

## JCATI INTELLECTUAL PROPERTY TERMS

The Washington Joint Center for Aerospace Technology Innovation (“JCATI”) is a state-funded initiative designed to promote academic-industry collaboration in aerospace innovation, accelerate technology development, and provide real-world research experiences for students at public universities in the State of Washington. The designated public university of the state of Washington (“**University**”), and the industry collaborator (“**Industry Collaborator**”) (individually a “**Party**,” and collectively, “**Parties**”) intend to submit a JCATI Project proposal (the “Proposed JCATI Project”). The Parties agree that if the Industry Collaborator requests to enter into an agreement for management of Project Intellectual Property developed under such proposed JCATI Project as defined below, University and Industry Collaborator will execute a JCATI Collaborative Research Agreement (the “JCATI Collaborative Research Agreement”) attached hereto as Attachment A upon funding of the Proposed JCATI Project, or no later than July 1 of the year the JCATI Project is funded. Should the Parties decline to enter into a JCATI Collaborative Research Agreement by such date, then each Party may manage its Project Intellectual Property according to its own policies and procedures, and the Parties agree to meet and confer regarding the management of any Joint Project Intellectual Property.

1.1 Definitions. For purposes of this document, the following definitions will apply:

- 1.1.1 “**Intellectual Property**” shall mean: any ideas, inventions, improvements, and discoveries, whether or not patentable, made, created, conceived, developed, and/or reduced to practice, which are recognized under any applicable state, federal, or common law of the United States, foreign countries, and international conventions.
- 1.1.2 “**Project Intellectual Property**” shall mean Intellectual Property made, created, conceived, developed, and/or reduced to practice in the performance of the Proposed JCATI Project by a Party’s Affiliates, faculty, employees, students, or agents (“**Project Personnel**”).
- 1.1.3 “**University Project Intellectual Property**” shall mean Project Intellectual Property solely invented and/or authored by University Project Personnel.

- 1.1.4 **“Industry Collaborator Project Intellectual Property”** shall mean Project Intellectual Property solely invented and/or authored by Partner Project Personnel.
- 1.1.5 **“Joint Project Intellectual Property”** shall mean Project Intellectual Property jointly invented and/or authored by both Parties’ Project Personnel in the performance of this Project.
- 1.1.6 **“Background Intellectual Property”** shall mean Intellectual Property that is made, created, conceived, developed, and/or reduced to practice prior to or outside of the performance of this Project; developed in the lab of the academic PI; and is of use to the Proposed JCATI Project and which is expressly made available to the Proposed JCATI Project as set forth in Attachment A, Exhibit B – “Background Intellectual Property.”
- 1.1.7 **“Affiliate(s)”** means an entity that owns directly or indirectly, a controlling interest in a Party, by stock ownership or otherwise; any entity in which a Party owns a controlling interest, by stock ownership or otherwise; or any entity under common control with a Party, directly or indirectly. For purposes of this definition, **“Controlling Interest”** and **“Control”** mean ownership of more than fifty percent (50%) of the voting stock permitted to vote for the election of the board of directors or any other arrangement resulting in control of or right to control management and affairs of the entity or Party in question; or a Party’s subcontractor for the Proposed JCATI Project.

1.2 Ownership of Intellectual Property. Rights in Intellectual Property, including patent, copyright, and trademark rights will be determined in accordance with applicable United States Law and University policy (e.g. UW [Executive Order 36](#) and WSU [UPPM 35.55](#)). Each Party shall retain title to all Intellectual Property conceived and reduced to practice prior to the start of the work under the proposed JCATI Project and to all Intellectual Property created outside the scope and funding of the Proposed JCATI Project.

### 1.3 Licensing and Option Rights

- 1.3.1 Disclosures. The Parties will make all reasonable efforts to ensure that all investigators participating in the Proposed JCATI Project submit regular written disclosures of all Project Intellectual Property to their designated official (the **“Disclosure”**) prior to any public disclosure thereof. Within thirty (30) days of

receipt of any such Disclosure, each Party will provide the other Party a copy thereof. The receiving Party shall treat Disclosure as Confidential Information.

- 1.3.2 License to Reports and Data. Each Party hereby grants to the other Party a fully-paid, non-exclusive, royalty-free, license for the other Party's internal use and for scholarly publication under Section 5 of Attachment A to this document ("JCATI Collaborative Research Agreement") only, without right to sublicense or otherwise redistribute either commercially or non-commercially, to: (i) the written reports described in Section 1.3 of Attachment A to this document ("JCATI Collaborative Research Agreement"); and (ii) the data produced during the course of the Proposed JCATI Project to the extent such data is reasonably and legally available, providing that the other Party requests such data within thirty (30) days of receiving the final report and reimburses the Party for any additional reasonable costs incurred in reproducing the data. The Parties understand and agree that excepting only the rights granted under the foregoing license, each Party retains full ownership of its reports and data.
- 1.3.3 Patent Filing and Prosecution. University will have the sole and exclusive right to file, prosecute, direct, and otherwise manage, all United States and foreign patent and any other applications for the protection of University Project Intellectual Property. The Parties shall decide on a case-by-case basis whether to perfect legal rights in Joint Project Intellectual Property, including which Party shall be responsible for obtaining patent, copyright, or any other form of statutory or registration protection in any country. The Parties shall also decide which Party shall be responsible for taking further actions (making required fee payments) for continued protection. The Parties will enter an Inter-Institutional Agreement ("IIA") between joint owners to establish rights and obligations regarding management of Joint Project Intellectual Property, including patent prosecution, national stage filings and abandonment of applications, licensing, enforcement and defense of such Joint Project Intellectual Property.
- 1.3.4 Reservation of Rights. For the purposes of clarity, no rights to University's Background Intellectual Property or Industry Collaborator Background Intellectual Property are granted under the terms of this document or the JCATI Collaborative Research Agreement. In the event that either University's Background Intellectual Property or Industry Collaborator's Background Intellectual Property is required to practice any Project Intellectual Property, upon request by the other Party and to the extent consistent with existing and anticipated agreements with third parties as

determined in each Party's sole discretion, the Parties may negotiate a license on commercially reasonable terms. Except as otherwise expressly provided herein, any and all Intellectual Property of each Party shall remain the sole and exclusive property of that Party.

Project Intellectual Property Licensing Options. Industry Collaborator may select from one of the three following options for commercial licensing of University Project Intellectual Property and University's interest in Joint Project Intellectual Property. Such selection shall be made in writing at the time of execution of the JCATI Collaborative Research Agreement, and for Options 2 and 3 below Industry Collaborator will pay the Exclusive Technology Fee as defined in Section 1.5, or the Non-Exclusive Technology Fee as defined in Section 1.6, as applicable, within thirty (30) days of University's issued invoice. For clarity, these Licensing Options only implicate Project Intellectual Property, and do not include Background Intellectual Property or Intellectual Property not developed using JCATI funds.

1.4 Option 1: Option to Negotiate Commercial License. Subject to any existing third-party rights, and providing that Industry Collaborator has satisfied, and continues to satisfy, its material obligations under the JCATI Collaborative Research Agreement, University hereby grants to Industry Collaborator an option to negotiate a license to University's ownership interest in either University Project Intellectual Property or University's interest in Joint Project Intellectual Property ("**Option**") on the terms described below.

1.4.1 Exercise of Option. Upon Industry Collaborator's receipt of Disclosure, Industry Collaborator will have a period of three (3) calendar months to exercise the Option ("**Exercise Period**") regarding the Project Intellectual Property that is the subject of such Project-derived Disclosure by notifying University in writing.

1.4.2 License Negotiation. If Industry Collaborator exercises the Option, Industry Collaborator will have a period of three (3) months to negotiate and execute a royalty-bearing license ("**Negotiation Period**"). During the Negotiation Period, the Parties shall make reasonably good faith efforts to negotiate a license on commercially reasonable terms and shall contain terms standard for agreements between universities and industry including, without limitation, clauses providing for payment of reasonable royalties, licensing fees, and reimbursement of all past, present, and future expenses incurred in the preparation, filing, prosecution, issuance, and maintenance of Intellectual Property rights.

1.4.3 Termination of Option. If Industry Collaborator fails to exercise the Option during the Exercise Period, the Option terminates without further notice by University. If University and Industry Collaborator fail to execute a license agreement during the Negotiation Period, the Option terminates without further notice by University and University shall be free to negotiate with and to enter into license agreements, including exclusive license agreements, with third parties. The Parties may extend either the Exercise Period or the Negotiation Period by written mutual agreement.

1.4.4 Reimbursement of Patent Costs. Industry Collaborator agrees to reimburse the University for all reasonable costs of filing and prosecuting patents and any other applications if a commercial license is negotiated and executed with the Industry Collaborator.

1.5 Option 2: Pre-Paid Exclusive License in Project Intellectual Property. Industry Collaborator may elect to pay University a fee of 10% of the amount listed in Section 6, Funding, of the JCATI Collaborative Research Agreement, or \$15,000.00, whichever is greater (the “Exclusive Technology Fee”); and (ii) a 1% royalty on net sales (as defined in such exclusive license) that exceed \$20,000,000.00 upon execution of such exclusive license. If Industry Collaborator has so elected, and has paid such fee pursuant to 1.5.1 below, University hereby agrees to execute an exclusive commercial license with Industry Collaborator for all of University’s rights in University Project Intellectual Property and Joint Project Intellectual Property. The Exclusive Technology Fee described in this section 1.5, together with the 1% royalty described above and reimbursement for all costs associated with intellectual property protection, shall be the sole financial commitment by Industry Collaborator in the exclusive license described in section 1.5.2 below.

1.5.1 Invoice for Exclusive Technology Fee. University shall invoice Industry Collaborator for the amount described in section 1.6 above upon execution of the JCATI Collaborative Research Agreement. Industry Collaborator shall pay such invoice in accordance with the terms, including payment due dates, of such invoice.

1.5.2 Execution of Exclusive License. University and Industry Collaborator shall make reasonable good faith efforts as described in Sections 1.4.2 and 1.4.3 above to negotiate a license for execution consistent with the terms of Section 1.5. Such commercial license shall contain terms customary and usual for University including but not limited to reasonable diligence requirements for commercialization of the Project Intellectual Property, and indemnity for Industry Collaborator’s exercise of license rights.

**1.6 Option 3: Pre-Paid Non-Exclusive License in Project Intellectual Property.** Industry

Collaborator may elect to pay University a fee of 5% of the amount listed in Section 6, Funding, of the JCATI Collaborative Research Agreement , or \$7,500.00, whichever is greater (the “Non-Exclusive Technology Fee”). If Industry Collaborator has so elected, and has paid such fee pursuant to 1.6.1 below, University hereby agrees to execute a non-exclusive commercial license with Industry Collaborator for University’s rights in University Project Intellectual Property and Joint Project Intellectual Property. The Non-Exclusive Technology Fee described in this section 1.6, together with reimbursement for all costs associated with intellectual property protection, shall be the sole financial commitment by Industry Collaborator in the non-exclusive license described in section 1.6.2 below.

1.6.1 Invoice for Non-Exclusive Technology Fee. University shall invoice Industry Collaborator for the amount described in section 1.6 above upon execution of this Agreement. Industry Collaborator shall pay such invoice in accordance with the terms, including payment due dates, of such invoice.

1.6.2 Execution of Non-Exclusive License. University and Industry Collaborator shall make reasonable good faith efforts as described in Sections 1.4.2 and 1.4.3 above to negotiate a license for execution consistent with the terms of Section 1.6. Such commercial license shall contain terms customary and usual for the University including but not limited to indemnity for Industry Collaborator’s exercise of license rights.

The Parties have reviewed the JCATI Intellectual Property Terms included herein, and agree that upon the request of the Industry Collaborator, they will execute a JCATI Collaborative Research Agreement as described in Attachment A upon funding of the proposed JCATI Project, and no later than July 1 of the year the Project is funded.

**University**

**Industry Collaborator**

By:

By:

Print Name:

Print Name:

Title:

Title:

Date:

Date:

**READ AND UNDERSTOOD**

By:

Print Name:

Title: UNIVERSITY Principal Investigator

Date:

By:

Print Name:

Title: Industry Collaborator Principal Investigator

Date:

**Attachment A**

**JCATI COLLABORATIVE RESEARCH AGREEMENT**

**between**

**UNIVERSITY**

**and**

**INDUSTRY COLLABORATOR**

This JCATI Collaborative Research Agreement (“Agreement”) is entered into as of [the date of the last signature below] (“Effective Date”) between the designated public university of the state of Washington (“University”), and the industry collaborator (“Industry Collaborator”), a corporation organized under the laws of STATE with a place of business located in LOCATION (“Industry Collaborator”) (each a “Party” and collectively the “Parties”).

**Recitals**

**WHEREAS**, the Washington Joint Center for Aerospace Technology Innovation (“JCATI”) is a state-funded initiative designed to promote academic-industry collaboration in aerospace innovation, accelerate technology development, and provide real-world research experiences for students at public universities in the State of Washington; and

**WHEREAS**, UNIVERSITY has been awarded funding under the JCATI program to support the collaborative research project detailed in Exhibit A (the “Scope of Work” or the “Project”); and

**WHEREAS**, Industry Collaborator, as a global leader in aerospace and longstanding sponsor of research projects at UNIVERSITY, shares a mutual interest in advancing cutting-edge research; and

**WHEREAS**, both Parties recognize the value academic-industry collaboration in aerospace innovation, engaging students in applied research, and facilitating the development of knowledge and technology;

**NOW, THEREFORE**, UNIVERSITY and Industry Collaborator agree as follows:

**1.0 Project Performance, Principal Investigator, and Reports**

1.1 **Project Performance.** Each Party will use reasonable efforts to conduct the Project in accordance with generally accepted professional standards of workmanship and effort at a quality comparable to research performed at major public and private research universities within the United States. Each Party acknowledges that all research is experimental in nature and that the outcome of the Project is inherently uncertain and unpredictable.



- 1.2 Principal Investigator. The Project will be conducted under the direction and authority of the principal investigator, [XXXXX] an employee of UNIVERSITY ("UNIVERSITY Principal Investigator") [XXXXX], an employee of Industry Collaborator ("Industry Collaborator Principal Investigator"). Both Parties agree to promptly advise each other of any change in the employment status of their respective Principal Investigator that could have a material adverse effect on the Project. If a Party's respective Principal Investigator ceases to be associated with the Party or otherwise becomes unavailable to direct the Project, the affected Party will be entitled to replace the Principal Investigator with a qualified researcher acceptable to the other Party.
- 1.3 Final Report. Subject to the terms of Section 6 of this Agreement, Industry Collaborator and UNIVERSITY: (i) will provide the other Party a final technical report within sixty (60) days after the conclusion of the Project; (ii) will work to provide any projected deliverables as outlined in Exhibit A, if applicable.
- 1.4 Transfer of Material Among Parties. If there is a need for biological or other research materials to be transferred between Industry Collaborator and UNIVERSITY in connection with the Project, the terms governing such transfer(s) shall be set forth in a separate material transfer agreement among the Parties.

## **2.0 Funding; Cost Share**

- 2.1 Funding. UNIVERSITY has been awarded \$XX in funding from JCATI for this Project. No funds will be paid by Industry Collaborator to UNIVERSITY to cover Project costs.
- 2.2 Cost Share. Industry Collaborator agrees to provide in-kind support as described in the Scope of Work.
- 2.5 Taxes. Each Party will be responsible for payment of any taxes (including all federal, state, and local income, sales, use, value-added, and employment taxes) owed by it and arising from this Agreement. UNIVERSITY represents that it is a governmentally tax-exempt entity, and that the UNIVERSITY's activities are generally free from federal tax unless they are unrelated to the mission of the UNIVERSITY.

## **3.0 Termination**

- 3.1 Effective Date and Term. This Agreement is effective as of the Effective Date and expires on DATE, unless otherwise terminated or amended in accordance with the provisions of this Agreement or extended by mutual written agreement of the Parties.
- 3.2 Termination. Either Party may terminate this Agreement for any reason upon thirty (30) days' prior written notice to the other Party, as set forth in Section 9 of this Agreement. Termination of this Agreement by either Party shall not affect the rights and obligations of the Parties accrued prior to the effective date of the termination.

## **4.0 Confidential Information**

- 4.1 Definitions.

- 4.1.1 “Confidential Information” means nonpublic information relating to the Project in written, graphic, electronic, oral, or other tangible form (including without limitation data, algorithms, formulae, techniques, improvements, technical drawings, computer software and materials) owned or controlled by a Party and disclosed under this Agreement.
- 4.1.2 “Disclosing Party” means a Party disclosing Confidential Information under this Agreement.
- 4.1.3 “Receiving Party” means a Party receiving Confidential Information under this Agreement.
- 4.2 Nondisclosure and Nonuse of Confidential Information. The Receiving Party, on behalf of itself, its Affiliates as defined in Section 6.1.4, employees, and agents, agrees to:
  - 4.2.1 use the Confidential Information only for the purposes of (i) the Project as provided in the Scope of Work (ii) evaluating for licensing purposes pursuant to Section 6.4 below, or (iii) exercising its rights in written report pursuant to Paragraph 6.3;
  - 4.2.2 limit access to Confidential Information only to personnel of the Receiving Party having a need to know in connection with the purposes of this Project;
  - 4.2.3 use reasonable efforts to ensure such personnel of the Receiving Party understand the confidential nature of the information and agree not to make any unauthorized disclosure or use thereof; and
  - 4.2.4 employ no less than the same measures to protect Confidential Information that the Receiving Party uses to protect its own valuable information.
- 4.3 Exceptions to Confidentiality. Notwithstanding any other provisions of this Agreement to the contrary, a Receiving Party shall be free from any obligations of confidentiality and nonuse hereunder regarding any information which:
  - 4.3.1 is subject to the publication rights set forth in Section 5.0 of this Agreement;
  - 4.3.2 is already known to the Receiving Party, other than under an obligation of confidentiality, at the time of disclosure;
  - 4.3.3 is or becomes generally available to the public or otherwise part of the public domain;
  - 4.3.4 is subsequently lawfully disclosed to the Receiving Party by a third party;
  - 4.3.5 is independently developed by the Receiving Party, as documented by written evidence;
  - 4.3.6 is approved for release, in writing, by the Disclosing Party; or
  - 4.3.7 is disclosed in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and is solely for the purpose of reporting or investigating a suspected violation of law; or
  - 4.3.8 is disclosed as required by applicable law (including, with respect to the UNIVERSITY, pursuant to the Washington State Public Records Act, RCW Chapter 42.56).
- 4.4 Identification of Confidential Information. The Disclosing Party will take reasonable measures to mark and identify all Confidential Information as confidential. Confidential Information disclosed in oral form will be identified as such by the Disclosing Party to the

Receiving Party in writing within thirty (30) days of any such disclosure. At the Disclosing Party's request, Receiving Party will promptly return or destroy the Confidential Information. Notwithstanding the foregoing, the Receiving Party may retain one copy of the Confidential Information pursuant to legal, regulatory, or professional requirements or bona fide internal document retention policies; provided, that receiving party shall not use or disclose any such retained information except for the legal, regulatory, professional or archival purpose for which it is retained.

4.5 No License or Warranties. In no event will the obligations of confidentiality set forth in this Agreement be construed as to limit either Party's right to independently develop products or conduct research without the use of the other Party's Confidential Information. As between the Parties, all Confidential Information belonging to the Disclosing Party at the time of disclosure will remain the property of the Disclosing Party. This Agreement will not be construed to affect any transfer of a right or license to the Disclosing Party's intellectual property except to the limited extent necessary for the authorized use. In furnishing any information hereunder, the Disclosing Party makes no warranty, guarantee, or representation, either expressed or implied, as to its adequacy, accuracy, sufficiency, or freedom from defects or that the use or reproduction of any information shall be free from any patent, trade secret, trademark, or copyright infringement. The Disclosing Party shall not be liable for damages of whatever kind or for any costs, expenses, risks, or liabilities as a result of the other Party's receipt or use of or reliance on any such information furnished hereunder.

4.6 Survival of Obligation. The obligations regarding nondisclosure, protection, and nonuse of Confidential Information shall survive the expiration or termination of this Agreement for a period of five (5) years.

## 5.0 Publication and Acknowledgement

Each Party reserves the right to make or permit to be made scholarly disclosures of the results of the Project, including, without limitation, publication in scholarly journals, presentations at academic and other conferences, disclosures to affiliated and unaffiliated scholars, and disclosures in grant and funding applications. Each Party agrees to provide, in accordance with customary academic standards, an appropriate acknowledgement in any such publication of the other Party's support or other role in the Project. No less than thirty (30) days prior to any public disclosure of the results of the Project by either Party, the disclosing Party shall provide the other Party with a manuscript or other draft of the proposed disclosure. Within thirty (30) days of receipt, the reviewing Party shall notify the disclosing Party in writing if the proposed disclosure contains any of its Confidential Information and specify the portions requiring redaction. To protect either Party's interest in any Project Intellectual Property (as defined below), if the reviewing Party identifies Intellectual Property (as defined below) in which it has rights and which may be adversely affected by the disclosure, it may request that the disclosure be delayed or amended for an additional thirty (30) days to allow for the filing of appropriate Intellectual Property protection. If the reviewing Party fails to notify the disclosing Party in writing and in a timely manner of any objections, its right to object under this provision shall be deemed conclusively waived.

## 6.0 Intellectual Property

6.1 Definitions. For purposes of this Agreement, the following definitions will apply:

6.1.1 “Intellectual Property”

- a. Means any ideas, inventions, improvements, and discoveries—whether or not patentable—made, created, conceived, developed, and/or reduced to practice, which are recognized under any applicable state, federal, or common law of the United States, foreign countries, and international conventions.
- b. Rights in Intellectual Property, including patent, copyright, and trademark rights will be determined in accordance with applicable United States law and UNIVERSITY’s Patent, Invention, and Copyright Policy set forth in the relevant UNIVERSITY policy documents. Each Party shall retain title to all Intellectual Property conceived and reduced to practice prior to the start of the work under this Agreement and to all Intellectual Property created outside the scope and funding of the Project.

6.1.2 “Project Intellectual Property”

- a. Means Intellectual Property made, created, conceived, developed, and/or reduced to practice in the performance of this Project by a Party’s Affiliates, faculty, employees, students, or agents (“Project Personnel”).
- b. UNIVERSITY Project Intellectual Property is Project Intellectual Property solely invented and/or authored by UNIVERSITY Project Personnel.
- c. Industry Collaborator Project Intellectual Property is Project Intellectual Property solely invented and/or authored by Industry Collaborator Project Personnel.
- d. Joint Project Intellectual Property is Project Intellectual Property jointly invented and/or authored by both Parties’ Project Personnel.

6.1.3 “Background Intellectual Property”

- a. Means Intellectual Property made, created, conceived, developed, and/or reduced to practice prior to or outside of the performance of this Project.
- b. Is of use to the Project and which is expressly made available to the Project as set forth in Exhibit B.

6.1.4 “Affiliate(s)” means:

- a. An entity that owns directly or indirectly, a controlling interest in a Party, by stock ownership or otherwise;
- b. Any entity in which a Party owns a controlling interest, by stock ownership or otherwise; or
- c. Any entity under common control with a Party, directly or indirectly. For purposes of this definition, “controlling interest” and “control” mean ownership of more than fifty percent (50%) of the voting stock permitted to vote for the election of the board of directors or any other arrangement resulting in control of or right to control management and affairs of the entity or Party in question; or
- d. A Party’s subcontractor for the Project.

6.2 Disclosures. The Parties will make all reasonable efforts to ensure that all investigators participating in the Project submit regular written disclosures of all Project Intellectual Property to their designated official (the “Disclosure”) prior to any public disclosure thereof. Within thirty (30) days of receipt of any such Disclosure, each Party will provide the other Party a copy thereof. The receiving party shall treat Disclosure as Confidential Information.

6.3 License to Reports and Data. Each Party hereby grants to the other Party a fully-paid, non-exclusive, royalty-free, license for the other Party’s internal use and for scholarly publication under Section 5 of this Agreement only, without right to sublicense or otherwise

redistribute either commercially or non-commercially, to: (i) the written reports described in Section 1.3 of this Agreement; and (ii) the data produced during the course of the Project to the extent such data is reasonably and legally available, providing that the other Party requests such data within thirty (30) days of receiving the final report and reimburses the Party for any additional reasonable costs incurred in reproducing the data. The Parties understand and agree that excepting only the rights granted under the foregoing license, each Party retains full ownership of its reports and data.

- 6.4 Patent Filing and Prosecution. UNIVERSITY will have the sole and exclusive right to file, prosecute, direct, and otherwise manage, all United States and foreign patent and any other applications for the protection of UNIVERSITY Project Intellectual Property. Any information shared on the protection of UNIVERSITY Project Intellectual Property and related filings shall be UNIVERSITY Confidential Information. The Parties shall decide on a case-by-case basis whether to perfect legal rights in Joint Project Intellectual Property, including which Party shall be responsible for obtaining patent, copyright, or any other form of statutory or registration protection in any country. The Parties shall also decide which Party shall be responsible for taking further actions (making required fee payments) for continued protection. The Parties will enter an Inter-Institutional Agreement (“IIA”) between joint owners to establish rights and obligations regarding management of Joint Project Intellectual Property, including patent prosecution, national stage filings and abandonment of applications, licensing, enforcement and defense of such Joint Project Intellectual Property.
- 6.5 Reservation of Rights. For the purposes of clarity, no rights to UNIVERSITY Background Intellectual property or Industry Collaborator Background Intellectual property are granted under the terms of this Agreement. In the event that either UNIVERSITY Background Intellectual Property or Industry Collaborator Background Intellectual Property is required to practice any Project Intellectual Property, upon request by the other Party and to the extent consistent with existing and anticipated agreements with third parties as determined in each Party’s sole discretion, the Parties may negotiate a license on commercially reasonable terms. Except as otherwise expressly provided herein, any and all Intellectual Property of each Party shall remain the sole and exclusive property of that Party.
- 6.6 Project Intellectual Property Licensing Options. Industry Collaborator may select from one of the three following options described in Sections 6.7, 6.8, and 6.9 below for commercial licensing of University Project Intellectual Property and University’s interest in Joint Project Intellectual Property. Such selection shall be made in writing at the time of funding of the Project, and for Options 2 and 3 below Industry Collaborator will pay the Exclusive Technology Fee as defined in Section 6.8, or the Non-Exclusive Technology Fee as defined in Section 6.9, as applicable, within thirty (30) days of University’s issued invoice. For clarity, these Licensing Options only implicate Project Intellectual Property, and do not include Background Intellectual Property or Intellectual Property not developed using JCATI funds.
- 6.7 Option 1: Option to Negotiate Commercial License. Subject to any existing third-party rights, and providing that Industry Collaborator has satisfied, and continues to satisfy, its material obligations under this Agreement, University hereby grants to Industry

Collaborator an option to negotiate a license to University's ownership interest in either University Project Intellectual Property or University's interest in Joint Project Intellectual Property ("Option") on the terms described below.

6.7.1 Exercise of Option. Upon Industry Collaborator's receipt of Disclosure, Industry Collaborator will have a period of three (3) calendar months to exercise the Option ("Exercise Period") regarding the Project Intellectual Property that is the subject of such Project-derived Disclosure by notifying University in writing.

6.7.2 License Negotiation. If Industry Collaborator exercises the Option, Industry Collaborator will have a period of three (3) months to negotiate and execute a royalty-bearing license ("Negotiation Period"). During the Negotiation Period, the Parties shall make reasonably good faith efforts to negotiate a license on commercially reasonable terms and shall contain terms standard for agreements between universities and industry including, without limitation, clauses providing for payment of reasonable royalties, licensing fees, and reimbursement of all past, present, and future expenses incurred in the preparation, filing, prosecution, issuance, and maintenance of Intellectual Property rights.

6.7.3 Termination of Option. If Industry Collaborator fails to exercise the Option during the Exercise Period, the Option terminates without further notice by University. If University and Industry Collaborator fail to execute a license agreement during the Negotiation Period, the Option terminates without further notice by University and University shall be free to negotiate with and to enter into license agreements, including exclusive license agreements, with third parties. The Parties may extend either the Exercise Period or the Negotiation Period by written mutual agreement.

6.7.4 Reimbursement of Patent Costs. Industry Collaborator agrees to reimburse the University for all reasonable costs of filing and prosecuting patents and any other applications if a commercial license is negotiated and executed with the Industry Collaborator.

6.8 Option 2: Pre-Paid Exclusive License in Project Intellectual Property. Industry Collaborator may elect to pay University a fee of 10% of the amount listed in Section 2.1 of this Agreement, or \$15,000.00, whichever is greater (the "Exclusive Technology Fee"); and (ii) a 1% royalty on net sales (as defined in such exclusive license) that exceed \$20,000,000.00 upon execution of such exclusive license. If Industry Collaborator has so elected, and has paid such fee pursuant to 6.8.1 below, University hereby agrees to execute an exclusive commercial license with Industry Collaborator for all of University's rights in University Project Intellectual Property and Joint Project Intellectual Property. The Exclusive Technology Fee described in this section 6.8, together with the 1% royalty described above and reimbursement for all costs associated with intellectual property protection, shall be the sole financial commitment by Industry Collaborator in the exclusive license described in section 6.8.2 below.

6.8.1 Invoice for Exclusive Technology Fee. University shall invoice Industry Collaborator for the amount described in section 6.8 above upon execution of this Agreement. Industry Collaborator shall pay such invoice in accordance with the terms, including payment due dates, of such invoice.

6.8.2 Execution of Exclusive License. University and Industry Collaborator shall make reasonable good faith efforts as described in Sections 6.7.2 and 6.7.3 above to negotiate a license for execution consistent with the terms of Section 6.8. Such commercial license shall contain terms customary and usual for University including but not limited to reasonable diligence requirements for commercialization of the Project Intellectual Property, and indemnity for Industry Collaborator's exercise of license rights.

6.9 Option 3: Pre-Paid Non-Exclusive License in Project Intellectual Property. Industry Collaborator may elect to pay University a fee of 5% of the amount listed in Section 2.1 of this Agreement, or \$7,500.00, whichever is greater (the "Non-Exclusive Technology Fee"). If Industry Collaborator has so elected, and has paid such fee pursuant to 6.9.1 below, University hereby agrees to execute a non-exclusive commercial license with Industry Collaborator for University's rights in University Project Intellectual Property and Joint Project Intellectual Property. The Non-Exclusive Technology Fee described in this section 6.9, together with reimbursement for all costs associated with intellectual property protection, shall be the sole financial commitment by Industry Collaborator in the non-exclusive license described in section 6.9.2 below.

6.9.1 Invoice for Non-Exclusive Technology Fee. University shall invoice Industry Collaborator for the amount described in section 6.9 above upon execution of this Agreement. Industry Collaborator shall pay such invoice in accordance with the terms, including payment due dates, of such invoice.

6.9.2 Execution of Non-Exclusive License. University and Industry Collaborator shall make reasonable good faith efforts as described in Sections 6.7.2 and 6.7.3 above to negotiate a license for execution consistent with the terms of Section 6.9. Such commercial license shall contain terms customary and usual for the University including but not limited to indemnity for Industry Collaborator's exercise of license rights.

## **7.0 Publicity**

7.1 Use of Name. The Parties agree that each Party may use factual information regarding the existence and purpose of this Agreement for legitimate business purposes, to satisfy any reporting and funding obligations, for publication acknowledgements as provided in Section 5.0 of this Agreement, or as required by applicable law or regulation without written permission from the other Party. In any such statement, the relationship of the parties shall be accurately and appropriately described.

7.2 Trademarks, Trade Names and Service Marks. Except as otherwise required by applicable law or regulation, neither Party will use the other Party's proprietary marks, trademarks, service marks, trade names, symbols, logos, or designs for any purpose whatsoever, without the express prior written approval of the other Party.

## **8.0 Warranties, Limitations, Indemnification, and Insurance**

8.1 Warranties and Limitations. EACH PARTY MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND HEREBY DISCLAIMS ALL SUCH

WARRANTIES AS TO ANY MATTER WHATSOEVER INCLUDING, WITHOUT LIMITATION, WARRANTIES WITH RESPECT TO: (i) THE PROJECT AND ANY RESULTS OF THE PROJECT; (ii) DATA, REPORTS, INFORMATION OR RESEARCH PROVIDED BY EITHER UNIVERSITY OR INDUSTRY COLLABORATOR; AND (iii) ANY INTELLECTUAL PROPERTY, INVENTION OR PRODUCT, OR OWNERSHIP THEREOF, WHETHER TANGIBLE OR INTANGIBLE, TESTED, CONCEIVED, DISCOVERED, OR DEVELOPED IN THE PROJECT OR IN CONNECTION WITH CONDUCTING THE PROJECT UNDER THIS AGREEMENT.

- 8.2 Mutual Indemnification. To the extent permitted by applicable law, including in the case of UNIVERSITY, RCW 28B20.250 et seq., and subject to the limitations set forth in Sections 8.1 and 8.3 of this Agreement, each Party (the “Indemnifying Party”) will defend, indemnify, and hold harmless the other Party, including its regents, directors, officers, employees, faculty, students and agents (collectively, the “Indemnified Parties”), from and against any and all losses, claims, liabilities, damages, and costs of whatever kind and nature, including attorney fees and legal costs, for death or injury of any person and for loss or damage to any property, that are a result of the negligence of the Indemnifying Party or the failure of the Indemnifying Party to perform its obligations under this Agreement; providing, however, the Indemnifying Party shall not be obligated to defend, indemnify, and hold harmless any Indemnified Party to the extent any such losses, claims, liabilities, damages, and costs are the result of the negligence of an Indemnified Party or the failure of an Indemnified Party to perform any obligation under this Agreement.
- 8.3 Limitation of Damages. In no event shall either Party be liable to the other Party for any claims by the other Party for indirect, incidental, consequential, special, punitive, or exemplary damages, including lost profits, arising or alleged to arise from this Agreement, its breach, or the transactions contemplated herein, however caused, under any theory of liability.
- 8.4 UNIVERSITY Self-Insurance. UNIVERSITY hereby notifies Industry Collaborator that as an agency of the State of Washington and in accordance with Washington law, UNIVERSITY maintains a self-insurance program pursuant to RCW §§28B.20.250, 28B.20.253, and 28B.20.255. Upon Industry Collaborator’s request, UNIVERSITY will provide Industry Collaborator proof of insurance or loss coverage.
- 8.5 Industry Collaborator Insurance and Proof of Coverage. Industry Collaborator agrees to maintain during the term of this Agreement comprehensive general liability and professional insurance coverage with limits of not less than \$1 million per occurrence and \$3 million annual aggregate. Upon UNIVERSITY’s request, Industry Collaborator will provide UNIVERSITY proof of insurance or loss coverage.

## 9.0 Notices

All notices relating to this Agreement, including to the individual (“Authorized Representative”), will be in writing and delivered via one of the following methods: (i) in person, (ii) mailed by first-class mail, postage prepaid, or (iii) transmitted by email addressed as set forth below, providing a Party may designate a change of address at any time by notice in writing to the other Party. All notices that are mailed by first class mail will be deemed received five (5) business days after U.S. postmark, and all notices transmitted by email will be deemed received upon written confirmation by the receiving Party of successful transmission.



9.1 Contacts

**If to UNIVERSITY (Authorized Representative):**

[JCATI Administrator]  
[Mailing Address]  
Email:  
Ph:

**If to Industry Collaborator (Authorized Representative):**

[Sponsor]  
[Mailing Address]

[City, State, Zip]  
Email:  
Ph:

**If to UNIVERSITY (Technical Contact):**

[Principal Investigator]  
[Mailing Address]

**If to Industry Collaborator (Technical Contact):**

[Sponsor Principal Investigator]  
[Mailing Address]

[City, State, Zip]  
Email:  
Ph:

[City, State, Zip]  
Email:  
Ph:

In the case of a legal notice relating to a dispute, claim, or controversy sent to the Authorized Representative, a copy of such notice shall also be provided to:

**If to UNIVERSITY:**

[LEGAL COUNSEL]

Attn:

Email:  
Ph:

**If to Industry Collaborator (if different from above):**

[Sponsor]  
[Mailing Address]

[City, State, Zip]

Email:  
Ph:

## 10.0 Dispute Resolution and Governing Law

- 10.1 Notice of Dispute and Negotiation. The Parties will attempt to resolve in good faith any dispute beginning with informal discussions via correspondence or meetings, virtual or otherwise. If the Parties cannot resolve the dispute informally, either Party may initiate dispute resolution by providing legal notice, as stated in Section 9 of this Agreement, setting forth the subject of the dispute. The Party receiving such notice will timely respond in writing of its position and recommended solution to the dispute. If the dispute is not resolved by this exchange within forty-five (45) days, legal representatives of each Party shall meet at a mutually agreeable time, either virtually or in Seattle, Washington.
- 10.2 Mediation. If the dispute is not resolved by the process set forth in Section 10.1 of this Agreement, the matter will be submitted to a mutually agreeable and recognized nonbinding mediation service prior to initiating legal action. Any such mediation shall be conducted virtually or in Seattle, Washington, and the costs of the mediation shall be shared equally by the parties.
- 10.3 Governing Law, Jurisdiction and Venue. This Agreement shall be governed by and enforced according to the laws of the State of Washington and the United States, without giving effect to its or any other jurisdiction's choice of law provisions. Jurisdiction and venue of all disputes shall be the state courts located in King County, Washington.

## 11.0 Compliance with Applicable Laws

- 11.1 Compliance with Applicable Laws. The Parties shall comply with all applicable laws and regulations. No obligation assumed by UNIVERSITY under this Agreement will be deemed to be inconsistent with UNIVERSITY's obligations as a Washington State Agency.
- 11.2 Debarment. Each Party represents that it is not excluded, debarred, suspended, or otherwise ineligible to participate in federal programs. In connection with the performance under this Agreement, the Parties shall not knowingly employ or contract with, whether or not for compensation, any individual or entity currently listed by a federal agency as excluded, debarred, suspended, or otherwise ineligible to participate in federal programs.
- 11.3 Nondiscrimination. Both Parties agree that they will not engage in any unlawful discrimination nor will they discriminate against any person because of race, color, religion, national origin, age, handicap, status as a Vietnam era or disabled veteran, sex, or sexual orientation with respect to their employment, personnel, or patient care policies and practices as those matters may relate to the performance of the Parties' respective obligations under this Agreement.
- 11.4 Export Control. As an institution of higher education with many foreign employees, students and visitors, UNIVERSITY intends to conduct the Project as fundamental research under U.S. export regulations. Accordingly, Industry Collaborator shall not disclose or provide to UNIVERSITY any items, materials, software, technology, or information subject to the International Traffic In Arms Regulations (ITAR) under 22 CFR §§ 120-130, or the Export Administration Regulations (EAR) under 15 CFR §§ 730-774, without limitation, without the prior written notice to and advance approval by the UNIVERSITY Export Control Officer. Industry Collaborator agrees to assist UNIVERSITY in making any export control determinations UNIVERSITY deems necessary.

- 11.5 Bayh-Dole Act. In the event the UNIVERSITY receives any funding from a funding agency of the U. S. government for the Project, Industry Collaborator understands and agrees that the Intellectual Property or other similar rights covered by this Agreement may be subject to the Bayh-Dole Act, codified at 37 CFR Part 401.

## **12.0 Miscellaneous**

- 12.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior oral or written agreements, commitments, or understandings relating to the Project. In the event of a conflict between the terms of this Agreement and any Exhibits, the terms of this Agreement will control. Each clause of this Agreement is a distinct and severable clause, and if any clause is deemed illegal, void, or unenforceable, the validity, legality, or enforceability of any other clause or portion of this Agreement will not be affected thereby. Any modification of this Agreement must be in writing and signed by the Authorized Representatives of both Parties.
- 12.2 Independence and Non-Exclusivity. The Parties are independent contractors, and neither may be considered an agent or an employee of the other at any time or for any purpose. No joint venture, partnership, or exclusive relationship is created between the Parties.
- 12.3 Ownership of Equipment. Equipment, supplies, and materials purchased or produced under this Agreement shall be owned by the Party that purchased it.
- 12.4 Waiver. The failure by a Party to assert any right or enforce any obligation under this Agreement shall not constitute a waiver of such right or obligation, unless a waiver is in writing and signed by the Authorized Representative of the waiving Party.
- 12.5 Force Majeure. Except for payments under Section 2.0 of this Agreement, neither Party shall be responsible for any inability or failure to comply with the terms of this Agreement due to causes beyond its control and without the negligence or malfeasance of such Party, including without limitation: strikes or other labor disputes; epidemic, pandemic, or quarantine restrictions; prevention or prohibition by law; the loss or injury to products in transit; the disruption of supply chains; fires, floods, and other disasters; Acts of God; civil unrest or war; or other cause beyond the control of such Party.
- 12.6 Assignment. No Party may assign any right or obligation under this Agreement, in whole or in part, without the express prior written consent of the other Party. This Agreement shall inure to the benefit of and be binding upon each Party's successors and assigns.
- 12.7 Counterparts. This Agreement may be executed by electronic or PDF signature and in counterparts, each of which shall be deemed an original and all of which will constitute one and the same instrument.

IN WITNESS WHEREOF, each Party represents that the individuals signing this Agreement on its behalf are authorized, and intend, to bind the organization in contract.

**University**

By:

Print Name:

Title:

Date:

**Industry Collaborator**

By:

Print Name:

Title:

Date:

Although not a Party to this Agreement, as **UNIVERSITY Principal Investigator and Industry Collaborator Principal Investigator**, by signing below, I confirm that I have read and understand my obligations in this Agreement.

By:

Print Name:

Title: UNIVERSITY Principal Investigator

Date:

By:

Print Name:

Title: Industry Collaborator Principal Investigator

Date:

**Exhibit A: Scope of Work**

**UNIVERSITY:**

**Industry Collaborator:**

**Exhibit B: Background Intellectual Property**

**UNIVERSITY Background IP:**

**Industry Collaborator Background IP:**