

INTERINSTITUTIONAL AGREEMENT

This Interinstitutional Agreement (“Agreement”), is effective this _____ day of _____, 2____, between FLORIDA ATLANTIC UNIVERSITY BOARD OF TRUSTEES (“FAU”), a nonprofit Florida corporation, having an address at 777 Glades Road, Boca Raton, Florida, 33431-0991 UNIVERSITY”), an institution having an address at _____.

Recitals

Whereas, an invention covered by the Patent Rights, as defined below, was jointly made by inventor(s) at FAU and at UNIVERSITY;

Whereas, UNIVERSITY and FAU own joint, undivided interests in the Patent Rights;

Whereas, UNIVERSITY and FAU want the Patent Rights to be commercialized to the fullest extent so that commercial products and other benefits from licensing can be enjoyed by the general public;

Whereas, UNIVERSITY and FAU believe that the commercialization of the Patent Rights can best be achieved by the offering of licenses for the Patent Rights solely by FAU;

Whereas, UNIVERSITY and FAU intend that FAU will assume exclusive responsibility for administering and licensing the Patent Rights, and that UNIVERSITY will not license its undivided interests in the Patent Rights during the term of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, the parties covenant and agree as follows:

1. Definitions

The terms used in this Agreement shall have the following meaning:

- 1.1 “Patent Rights” shall mean United States patent application number _____, filed on _____, and any United States non-provisional patent applications, continuations, divisionals, reexaminations, reissues, and/or foreign patents or patent applications claiming the priority thereof.
- 1.2 “License Agreement(s)” shall mean any agreement(s) entered into by FAU that grants Licensee(s) the right to make, use, or sell products or use processes, covered by the Patent Rights.
- 1.3 “Licensee(s)” shall mean any party that enters into a License Agreement(s) with FAU.

- 1.4 “Income” shall mean monetary payments or other forms of compensation that are received by FAU from any activity asserting or defending the Patent Rights.
- 1.5 “Administration Fee” shall mean the fee retained by FAU as consideration for securing and administering License Agreement(s).
- 1.6 “Net Revenues” shall mean Income less the Administration Fee.
- 1.7 “Licensed Products” shall mean any product or part thereof which:
 - 1.7.1 is covered in whole or in part by an issued, unexpired claim or a pending claim contained in the Patent Rights in any country in which any such product is made, used, or sold; or
 - 1.7.2 is manufactured by using a process which is covered in whole or in part by an issued, unexpired claim or a pending claim contained in the Patent Rights in any country in which any such process is used or in which any such product is used or sold.

2. **Licensing**

- 2.1 UNIVERSITY grants to FAU the exclusive right to negotiate, execute, and administer License Agreement(s). UNIVERSITY will not license UNIVERSITY’s undivided interest in the Patent Rights unless this Agreement is terminated in accordance with Article 6 (Termination).
- 2.2 FAU will seek Licensee(s) for the commercial development of the Patent Rights and will administer all License Agreement(s) for the mutual benefit of the parties to this Agreement and in the public interest.
- 2.3 FAU will have the final authority to enter into negotiations and execute License Agreement(s). FAU will provide UNIVERSITY with copies of all License Agreement(s) issued. UNIVERSITY will keep these documents and related documentation confidential in accordance with Article 7 (Confidentiality).
- 2.4 FAU will retain ten percent (10%) of Income as the Administration Fee.
- 2.5 For as long as this Agreement is in effect, Net Revenues will be shared fifty percent (50%) for FAU and fifty percent (50%) for UNIVERSITY.

2.6 During the life of this Agreement, each party will be solely responsible for calculating and distributing its share of Net Revenues in accordance with its own policies.

3. **Records and Reports**

3.1 FAU will keep accurate accounts of all costs and charges of all Income received by it from each Licensee(s) and will permit UNIVERSITY to employ a certified public accounting firm, acceptable to FAU, to examine its books and records at reasonable times, but not more than once a year, in order to verify the payments due or owing under this Agreement. The books and records of a given fiscal year may be examined only once. The fees and expenses of the certified public accounting firm will be borne by UNIVERSITY.

3.2 FAU will pay UNIVERSITY its share of Net Revenues due under this Agreement every 12 months by August 31 for the preceding period beginning July 1 and ending June 30.

4. **Patent Prosecution and Protection**

4.1 UNIVERSITY grants to FAU the exclusive right to file, prosecute and maintain the Patent Rights. During the life of this Agreement, neither party will assign its undivided interest in the Patent Rights.

4.2 UNIVERSITY and FAU will use all reasonable efforts to cooperate with each other with respect to the filing, prosecuting, maintaining, and enforcing the Patent Rights, and with respect to the licensing and execution of assignments of the Patent Rights contemplated under this Agreement.

4.3 If FAU incurs any costs and charges that are not reimbursed by a Licensee(s) in filing, prosecuting, maintaining, and enforcing the Patent Rights in the United States and in any foreign country, then UNIVERSITY will reimburse FAU for fifty percent (50%) of these costs and charges. UNIVERSITY will reimburse FAU for UNIVERSITY's share of these costs and charges within 30 days following receipt of an itemized invoice from FAU. At its sole discretion, FAU may pay these costs and charges from Income received by FAU and deduct UNIVERSITY's share of such payments of costs and charges from the Net Revenues that are otherwise payable to UNIVERSITY.

5. **Legal Actions**

5.1 FAU shall have the sole and exclusive right to determine whether or not the parties hereto shall engage in and prosecute any legal actions involving the Patent Rights, including without limitation interferences, oppositions, reissues, reexaminations, or infringement or validity actions, including appeal proceedings.

Upon request by FAU, UNIVERSITY shall join in an action and otherwise provide FAU with such assistance and information as may be useful to FAU in connection with FAU's taking such action. FAU shall have the right to assign its rights under this Section 5 to any of FAU's Licensee(s) under Patent Rights.

- 5.2 Any monetary recoveries actually received and retained by FAU from actions referred to in Section 5.1 shall be treated as Income.

6. **Termination**

- 6.1 If this Agreement has been in effect for at least five years and if a License Agreement(s) is not in effect or in negotiation, then either party may terminate this Agreement for any reason upon at least one hundred and eighty (180) days written notice ("Notice of Termination") to the other party.
- 6.2 Termination of this Agreement shall not affect the obligation of the terminating party to pay its share of costs related to the Patent Rights in accordance with Article 4 (Patent Prosecution and Protection) which will continue for the life of each patent contained in the Patent Rights. Should either party decline to pay for its share of the costs and charges associated with filing, prosecuting, maintaining or enforcing the Patent Rights, it shall so notify the other party in writing. The declining party shall in such letter offer to assign such portion of the Patent Rights to the non-declining party, and if such offer is accepted, execute an agreement so assigning such rights.
- 6.3 Termination of this Agreement shall not affect any License Agreement(s) then in existence, and Net Revenues received from such License Agreement(s) shall be distributed as set forth in this Agreement. FAU and UNIVERSITY agree that, upon termination, both FAU and UNIVERSITY will be permitted to grant nonexclusive licenses to the Patent Rights, without paying compensation to the other party to this Agreement. All such license agreement(s) granted after termination of this Agreement shall not contain terms which would create a breach by FAU or UNIVERSITY of the provisions of any License Agreement(s) granted prior to termination. Each party will be solely responsible for distributing any monies received from its own licensing of the Patent Rights according to its own policy, unless the parties otherwise agree in writing.
- 6.4 Termination of this Agreement will not relieve either party of any obligation or liability accrued under this Agreement before termination or rescind any payments made or due before termination.

7. **Confidentiality**

FAU and UNIVERSITY agree to execute a Mutual Confidentiality Agreement containing reasonable and customary terms in the event that a disclosure of confidential information between the parties becomes necessary.

8. **Life of the Agreement**

8.1 This Agreement is effective from the date recited on page one and will remain in effect for the life of the Patent Rights, unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of this Agreement.

8.2 Any termination of this Agreement will not affect the rights and obligations set forth in Articles 4, 5, 6, 7, 8, 10, 11 and 12.

9. **Notices**

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

9.1 FAU

Vice President of Research
Florida Atlantic University
777 Glades Road, Admin. 247
Boca Raton, FL 33431-0991

with a copy to:

Jack B. Ludin,
Deputy General Counsel
Florida Atlantic University
777 Glades Road
Boca Raton, FL 33431-0991

with a copy to:

Director of Technology Transfer
Florida Atlantic University
777 Glades Road, Admin. 218

Boca Raton, FL 33431-0991
561-297-11652
561-297-2141 (fax)

9.2 UNIVERSITY

10. **Warranties and Representations**

10.1 FAU and UNIVERSITY warrant that, except as otherwise provided under Section 13 of this Agreement with respect to U.S. Government interests, they are the owners of the Patent Rights or otherwise have the right to enter into in this Agreement. However, nothing in this Agreement shall be construed as:

10.1.1 a warranty or representation by FAU or UNIVERSITY as to the validity or scope of any right included in the Patent Rights;

10.1.2 a warranty or representation that anything made, used, sold or otherwise disposed of under any License Agreement granted pursuant to this Agreement will or will not infringe patents of third parties;

10.1.3 an obligation to bring or prosecute actions or suits against third parties for infringement of the Patent Rights;

10.1.4 an obligation to furnish any know-how not provided in the Patent Rights or any services other than those specified in this Agreement; or

10.1.5 a warranty or representation by FAU or UNIVERSITY that they will not grant licenses to others to make, use or sell products not covered by the claims of the Patent Rights which may be similar and/or compete with products made or sold by any Licensee(s) or any sublicensee(s) of Licensee(s).

10.2 FAU AND UNIVERSITY MAKE NO REPRESENTATIONS, EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND ASSUME NO RESPONSIBILITIES WHATSOEVER WITH RESPECT TO USE, SALE, OR OTHER DISPOSITION BY ANY LICENSEE(S), ITS SUBLICONSEE(S) OR THEIR VENDEES OR OTHER TRANSFEREES OF PRODUCT INCORPORATING OR MADE BY USE OF INVENTIONS LICENSED PURSUANT TO THIS AGREEMENT.

11. **Use of Names**

FAU and UNIVERSITY shall not use the name of the other party, the name of any

inventor of the Patent Rights governed by this Agreement and not employed by or a former employee of the party intending to use the inventor's name, or the name of the Florida Atlantic University, in any sales promotion, advertising, or any other form of publicity without the prior written approval of the other party.

12. **Miscellaneous**

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

12.2 This Agreement constitutes the full understanding between the parties with reference to the subject matter hereof, and no statements or agreements by or between the parties, whether orally or in writing, except as provided for elsewhere in this Section 12, made prior to or at the signing hereof, shall vary or modify the written terms of this Agreement. Neither party shall claim any amendment, modification, or release from any provisions of this Agreement by mutual agreement, acknowledgment, or otherwise, unless such mutual agreement is in writing, signed by the other party, and specifically states that it is an amendment to this Agreement.

13. **United States Government Interests**

It is understood that if the United States Government (through any of its agencies or otherwise) has funded research during the course of or under which any of the inventions of the Patent Rights were conceived or made, the United States Government is entitled, as a right, under the provisions of 35 U.S.C. §202-212 and applicable regulations of Title 37 of the Code of Federal Regulations, to a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced the inventions of such Patent Rights for governmental purposes. Any License(s) granted to any Licensee(s) pursuant to this Agreement shall be subject to such right.

14. **Contract Formation and Authority**

14.1 No agreement between the parties shall exist unless the duly authorized representative of UNIVERSITY and the Director of the Office of Technology Licensing of FAU have signed this document within thirty (30) days of the Effective Date written on the first page of this Agreement.

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

15. **Assignability**

15.1 This Agreement binds and inures to the benefit of the parties, their successors or assigns, but may not be assigned by either party without the prior written consent of the other party, which consent will not be reasonably withheld.

16. **Implied License**

16.1 NOTHING IN THIS AGREEMENT CONFERS BY IMPLICATION, ESTOPPEL, OR OTHERWISE ANY LICENSE OR RIGHTS UNDER ANY PATENTS OF EITHER PARTY OTHER THAN THE PATENT RIGHTS, REGARDLESS OF WHETHER THESE PATENTS ARE DOMINANT OR SUBORDINATE TO THE PATENT RIGHTS.

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

FLORIDA ATLANTIC UNIVERSITY

UNIVERSITY

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____