

All provisions contained in this document are expressly non-binding, are set out for discussion purposes only and are part of the ongoing negotiations between North Carolina State University and \_\_\_\_\_. There is no legal or other commitment by any party as to any of the provisions in this document unless and until the necessary internal approvals have been given and a formal written agreement has been signed by authorized signatories of both parties.

## INTER-INSTITUTIONAL INTELLECTUAL PROPERTY AGREEMENT

THIS AGREEMENT is made between \_\_\_\_\_, having a place of business at (hereinafter referred to as \_\_\_\_\_) and North Carolina State University, having a place of business at Box 8210, Raleigh, North Carolina 27695-8210 (hereinafter referred to as "NCSU");

### WITNESSETH THAT:

WHEREAS, inventors at \_\_\_\_\_ and NCSU have jointly invented " \_\_\_\_\_ ", (hereinafter referred to as "INVENTION"); and

WHEREAS, \_\_\_\_\_ and NCSU wish to act jointly in pursuing patent protection and in offering options on licenses and licenses to others under the patent rights pertaining to said INVENTION; and

WHEREAS, \_\_\_\_\_ and NCSU wish to provide for the handling and division of the monies received from any option to license or license under said patent rights.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained herein and of other good and valuable consideration, the parties have agreed and do hereby agree as follows:

1. NCSU will retain counsel of its choosing to prepare and prosecute patent applications and enforce patents directed to the INVENTION. Patent applications shall be assigned jointly to \_\_\_\_\_ and NCSU, each of which shall have an equal and undivided interest in said INVENTION disclosed and claimed therein, as well as any patent issuing thereon. NCSU will consult with and keepfully informed as to the preparation, filing, prosecution and maintenance of the patent application(s) and any patent(s) issuing thereon.
2. Licensing of said INVENTION shall only be by mutual agreement. Neither party shall independently grant a license to a third party without agreement from the other party. NCSU shall take the lead in identifying potential licensees and negotiating license agreement(s) following consultation with\_\_\_\_\_.
3. U.S. and foreign patent applications shall be filed, prosecuted and enforced as mutually agreed upon between \_\_\_\_\_ and NCSU, and the parties will share the expenses thereof as provided in Section 4 hereof. If either or NCSU objects to the filing or continued prosecution of an application or enforcement of a patent in a particular country, the other party may proceed shall have no rights or interests in any patent rights for said country(ies) in which it declines to proceed.
4. Fifty percent (50%) of legal expenses incurred by NCSU in filing, prosecution, maintaining, and enforcing patents, U.S. and foreign, shall be reimbursed by \_\_\_\_\_, unless has objected to the filing of patents in one or more countries as provided herein, in which case NCSU shall be solely responsible for legal expenses in that country(ies) where it has pursued patent(s) on its own.
5. Net royalties and other income (i.e., gross royalties minus reimbursement of each party's legal expenses) received pursuant to options on licenses and licenses under the patent rights of said INVENTION shall be divided between \_\_\_\_\_ and NCSU as follows -- 50% of said net royalties to \_\_\_\_\_, and 50% of said net royalties to NCSU.
6. Either \_\_\_\_\_ or NCSU may terminate this Agreement and its rights and obligations hereunder by providing sixty (60) days written notice of termination to the other party. The terminating party, after providing notice of its intentions, will proceed to meet all obligations, financial or otherwise to the other party by the end of the sixty (60) day notice period, including any steps reasonably necessary to perfect legal

rights to the invention in the remaining party and to enable the remaining party to properly manage any pending or issued patents.

7. If either or NCSU elects to terminate in the manner provided herein, it shall forfeit all rights to the INVENTION and to any pending or issued patents, except that the terminating party shall maintain the right to practice the INVENTION and patent rights for its internal research, clinical and educational purposes. However, if the remaining party subsequently licenses the INVENTION and receives royalty or other income there under, the party having terminated this Agreement shall be entitled to have any unreimbursed patent expenses that were incurred while the Agreement was in force paid from such income, but only after the remaining party has recovered its expenses in full. After the out-of-pocket patent expenses of the terminating party have been reimbursed in full, that party shall have no further rights whatsoever to any income from any license agreement(s) related to the INVENTION and to patents related thereto.

8. Unless terminated as provided in paragraph six (above), this Agreement shall terminate with the expiration of the last to expire patent issued on said INVENTION, or on abandonment of all patent applications on the INVENTION, provided such abandonment is by mutual consent.

9. Nothing in this Agreement shall prohibit either or NCSU from assigning to a third party its respective interest in said INVENTION or in any patent issuing thereon. Any such assignment shall include the obligations of this Agreement.

10. All notices and communications hereunder shall be forwarded to:

**If to NCSU:**

**If to \_\_\_\_\_ :**

Director  
Office of Technology Transfer  
North Carolina State University  
Box 8210  
Raleigh, North Carolina 27695-8210

11. 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.

12. This Agreement, including any schedules or other attachments, which are incorporated herein by reference, contains the entire agreement between the parties as to its subject matter. This Agreement merges all prior discussions between the parties and neither party shall be bound by conditions, definitions, warranties, understanding, or representations concerning such subject matter except as provided in this Agreement or as may be specified later in writing and signed by the properly authorized representatives of the parties. This Agreement can be modified or amended only by written agreement duly signed by persons authorized to sign agreements on behalf of the parties.

13. The failure of the disclosing party to require the performance by receiving party of any provision of this Agreement shall in no way affect the rights of the disclosing party to enforce the same in the future, nor shall the waiver by the disclosing party of any breach, violation, or threatened breach or violation of any provision of this Agreement be construed as a waiver of any subsequent breach, violation, or threatened breach or violation of the Agreement by receiving party. The waiver of a breach of any term or condition of this Agreement will not constitute the waiver of any other breach of the same or any other term.

14. All titles and article headings contained in this Agreement are inserted only as a matter of convenience and reference. They do not define, limit, extend, or describe the scope of this Agreement or the intent of any of its provisions.

15. This Agreement is entered into in the State of North Carolina and must be interpreted in accordance with and its performance governed by the laws of the State of North Carolina, without reference to its conflicts of laws provisions. Any and all litigation relating to this Agreement or the parties' performance hereunder must be in the State Courts of North Carolina with the venue being Wake County. The parties consent to the jurisdiction of those courts.

16. This Agreement is subject to all of the United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities and technology. It is understood that NCSU is subject to United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities (including the Arms Export Control Act, as amended and the Export Administration Act of 1979), and that its obligations under this Agreement are contingent on compliance with applicable United States export laws and regulations. The transfer of certain technical data and commodities may require a license from the cognizant agency of the United States Government and/or written assurances by the Company that the Company will not export data or commodities to certain foreign countries without prior approval of such agency. NCSU makes no promise or representation that a license is not required nor that, if required, it will be issued.

17. In the event an action or any proceeding is commenced regarding a breach, violation, or threatened breach or violation of any of the covenants, duties, or obligations under this Agreement, the prevailing party in any such action or proceeding shall be entitled to seek reasonable attorneys' fees and costs incurred in: (a) enforcing its rights hereunder, and (b) enforcing and/or collecting upon any judgment, decree, or order entered and for such other relief as may be awarded.

18. In the event any provision of this Agreement is found by any court or tribunal to be partially or wholly invalid or unenforceable, the remainder of the Agreement nevertheless shall be enforceable and binding, and the invalid or unenforceable provision shall be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or, if such provision cannot under any circumstances be so modified or restricted, it shall be excised from the Agreement without affecting the validity or enforceability of any remaining provisions. The parties agree that any such modification, restriction or excision may be accomplished by their mutual written agreement.

19. The parties to this document agree that a copy of the original signature (including an electronic copy) may be used for any and all purposes for which the original signature may have been used. The parties further waive any right to challenge the admissibility or authenticity of this document in a court of law based solely on the absence of an original signature.

**IN WITNESS WHEREOF**, \_\_\_\_\_ and NCSU have caused this Agreement to be duly executed as indicated below.

**NORTH CAROLINA STATE UNIVERSITY**

\_\_\_\_\_ (Company Name)

\_\_\_\_\_  
Billy B. Houghteling  
Director  
Office of Technology Transfer  
Date: \_\_\_\_\_

\_\_\_\_\_  
(Signed)  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_