**MN-IP MASTER RESEARCH AGREEMENT**

**THIS AGREEMENT** is entered into effective as of \_\_\_\_\_\_\_\_\_ (the “Effective Date”) by and between Regents of the University of Minnesota (the "University"), a public educational institution and a Minnesota constitutional corporation, and \_\_\_\_\_\_\_\_\_\_\_\_\_ (“Sponsor”), a \_\_\_\_\_\_\_\_\_\_. This Agreement is entered into by the University through its Office of Sponsored Projects Administration. University and Sponsor are herein referred to collectively as “Parties”. Individually, each of University and Sponsor is a “Party”.

**Purpose**

WHEREAS, the research contemplated by this Agreement will further the instructional and research objectives of the University in a manner consistent with its status as a non-profit, tax-exempt educational institution and is and will be of mutual interest and benefit to the University and Sponsor;

**NOW, THEREFORE**, the University and Sponsor (the “Parties”) agree as follows:

**Article 1 - Research**

1.1 Scope. This Master Research Agreement (the “Agreement”) applies to all specific sponsored research projects (each a “Research Project”) described in an attached Appendix. The Research Projects, collectively, are the “Research Program.” Each new Research Project description, attached as a sequentially numbered Appendix, will state the following elements mutually agreed by University and Sponsor:

Research Project Title

Principal Investigator, including full contact information

Sponsor Technical Contact, including full contact information

Research Period (duration in months)

Schedule of Payments

Statement of whether or not Sponsor is Providing Equipment, and, if so, a copy of either a loan agreement or a deed of gift for the equipment

Reporting Schedule

Selection of Licensing Opportunity (See Article 8)

Work Scope and Budget

Dated signature of an official from each party with authority to sign research contracts. The date of the last signature is the “Project Start Date.”

Research Projects shall not include clinical research involving human subjects.

University will perform research as described in each Research Project Appendix and in accordance with the terms of this Agreement. The Principal Investigator of the Research Project designated in the Research Project Appendix will direct and supervise all aspects of the Research Project.

1.2 Research Period. The term of each Research Project will be as stated in the Research Project Appendix and will be subject to extension only by the Parties’ mutual written agreement, provided that if the Research Project does not begin on the effective Project Start Date or is interrupted through no fault of the parties, an automatic no-cost extension will take effect that is equal to the time of the delay or interruption.

1.3 Master Agreement Term. The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in Article 9, shall expire on \_\_\_\_\_\_\_\_\_\_\_\_\_ (“Expiration Date”). The parties may extend the term of this Agreement for additional periods with or without additional funding through duly executed amendments. If the term of this Agreement ends prior to the end of a Research Period, the terms of this Agreement shall continue in force and effect for that Research Project through termination of the Research Project.

**Article 2- Research Work**

2.1 Performance of Work, Modification, and Budget Information. University shall perform the project as set forth in the Appendix for each Research Project 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 Appendix for a Research Project by mutual written agreement. Any budgetary information included in a Research Project Appendix is for informational purposes only; the University retains the right to re-budget funds within the funded amount as needed to further project objectives, provided, however, that Sponsor shall not be required to provide funds beyond those amounts agreed to in the applicable Appendix.

2.2 Role of Principal Investigator. The Research Project shall be under the direction of the Principal Investigator. In the event that the Principal Investigator becomes unable or unwilling to continue the Research Project, and a mutually acceptable substitute is not available, University and/or Sponsor shall have the option to terminate said Research Project in accordance with Article 9.

**Article 3 - Reports and Conferences**

3.1 The University will submit reports to Sponsor according to the Reporting Schedule in the Research Project Appendix.

3.2 During the term of this Agreement, representatives of University will meet with representatives of Sponsor at times and places mutually agreed upon to discuss the progress and results, as well as ongoing plans or changes.

**Article 4 - Costs, Billings, and Other Support**

4.1 University shall use reasonable efforts to complete the Research Projects for the amount stated in the applicable Research Project Appendix (“Contract Price”). The Contract Price does not include any fees payable under Exhibit II, Option A.4.

4.2 Payments made under this agreement shall be in United States dollars and shall be made payable to “Regents of the University of Minnesota”. All payments shall be accompanied by the University invoice number, the Contract number, and name of Principal Investigator. Payments shall be sent to:

Regents of the University of Minnesota

NW 5957

P.O. Box 1450

Minneapolis, MN 55485-5957

Ph: 612.624.4313

Fax: 612.626.0321

**Article 5 - Nondisclosure**

5.1 For purposes of this Agreement, "Confidential Information" means written or tangible information disclosed by either party to the other, which at the time of disclosure is clearly and conspicuously labeled “Confidential” or “Proprietary”. Confidential Information shall also include oral and visual disclosures which are identified as confidential at the time of such disclosures and which are confirmed and summarized within fifteen (15) days of the disclosure by the disclosing party in a writing that sets forth the substance of the Confidential Information disclosed. The parties agree to maintain confidentiality of the Confidential Information during the term of this Agreement, including any renewal periods, and for a period of three (3) years from the effective termination or expiration date of this Agreement. Neither party shall use said Confidential Information for any purpose other than those purposes specified in this Agreement. The parties may disclose Confidential Information to employees requiring access thereto for the purposes of this Agreement provided, however, that prior to making any such disclosures each such employee shall be apprised of the duty and obligation to maintain Confidential Information in confidence and not to use such information for any purpose other than in accordance with the terms and conditions of this Agreement. Neither party will be held financially liable for any inadvertent disclosure, but each will agree to use its reasonable efforts not to disclose any Confidential Information.

5.2 Nothing contained herein will in any way restrict or impair either party's right to use, disclose, or otherwise deal with any Confidential Information which:

5.2.1 At the time of its receipt, is generally available in the public domain, or thereafter becomes available to the public through no act of the receiving party;

5.2.2 Was independently known prior to receipt thereof, or made available to such receiving party as a matter of lawful right by a third party;

5.2.3 Is received without obligation of confidentiality from a third party; or

5.2.4 Is required by law (including the Minnesota Government Data Practices Act), and/or regulation or court order to be disclosed. In the event that Confidential Information is required to be disclosed pursuant to this subsection, the party required to make disclosure shall notify the other to allow that party to assert whatever exclusions or exemptions may be available to it under law.

5.3 Export Controls:

5.3.1 The parties acknowledge that they must comply with export control laws, including the International Traffic in Arms Regulations (ITAR), 22 C.F.R. pts. 120-130; the Export Administration Regulations (EAR), 15 C.F.R. pts. 730-774; and the Foreign Assets Control Regulations, 31 C.F.R. pts. 501-598.

5.3.2 Notwithstanding any other term herein, the University’s research in connection with this Agreement shall constitute “fundamental research” for purposes of export control laws. University-generated technical data and software that arise during or result from “fundamental research” are not subject to the ITAR or EAR.

5.3.3 The Sponsor shall not convey technical data, technology, commodities, or software on the U.S. Munitions List, 22 C.F.R. pt. 121, or the Commerce Control List, 15 C.F.R. pt. 774, to the University without the prior written consent of the University’s Export Controls Officer (J. Patrick Briscoe, [bris0022@umn.edu](mailto:bris0022@umn.edu), 612-625-3860). The University may decline receipt of listed items at its sole discretion and at no penalty.

**Article 6 - Publicity**

6.1 Sponsor will not use the name, logos and other marks and trade names of University, nor of any member of University’s Research Project staff, in any publicity, advertising, or news release without the prior written approval of an authorized representative of University. University will not use the name, logos and other marks and trade names of Sponsor, nor any employee of Sponsor, in any publicity without the prior written approval of Sponsor.

6.2 Pursuant to the University’s Openness in Research Policy (a copy of which may be found at <http://www1.umn.edu/regents/policies/academic/Openness_in_Research>.pdf) the University shall be allowed to disclose the following non-confidential information without the approval of the Sponsor: (1) the existence of the contract or grant; (2) the identity of the Sponsor or the grantor and, if a subcontract is involved, the identity of the prime contractor if the results of the research must be reported to the sponsor, grantor, or prime contractor; and (3) the purpose and the scope of the proposed research. The University may also disclose information as needed to comply with institutional reporting requirements, conflict of interest reviews, or in sponsored projects proposals or award documents (e.g., list of current and pending support.).

**Article 7 – Publications**

7.1 Sponsor recognizes that under University policy the results of the Research Project must be publishable and agrees that researchers engaged in the Research Project shall 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 Research Project. University shall have the final authority to determine the scope and content of any publication; provided, however, that University shall provide copies of any proposed publication at least thirty (30) days in advance of the publication or presentation to Sponsor to review and object to such publication or presentation because such draft either contains information deemed to be Confidential Information under the provisions of Article 5 of this Agreement, or reveals information that if published within thirty (30) days would have an adverse effect on a patent application in which Sponsor owns full or part interest, or intends to obtain an interest from University pursuant to this Agreement. In the event that Sponsor notifies the University in writing that the proposed publication or presentation contains Sponsor's Confidential Information, the University shall remove any Sponsor Confidential Information from the draft prior to such publication or presentation. In the event Sponsor requests in writing a delay in publication to file for patent protection, the University and the Researcher shall refrain from making such publication or presentation for a maximum of ninety (90) days from the receipt of such objection, and Sponsor shall indicate with specificity to what manner and degree University may disclose said information during the ninety (90) day period.

7.2 Publication by either party to this Agreement shall give proper credit to the other party for the cooperative character of the investigation.

7.3 No commercial brands or trade names shall appear in the publication of the results except as such brand or trade name is essential in the description of the research.

**Article 8 – Intellectual Property and License of Inventions**

8.1 Use of Research Results.

8.1.1 Copyright to copyrightable materials, including computer software, resulting from Research Projects shall vest in University with a royalty-free non-exclusive, non-sublicensable license to Sponsor for its Non-Commercial use. “Non-Commercial” means not primarily intended for or directed towards commercial advantage or monetary compensation.” By way of illustration, but without limitation, using software in a process to make a product would be Non-Commercial; selling the software or embedding the software in a product would be a commercial use. If Sponsor selects Option A under Section 8.5 below, then University hereby grants to Sponsor royalty free, non-exclusive, non-sublicensable license to Copyrightable materials, including computer software for its commercial use.

8.1.2 Except for (a) the above limitation on copyrightable works in 8.1.1, (b) University’s right to control publication of its own research results, (c) patented and patent-pending University Subject Inventions, and (d) University Confidential Information, Sponsor will have the free, irrevocable, non-exclusive unlimited right to use all research results for any purpose worldwide.

8.2 Subject Inventions.

8.2.1 “Subject Invention” means any patentable invention (excluding design patents) that is first conceived or reduced to practice by one or more employees of University, alone or with others, in performance of a Research Project. The inventorship of a Subject Invention will be determined in accordance with Title 35 of the United States Code. “Subject Invention” does not include copyrightable material, including source code or software.

8.2.2 "University Subject Inventions" are those Subject Inventions invented solely by employees of University. “Joint Subject Inventions” are those Subject Inventions invented by employees of University jointly with employees of Sponsor.

8.2.3 No rights to University background intellectual property are granted under the terms of this agreement.

8.3 Patent Applications and Costs

8.3.1 Each party shall promptly disclose to the other party in writing any Subject Invention of which that party becomes aware during the Term or afterwards.

8.3.2 Sponsor, in consultation with University, shall have the right to control the preparation, filing, and prosecution of each patent application that is specific to a Subject Invention. Sponsor shall have three (3) months from receipt of an invention disclosure from University to notify University whether it desires to file a patent application on the Subject Invention (“Subject Invention Review Period”). If Sponsor files, then Sponsor shall diligently pursue filing of the patent application in the name of University with respect to University Subject Inventions and in the name of both University and Sponsor in the case of Joint Subject Inventions. Although Sponsor shall have the ultimate decision authority in preparation, filing, and prosecution of each patent application that is specific to a Subject Invention, Sponsor shall keep University’s Office for Technology Commercialization informed as to all material matters relevant to the patent prosecution process and decision matters, and the Sponsor shall give due consideration to any recommendations made by the University concerning the patent prosecution matters. Without limiting the foregoing, Sponsor shall provide a copy of the draft application and responses to office actions to University and an opportunity to review and provide comments on such application. Further, Sponsor shall provide, or direct outside patent counsel to provide, University with all serial numbers and filing dates, together with copies of all applications and patents that issue therefrom, including copies of all office actions, responses and all other substantive communications to and from the U.S. Patent and Trademark Office and the patent offices in any other jurisdictions. Sponsor shall be responsible for the full expense of Subject Invention patent application and prosecution.

8.3.3 If Sponsor decides (i) not to prepare, file, or prosecute patent applications specific to a Subject Invention within the Subject Invention Review Period, (ii) not to file an application in a particular jurisdiction, (iii) to discontinue prosecution of a pending application or a particular set of claims of a patent application, which set is specific to a Subject Invention, or (iv) not to pay any required fee to maintain a pending patent application or an issued patent, Sponsor shall promptly (but in no event less than 30 days before an action is required) notify University of its decision. In such case, University shall have the right to file, prosecute, and maintain said patent or patent application, or to file an application directed to that abandoned claim set, at its sole discretion and expense and without further obligation to Sponsor.

8.4 Nothing in this Article 8 shall be interpreted in a manner contrary to the publication provisions of Article 7 herein.

8.5 **Sponsor’s Licensing Options**. With respect to each Research Project, Sponsor may select one (1) of two (2), mutually exclusive license options: either (A) an option to an exclusive license with pre-set terms; or (B) an option to a license to be negotiated on a commercially reasonable basis after disclosure of a Subject Invention. Options A and B are more fully described in Exhibit II, License Options, which is attached hereto and incorporated herein. For each Research Project Appendix, Sponsor will be asked to select one of these opportunities by checking a box in a format substantially similar to the following:

\_\_\_ Option to Exclusive License with Pre-Set Terms (Exhibit II, Option A)

\_\_\_ Option to a License to be Negotiated on a Commercially Reasonable Basis (Exhibit II, Option B)

8.6 **Reservation of Rights**. Regardless of which option is selected, the University retains an irrevocable, world-wide, royalty-free, non-exclusive right to use the Subject Inventions for teaching, research and educational purposes. The University shall have the right to sublicense its rights under this section to one or more non-profit academic or research institutions.

**Article 9 - Termination**

9.1 Either party may terminate this Agreement or the Appendix of any Research Project under this Agreement upon thirty (30) days prior written notice to the other (“Notice of Termination”), and the Agreement shall terminate thirty (30) days after the Notice of Termination (“Effective Date of Termination”). A termination under this Agreement terminates individual Research Projects only to the extent specified in the Notice of Termination. Upon submission/receipt of a notice of termination, University shall take measures to stop spending as soon as possible. A final accounting of expenses will be submitted within sixty (60) days of the termination date documenting all expenses incurred and all non-cancellable expenses which Sponsor is responsible for and showing the amount of funding overpaid or owed. If Sponsor has an unpaid balance remaining, Sponsor shall make the final payment within thirty (30) days after receipt of the final invoice. If Sponsor has overpaid, a check for the balance will be included within thirty (30) days of submission of the final accounting.

9.2 In the event of early termination of a Research Project under this Agreement by Sponsor pursuant to Article 9.1, Sponsor shall pay all costs incurred by University as of the date of termination, together with all non-cancellable obligations which were set forth in the relevant Research Project Appendix, which shall include all non-cancelable contracts, graduate assistantships, fellowships and postdoctoral associate appointments, entered into prior to the Notice of Termination. After termination, any obligation of Sponsor for fellowships, graduate assistantships or postdoctoral associates shall end no later than the end of University's academic year following termination. The upfront fee in Exhibit II Section A.1 is non-creditable and non-refundable.

9.3 In the event of early termination of a Research Project under this agreement by University pursuant to Article 9.1 or by either party pursuant to Article 2.2, Sponsor shall pay only the costs incurred up to the date of termination.

9.4 In the event that either party hereto shall commit any material breach of or default in any of the terms or conditions of this Agreement or of a Research Project, 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 or a Research Project Appendix 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.

9.5 Subject to Article 8.6, 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 Sponsor's rights and duties hereof, or release the parties hereto from their rights and obligations under Articles 4, 5, 6, 7, 8, 9, 11, 12, 13, 14 and 17.

**Article 10 - Independent Contractor**

It is expressly understood that University and Sponsor are independent contractors and not the agent, partner, or employee of the other. In this regard, neither party shall have the authority to enter into any contract or agreement to bind the other and shall not represent to anyone that it has such authority, nor shall their respective employees be entitled to any benefits applicable to employee of the other party.

**Article 11 - Insurance and Indemnification**

11.1 Each party represents that it has and will continue to have at least the following levels of insurance or self-insurance during the term of this Agreement: (i) as to the University, Workers’ Compensation in statutory compliance with Minnesota State Law; and (ii) as to both parties, General Liability Insurance in an amount not less than one million dollars ($1,000,000) each claim/three million dollars ($3,000,000) each occurrence. University represents that the University and Principal Investigator have and will continue to have Professional Liability insurance in an amount not less than one million dollars ($1,000,000) each claim/three million dollars ($3,000,000) each occurrence. Sponsor represents that it has and will continue to have Product Liability insurance or self-insurance in an amount not less than one million dollars ($1,000,000) per claim/three million dollars ($3,000,000) per occurrence. Certificates of all insurance detailed above shall be furnished to the other party upon request.

11.2 Each party shall be responsible for its own acts and the results thereof and not for the acts of the other party. Liability of the University is subject to the terms and limitations of the Minnesota Tort Claims Act, Minnesota Statutes Section 3.736.

11.3 Sponsor shall indemnify, defend, and hold harmless University against any and all claims, costs, or liabilities, including attorneys' fees and court costs at both trial and appellate levels, for any loss, damage, injury, or loss of life (other than that attributable to willful, wanton or intentional acts or omissions of the University) arising out of use by Sponsor or any third party acting on behalf of or under authorization from Sponsor of information, reports, discoveries, deliverables, materials, products or other results of University’s work under this Agreement. Article 11.3 shall apply with the provision that (a) University promptly notifies Sponsor in writing after University receives notice of any claim, (b) Sponsor is given the opportunity, at its option, to participate and associate with University in control, defense, and trial of any claim and any related settlement negotiationsand (c) University fully cooperates with Sponsor in the defense of any such claim.

**Article 12 – Disclaimer of Warranties**

University makes no warranties, express or implied, as to any matter whatsoever, including without limitation, the condition, originality or accuracy of the research or any invention (s) or product(s), whether tangible or intangible, conceived, discovered, or developed under this agreement; or the ownership, merchantability, or fitness for a particular purpose of the research or any such invention or product.

**Article 13 – LIMITATION OF LIABILITY FOR BREACH OF CONTRACT**

IN NO EVENT SHALL EITHER PARTY’S LIABILITY FOR BREACH OF CONTRACT INCLUDE DAMAGES FOR WORK STOPPAGE, LOST DATA, OR INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFIT), OF ANY KIND. THE UNIVERSITY’S LIABILITY TO SPONSOR FOR BREACH OF THIS AGREEMENT SHALL NOT EXCEED THE MONETARY CONSIDERATION PAID TO THE UNIVERSITY UNDER THIS AGREEMENT. EXCEPT FOR SPONSOR’S INDEMNIFICATION OBLIGATIONS UNDER SECTION 11.3, SPONSOR’S LIABILITY TO THE UNIVERSITY FOR BREACH OF THIS AGREEMENT SHALL NOT EXCEED THE MONETARY CONSIDERATION DUE UNDER THIS AGREEMENT.

**Article 14 - Governing Law and Jurisdiction**

The internal laws of the state of Minnesota shall govern this Agreement, without giving effect to its conflict of laws principles. All suits, actions, claims and causes of action relating to the construction, validity, performance and enforcement of this Agreement shall be in the courts of Hennepin County, Minnesota.

**Article 15 - Assignment**

The parties may not assign any rights or obligations of this Agreement without the prior written consent of the other party. Any assignment attempted to be made in violation of this Agreement shall be void.

**Article 16 - Agreement Modification**

This Agreement shall be amended only in writing duly executed by all the parties to this Agreement. No waiver by any party of any default or nonperformance shall be deemed a waiver of any subsequent default or nonperformance.

**Article 17 - Notices**

Notices, requests, invoices, or communications, hereunder shall be deemed made upon submission to an overnight courier service or priority United States Mail, or three days after mailing by United States, first-class mail, certified or registered, postage prepaid, and addressed to the party to receive such notice, invoice, or communication at the address given below, or such other address as may hereafter be designated by notice in writing:

|  |  |
| --- | --- |
| If to Sponsor:  (Insert Contact Information and Address)  Telephone:  Fax:  E-Mail: | |
| If to University:  Sponsored Projects Administration  University of Minnesota  450 McNamara Alumni Center  200 Oak Street S.E.  Minneapolis, MN 55455-2070  Telephone: (612) 624-5599  Fax : (612) 624-4843  E-Mail: [awards@umn.edu](mailto:awards@umn.edu) | with a copy to Principal Investigator named in the applicable Research Project Appendix |

If to University’s Office for Technology Commercialization under Section 8.3:

Office for Technology Commercialization

University of Minnesota

280 McNamara Alumni Center

200 Oak Street S.E.

Minneapolis, MN 55455-2070

Telephone: (612) 624-0550

Fax : (612) 624-6554

E-Mail: [umotc@umn.edu](mailto:umotc@umn.edu)

**Article 18 - Force Majeure**

No party to this Agreement shall be responsible for any delays or failure to perform any obligation under this Agreement due to acts of God, strikes or other disturbances, including, without limitation, war, insurrection, embargoes, governmental restrictions, acts of governments or governmental authorities, and any other cause beyond the control of such party.

**Article 19 - Entire Agreement**

This Agreement and each Research Project Appendix and any attachments thereto are intended by the parties as the final and binding expression of their agreement and as the complete and exclusive statement of its terms. This Agreement and each Research Project Appendix cancels, supersedes and revokes all prior negotiations, representations and agreements among the parties, whether oral or written, relating to the subject matter of this Agreement and each Research Project Appendix, including any non-disclosure or confidentiality agreements.

**Article 20 – Severability**

If any provision of this Contract becomes or is declared illegal, invalid, or unenforceable, the provision will be divisible from this Contract and deemed to be deleted from this Agreement. If the deletion substantially alters the basis of this Contract, the parties will negotiate in good faith to amend the provisions of this Contract to give effect to the original intent of the parties.

**Article 21 - Counterparts**

This Agreement and any Research Project Appendix may be signed in counterparts, each of which shall be deemed one and the same original.

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

|  |  |
| --- | --- |
| ***Regents of the***  ***University of Minnesota***  By:  Sponsort Projects Administration  Title:  Date: | ***SPONSOR***  By:  Title:  Date: |

I have read the above 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 and to the provisions concerning confidentiality and publications. I will inform students and other participants working on this research of their rights and obligations under this agreement.

|  |  |
| --- | --- |
| Principal Investigator  BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  TITLE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Co-Principal Investigator *(If Applicable)*  BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  TITLE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

Appendices:

Exhibit I – Sample Research Project Appendix

Exhibit II – License Options

**Exhibit I – Sample Research Project Appendix**

The parties agree to work together in the performance of a Research Project, as more fully set forth in the following Statement of Work and Budget attached to this Research Project Specification.

1. Project Title: “ ”

2. Principal Investigator

Name:

Title:

Phone #:

Email:

Mailing Address:

3. Sponsor Technical Contract:

Name:

Title:

Phone #:

Email:

Mailing Address:

4. Research Period (duration, in months)

5. Schedule of Payments

**[Choose one of the following language options]**

**Payment Option 1: [Cost-Reimbursement]**

5.1 This Research Project Appendix will be conducted on a cost-reimbursement basis, with a total estimated cost of \_\_\_\_\_\_\_\_\_dollars ($\_\_\_\_\_\_\_\_\_\_) (“Contract Price”). University will use reasonable efforts to complete the Research Project within the estimated cost. Sponsor is not required to pay more than the Contract Price, and the University is not required to perform work above the estimated cost until and unless the parties have executed an amendment to this Research Project Appendix allocating additional funds. If the Principal Investigator incurred project costs prior to the Effective Date, those costs will be considered allowable charges and billable to the Sponsor once the Research Project Appendix has been signed. The University has the authority to rebudget costs from time to time, at the discretion of the Principal Investigator, as long as the rebudgeting is consistent with the goals of the Project. The costs in this section are separate from any fees payable under Exhibit II, Option A under the Agreement.

5.2 Sponsor agrees to make quarterly equal payments of \_\_\_\_\_\_\_\_\_dollars ($\_\_\_\_\_) following receipt of an invoice from the University. The initial invoice will be sent within thirty (30) days following execution of this Research Project Appendix. If the unexpended balance as of the expiration date is one hundred dollars ($100) or more, the University will refund this amount to the Sponsor within ninety (90) days, unless the parties have agreed otherwise. Any fees payable under Exhibit II, Option A.1 will be invoiced separately in accordance with Exhibit II, Option A.

**Payment Option 2: [Fixed Price]**

5.1 University shall use reasonable efforts to complete the Research Project for a fixed sum of \_\_\_\_\_\_\_\_ dollars ($\_\_\_\_\_) (“Contract Price”). The Contract Price does not include any fees payable under Exhibit II, Option A.

5.2 Sponsor agrees to make quarterly equal payments of \_\_\_\_\_\_\_\_\_dollars ($\_\_\_\_\_) following receipt of an invoice from the University. The initial invoice will be sent within thirty (30) days following execution of this Research Project Appendix. Sponsor shall make a final payment of \_\_\_\_\_\_\_\_\_\_\_dollars ($\_\_\_\_\_) within thirty (30) days of receipt of the final report.

Any fees payable under Exhibit II, Section A.1 will be invoiced separately in accordance with Exhibit II, Option A.

6. University shall acquire title upon acquisition of any equipment purchased or fabricated with funds provided by Sponsor under this Agreement. Sponsor shall provide the following equipment to University under the following conditions:

**[Either (a) indicate “none” or (b) insert a list of equipment to be provided, indicate loan or gift, and attach a signed copy of equipment loan(s) or deed(s) of gift:]**

7. Reporting Schedule

Written progress reports shall be provided by University to Sponsor upon reasonable request or upon completion of each phase of the Research Project. A final report shall be submitted by University within ninety (90) days of the conclusion of the Research Period, or early termination of this Agreement.

8. License Fee Election (per Master Research Agreement, Article 8.5): **[Select One]**

[ ] Option A License Fee

[ ] Option B Up-Front Technology Fee

**Signatures:**

|  |  |
| --- | --- |
| **REGENTS OF THE UNIVERSITY**  **OF MINNESOTA** | **SPONSOR** |
| By: | By: |
| Its: | Its: |
| Date: | Date: |

Receipt of All Attachments Acknowledged and Agreed by:

|  |
| --- |
| Principal Investigator |

(Statement of Work and Budget attached below.)

**Exhibit II – License Options**

**A. Exclusive License with Pre-Set Terms.**

A.1 Upfront Fee. Sponsor shall pay University an up-front fee of either ten percent (10%) of the total Contract Price or fifteen thousand dollars ($15,000), whichever is greater. This fee shall be paid in accordance with Section A.4 at the time of execution of the Agreement and at the time of any funded modifications, regardless of whether any Subject Invention results. In the event the Sponsor pays fifteen thousand dollars ($15,000), no additional fees will be due under this Section A.1 until the cumulative obligated funding under the Agreement exceeds one hundred fifty thousand dollars ($150,000). In consideration, University grants to Sponsor an option, exercisable at the time a Subject Invention is disclosed of execution of the Agreement, to an exclusive, worldwide license, subject to the royalties set forth in Section A.2. Sponsor may exercise the option by providing written notice to the University that it is exercising the option. The terms of the University’s Standard Exclusive Patent License Agreement for Industry Sponsored Research (“EPLA”) will be negotiated at the time a new Subject Invention is developed. Such license will include the right to grant sublicenses to University Subject Inventions and to University’s ownership interest in Joint Subject Inventions and the patent rights therein for commercial practice. This option shall expire six (6) months after disclosure of the Subject Invention to Sponsor. Sponsor and University are expected to execute the EPLA within no more than 6 months after the option has been exercised.

A.2 Limited Running Royalties for Exclusive License. The Sponsor agrees to pay the University a one percent (1%) royalty on the net sales of products or processes utilizing a Subject Invention in any full calendar year in which annual sales of such products or processes exceed twenty million dollars ($20,000,000).

A.3 Cap on Running Royalties. If Subject Invention is either (a) a process that improves the efficiency or lowers the cost of manufacture of existing Sponsor products or processes, or (b) a product that is an improvement of an existing Sponsor product, then the cumulative payments due University under this Section A.2 shall not exceed five million dollars ($5,000,000) for each Sponsor product or process for which (a) or (b) applies.

A.4. Payment of Fees. University will invoice Sponsor for the fee listed in Section A.1. Sponsor shall pay University within thirty (30) days following receipt of such invoice. If Sponsor fails to pay the fee due to the University within sixty (60) days thereafter, then the University will have the right to unilaterally modify the Agreement to change the intellectual property terms to grant the Sponsor an option under Section B. Invoices to Sponsor under this Section A.4 will be sent to the following address:

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Name and email address of primary billing contact for Fee:

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**B. Option for License on Commercially Reasonable Terms.**

B.1. Sponsor shall have the option to negotiate a patent license for all patent rights relevant to the practice and/or sublicensing of that Subject Invention on commercially reasonable terms, at the time such invention is disclosed to the University’s Office for Technology Commercialization. This option shall expire six (6) months after disclosure of the Subject Invention. All negotiations conducted by the parties under this Section B shall be conducted in good faith using reasonable efforts to reach a mutually beneficial arrangement as soon as practical. Determination of the reasonable royalty shall take into consideration the cost, resources, and time to commercially develop and exploit the invention, the contributions of each party, the proprietary position provided, the profit potential, and customary royalties in the industry for similar intellectual property rights. The rights under this provision apply only to patent rights specific to a Subject Invention for which Sponsor is responsible for filing, prosecution and maintenance of patent protection, but for which Sponsor does not elect the terms provided in Section A.