by either party without the prior written consent of the other.

18.0 AGREEMENT MODIFICATION

18.01 Any agreement to change the terms of this Agreement in any way shall be valid only if the change is made in writing and approved by mutual agreement of authorized representatives of the parties hereto.

19.0 ATTORNEYS' FEES

19.01 In the event that either party commences an action in law or equity to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its costs, including reasonable attorneys' fees, reasonable costs of experts, and other costs incurred in that action or proceeding, as allowed by law, in addition to any other relief to which said party may be entitled.

20.0 SCOPE OF AGREEMENT

20.01 This Agreement embodies the entire Agreement and understanding of the parties with respect to the subject matter of this Agreement and all transactions contemplated therein and supersedes all other prior commitments, arrangements, understandings, or Agreements, both oral and written, between the parties with respect thereto. No representations were made or relied upon by either party, other than those that are expressly set forth herein.

21.0 NOTICES

21.01 Legal notices and communications hereunder, except those regarding intellectual property matters under Section 7 or export control matters under Section 14.01, shall be deemed made if given by registered or certified United States mail, postage prepaid and return receipt requested, and addressed to the party to receive such notice at the address given below, or such other address as may hereafter be designated by notice in writing.

If to Sponsor:

Phone:

Fax:

Email:

If to University: Kenneth W. Sewell

Vice President for Research

Oklahoma State University

203 Whitehurst Hall

Stillwater, OK 74078

Phone: 405-744-6501

Fax: 405-744-6244

Email: research@okstate.edu

21.02 Other communications, reports, inquiries regarding contractual or other general administrative matters or technical matters except intellectual property matters under Section 7 and export control matters under Section 14.01, should be made to the attention of:

If to Sponsor: _____

Phone: _____
Fax: _____
Email: _____

If to University: "College Research Office"

Phone: _____
Fax: _____
Email: _____

21.03 Notices and other communications regarding intellectual property matters under Section 7 and export control matters under Section 14.01 shall be addressed as set out below and shall be given by U.S. Postal Service registered or certified mail as set out in Section 21.01 or by facsimile or email. If notice or other communication is sent by facsimile or email, it shall be deemed given and received upon the date the recipient acknowledges receipt in writing, whether by email or otherwise. Each party may provide up to three (3) email addresses for purposes of receiving notice.

If to Sponsor: _____

Phone: _____
Fax: _____
Email: _____

If to OSU: Technology Development Center
Attention: Director
Oklahoma State University
1201 S. Innovation Way Drive, Suite 210
Stillwater, OK 74074
Fax: 405-744-6451
Email: TDC@okstate.edu

IN WITNESSETH WHEREOF, the authorized representatives of the parties hereto have executed in duplicate this Agreement as of the day and year first above written.

SPONSOR: _____
By: _____
Printed Name: _____
Title: _____
Date: _____

OKLAHOMA STATE UNIVERSITY
By: _____
Printed Name: Kenneth W. Sewell
Title: Vice President for Research
Date: _____

PRINCIPAL INVESTIGATOR'S ACKNOWLEDGEMENT:

I have read this Agreement and agree to perform my obligations as Principal Investigator(s) under this Agreement. I also understand and agree to the disposition of rights in inventions, discoveries, and other results as provided by this Agreement. I will inform students and other participants working on this research of the terms and conditions of the Agreement, especially with regard to inventions, discoveries, and publications.

By: _____
Printed Name: _____
Title: _____

EXHIBIT A

Statement of Work

EXHIBIT B

Background Intellectual Property

"Background Intellectual Property" shall mean a party's pre-existing Intellectual Property that is described on "Exhibit B," which would be useful or necessary for work under the Project or to the practice or commercialization of the results of the Project.

University: (if none, state none)

Sponsor: (if none, state none)