

DRAFT

Memorandum of Understanding

This Memorandum of Understanding (“MOU”), effective beginning on the ___ day of _____, ___ is made by and among _____ **X** _____, a _____ having its principal office at _____ (herein “_”), _____ **Y** _____, a _____ having its principal office at _____, (herein “_”), and _____ **Z** _____ a _____ having its principal office at _____ (herein “_”). Each of **X**, **Y** and **Z** may be referred to herein in the singular as a “Party”, with one or more Party being referred to in the plural as “Parties”.

Background

_____ **X** _____ has received a grant from the Life Sciences Discovery Fund (LSDF), a Washington State granting agency, for research under the project entitled, “_____” (LSDF Grant ID no. _____) (“Project”).

The Project is organized under the direction of Dr. _____ at _____ **X** _____ and involves Y and Z as collaborators. The Project and the respective roles of X, Y and Z are further described in Appendix A herein.

In executing this MOU, the Parties desire to clarify matters related to ownership, management and commercialization of Intellectual Property developed in the performance of the Project.

Definitions

"Intellectual Property" means all forms of intellectual property under the laws of any state or country including, but not limited to, patentable inventions, copyrightable works, mask works, trademarks, service marks and trade secrets, that is first conceived or reduced to practice in the performance of the Project and disclosed in writing to a Party.

"Sole Intellectual Property" means Intellectual Property invented, developed, created or discovered solely by employee(s) of a single Party.

"Joint Intellectual Property" means Intellectual Property invented, developed, created or discovered jointly by employee(s) of two or more of the Parties or by employees who are obligated to assign to two or more of the Parties in performance of the Project; provided that in the case of a patentable invention each such employee qualifies as an inventor pursuant to US patent law and in the case of a copyrightable work each such employee qualifies as an author pursuant to US copyright law.

“Background Intellectual Property” means patents, patent applications, trade secrets or other proprietary rights in the possession of a Party prior to the commencement of the Project.

Article 1: Ownership of Intellectual Property

1.1 This MOU does not extend any express or implied licenses or other rights by one Party to any other Party under any Background Intellectual Property.

1.2 All right and title to Sole Intellectual Property shall belong to the Party whose employee(s) invented, developed, created or discovered such Sole Intellectual Property and, except for Section 1.4 below, shall not be subject to the terms and conditions of this MOU.

1.3 All right and title to Joint Intellectual Property shall belong jointly to the Parties whose employee(s) invented, developed, created or discovered such Joint Intellectual Property. Each Party represents that its employees have an obligation to assign their rights to that Party.

1.4 Each Party shall promptly and fully disclose to the other Parties any Joint or Sole Intellectual Property developed by that Party’s employees, such disclosures to be maintained as confidential by the receiving Parties and subject to the terms of a separate confidentiality agreement negotiated among the parties.

Article 2: Intellectual Property Protection

2.1 If the Parties determine that they want to pursue protection for Joint Intellectual Property, those Parties owning such Joint Intellectual Property shall designate one of the owning Parties to take the lead in preparing, filing, and prosecuting any U.S. or foreign applications requested by the owning Parties to be filed to protect the Joint Intellectual Property. At the time of designation of a lead Party, the owning Parties shall enter into an inter-institutional agreement that specifies the rights and obligations of the Parties in protecting and commercializing such Joint Intellectual Property, including, but not limited to, determining the manner in which all costs incurred in connection with such preparation, filing and prosecution and the maintenance of U.S. and foreign application(s) will be shared among the owning Parties.

Article 3: Intellectual Property Licensing

3.1 The terms of the inter-institutional agreement contemplated by Section 2.1 of this MOU shall further specify how Joint Intellectual Property is to be licensed. Any license for Joint Intellectual Property shall include provisions obligating the licensee to commercialize, or otherwise make available for public use, the Invention in a diligent manner, including appropriate diligence requirements and milestones, and shall also require the licensee to defend, hold harmless, and indemnify the Parties owning the Joint Intellectual Property against all claims or damages arising out of the commercial exploitation of Joint Intellectual Property. Any such license agreement shall also include

the retention of a license by the owning Parties to use the Joint Intellectual Property for research and educational purposes.

Article 4: Term

This MOU shall commence on the date written above and shall remain in effect for the duration of the Project or until an inter-institutional agreement referenced in Section 2.1 above is put in place among the Parties. A Party may terminate its participation in the Project for its convenience upon at least ninety (90) days prior written notice to the other Parties. Such termination shall be effective as of the date, after said ninety (90) day period, specified in such notice. The rights and obligations of such terminating Party shall survive such termination with respect to the Intellectual Property generated prior to the termination.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed by themselves or their duly authorized official and effective as of the date first above written.

For X:

By: _____
Name: _____
Title: _____
Date: _____

For Y:

By: _____
Name: _____
Title: _____
Date: _____

For Z:

By: _____
Name: _____
Title: _____
Date: _____