	<b>TECHNOLOGICAL UNIVERSITY OF THE PHILIPPINES</b> Ayala Blvd., Ermita, Manila, 1000, Philippines Tel No. +632-301-3001 local 409  Fax No. +632-521-4063 Email: ues@tup.edu.ph   Website: www.tup.edu.ph	Index No.	F- UES-4.2-OPA
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This Agreement is made effective as of the date of the last signature to this Agreement by and between:

**TECHNOLOGICAL UNIVERSITY OF THE PHILIPPINES**, a state university existing and operating under Presidential Decree No. 1518, with principal campus at Ayala Boulevard, Ermita Manila, represented herein by its Dean, <NAME>, hereinafter referred to as the “**UNIVERSITY**”;

<NAME OF COMPANY>, a sole proprietorship owned and operated by <NAME> with address at <Address>, hereinafter referred to as the “**PROPRIETOR**”.

**WHEREAS**, UNIVERSITY has the authority to license inventions that are described in the “Option Technology” defined below, and UNIVERSITY desires to have the inventions of the Option Technology utilized in the public interest;

**WHEREAS**, the Proprietor intends to evaluate the Option Technology to determine whether it will acquire a license from UNIVERSITY under the inventions of the Option Technology; and

**WHEREAS**, the UNIVERSITY is willing and hereby offers to grant an option through the Option Agreement, and the **PROPRIETOR** hereby manifests its desire for such an option. In consideration of the mutual covenants and agreements set forth below, the parties covenant and agree as follows:

Section 1. Definitions

- A. “Option Technology” shall refer to and mean the intellectual property titled <“**PROJECT TITLE**”>, (“Technology”), process, procedures and documentation related thereto, and the intellectual property rights therein, all of which University desires to have utilized in the public interest.
- B. “Coordinator” shall refer to the contact person of the UNIVERSITY in the technology under this option agreement.

<NAME>

Director, University Extension Office  
Technological University of the Phils.

<NAME>


<Project Title>

**PROPONENTS:**

<NAMES>

- C. “Option Field” shall be limited to the immediate user of the technology from the UNIVERSITY.
- D. “Option Territory” shall be only in the <**COMPANY NAME**>.
- E. “Option Period” shall mean the period commencing on the effective date of this Agreement and ending three (3) months thereafter.

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F. “Products” shall refer to and mean any and all products that employ or are in any way produced by the practice of the Option Technology or that would otherwise constitute infringement of any intellectual property rights in the Option Technology.

G. “Trademarks” mean the name of the UNIVERSITY, any registration of such mark, all common law rights in such mark, and the goodwill associated therewith.

Section 2. Grant.

A. Option to a License.

UNIVERSITY hereby grants to the Proprietor an option to obtain a license under the Option Technology to utilize the technology in the Option Field and the Option Territory.

B. Standstill.

UNIVERSITY hereby agrees that during the Option Period it will not grant to any other third party any license under the Option Technology to make, use and sell Products in the Option Territory and the Option Field. After a period of three (3) months, the **PROPRIETOR** shall acquire the ownership of the prototype from the UNIVERSITY upon approval of the UNIVERSITY and through the execution of the “Option Agreement”.

C. Term and Exercise of Option.

(i) The option granted under Section 2A above shall terminate at the end of the Option Period. In order to exercise its option, the Proprietor must, prior to the end of the Option Period, both notify UNIVERSITY in writing that it is exercising its rights and provide to UNIVERSITY an acceptable development plan similar in scope to that outlined on Appendix A of this Agreement. The failure of the Proprietor to provide timely notice and an acceptable development plan shall be deemed a waiver of the Proprietor option.


(ii) The Proprietor agrees to notify UNIVERSITY promptly at any time during the Option Period if the Proprietor has determined not to exercise the option granted under this Agreement. The Proprietor agrees to provide UNIVERSITY, in reasonable detail, the basis for such determination with said notice. The option granted under this Agreement shall terminate upon the giving of such notice by the Proprietor.

(iii) Upon the expiration or termination of its option, the Proprietor shall have no residual rights or other rights in the Option Technology.

D. Negotiation and Terms of License.

(iv) Upon UNIVERSITY’s receipt of notice and a development plan reasonably acceptable to UNIVERSITY pursuant to Section 2C, UNIVERSITY and the Proprietor shall enter into good faith negotiations regarding the terms of a license agreement, said agreement to be entered into no later than three (3) months after the date the Proprietor exercises its option.

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(v) The terms of the license agreement shall contain reasonable commercial terms and shall be substantially the same in format as those generally used in UNIVERSITY's agreements with companies concerning similar technology.

Section 3. Consideration.

The **PROPRIETOR** shall pay UNIVERSITY an option in the sum of One Thousand Pesos (**PhP 1,000.00**) immediately upon effectivity of this Agreement".

Section 4. Certain Warranties of UNIVERSITY.

A. UNIVERSITY warrants that except as otherwise provided under Section 5 of this Agreement with respect to Philippine Government interests, it has the right to grant the option granted under this Agreement. However, nothing in this Agreement shall be construed as:

- (i) a warranty or representation by UNIVERSITY as to the validity or scope of any patents, copyrights, trademarks or trade secrets included in the Option Agreement;
- (ii) a warranty or representation that anything made, used, sold or otherwise disposed of under a license granted pursuant to this Agreement will or will not infringe intellectual property rights of third parties;
- (iii) an obligation to bring or prosecute actions or suits against third parties for infringement of any rights under the Option Technology;
- (iv) an obligation to furnish any know-how not provided in the Option Technology; or
- (v) a warranty or representation by UNIVERSITY that it will not grant, during the effectivity of this Agreement, licenses to other parties to make, use or sell products not included in the Option Technology that may be similar and/or compete with products made or sold by the "PROPRIETOR".

Section 5. Philippine Government Interests.


It is understood that if the Philippine Government (through any of its agencies or otherwise) has funded research, during the course of or under which any of the inventions include in the Option Technology were conceived or made, the Government is entitled, as a right, under the provisions of Revenue Sharing under Section IV of Chapter V of the RA 8293 which states that "Monetary revenues shall include but not limited to royalty payments, proceeds from sale of IP or technology, upfront technology transfer fees and dividends or sale from shares of stocks."

Section 6. Notices.

Any notice required to be given pursuant to the provisions of this Agreement shall be in writing and shall be deemed to have been given at the earlier of the time when actually received as a consequence of any effective method of delivery, including but not limited to hand delivery, transmission by fax machine, or delivery by a professional courier service or the time when sent by certified or registered mail addressed to the party for whom intended at the address below or at such changed address as the party shall have specified by written notice, provided that any notice of change of address shall be effective only upon actual receipt.

(a) **TECHNOLOGICAL UNIVERSITY OF THE PHILIPPINES**

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(b)     <COMPANY NAME>  
Attn: <NAME>  
Telephone:

Section 7.     Integration.

This Agreement constitutes the full understanding between the parties with reference to the subject matter hereof, and no statements or agreements by or between the parties, whether orally or in writing, except as provided for elsewhere in the Section 8 of this Agreement, made prior to or at the signing hereof, shall vary or modify the written terms of this Agreement. Neither party shall claim any amendment, modification, or release from any provisions of this Agreement by mutual agreement, acknowledgment, or otherwise, unless such mutual agreement is in writing, signed by the other party, and specifically states that it is an amendment to this Agreement.

Section 8.     Miscellaneous.


This Agreement may not be transferred or assigned by the Proprietor except with the prior written consent of UNIVERSITY. This Agreement shall be governed by and construed in all respects in accordance with the laws of the Republic of the Philippines. If any provisions of this Agreement are or shall come into conflict with the laws or regulations of any jurisdiction or any governmental entity having jurisdiction over the parties or this Agreement, those provisions shall be deemed automatically deleted, if such deletion is allowed by relevant law, and the remaining terms and conditions of this Agreement shall remain in full force and effect. If such a deletion is not so allowed or if such a deletion leaves terms thereby made clearly illogical or inappropriate in effect, the parties agree to substitute new terms as similar in effect to the present terms of this Agreement as may be allowed under the applicable laws and regulations. The parties hereto are independent contractors and not joint venturers or partners.

Section 9.     Confidentiality.

The parties hereto agree to keep any information identified as confidential by the disclosing party confidential using methods at least as stringent as each party uses to protect its own confidential information. "Confidential Information" shall include the Proprietor's development plan, the Option Technology and all information concerning it and any other information marked confidential or accompanied by correspondence indicating such information is confidential exchanged between the parties hereto prior to or during the Option Period. Except as may be authorized in advance in writing by UNIVERSITY, the Proprietor shall grant access to UNIVERSITY Confidential Information only to its own employees involved in research relating to the Option Technology and the Proprietor shall require such employees to be bound by this Agreement as well. The Proprietor agrees not to use any UNIVERSITY Confidential Information to its advantage and UNIVERSITY's detriment. Except as may be authorized in advance in writing by the Proprietor, UNIVERSITY shall grant access to the Proprietor's Confidential Information only to its own employees involved in this Option Agreement and UNIVERSITY shall require such employees to be bound by this Agreement as well. UNIVERSITY agrees not to use any of the Proprietor Confidential Information to its advantage and the Proprietor's detriment. The confidentiality and use obligations set forth above apply to all or any part of the Confidential Information disclosed hereunder except to the extent that:

- (i)     The PROPRIETOR or UNIVERSITY can show by written record that it possessed the information prior to its receipt from the other party;

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- (ii) the information was already available to the public or became so through no fault of the PROPRIETOR or UNIVERSITY;
- (iii) the information is subsequently disclosed to the PROPRIETOR or UNIVERSITY by a third party that has the right to disclose it free of any obligations of confidentiality; or
- (iv) three (3) months have elapsed from the expiration of this Agreement.

Section 10. Authority.

The persons signing on behalf of **UNIVERSITY** and the **PROPRIETOR** hereby warrant and represent that they have authority to execute this Agreement on behalf of the party for whom they have signed.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the dates indicated below.

**TUP – Representative**

<NAME> - **Dean, College of Engineering** Date: \_\_\_\_\_

<COMPANY NAME> - **Proprietor** Date: \_\_\_\_\_

<NAME>


**WITNESSES:**

**TECHNOLOGICAL UNIVERSITY OF THE PHILIPPINES**

<NAME> - **UESO Director** Date: \_\_\_\_\_

<COMPANY NAME>  
\_\_\_\_\_  
Date: \_\_\_\_\_

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REPUBLIC OF THE PHILIPPINES)  
CITY OF MANILA ) S.S.

BEFORE ME, a Notary Public for and in the City of Manila, personally appeared  
Name Tax Identification Number

< NAME> - TIN: \_\_\_\_\_

< NAME> - TIN: \_\_\_\_\_

Known to me and to me known to be the same persons who executed the foregoing instrument, and acknowledged to me that same are their free and voluntary act and deed.

This instrument consisting of six (6) pages including this page in which the acknowledgement is written with the parties together with their instrumental witnesses signing each and every page thereof.

WITNESS MY HAND AND OFFICIAL SEAL this \_\_\_\_\_ day of \_\_\_\_\_, 2018

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
SERIES of 2018

**NOTARY PUBLIC**

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