

# WASHINGTON INNOVATION ADVANTAGE PROGRAM (WIAP)

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## **Intellectual Property (Option 1)**

1.0 Applicability and Definitions. Notwithstanding any other terms in the Agreement into which this Exhibit is incorporated, the terms of this Exhibit describe the exclusive terms for creation, ownership, and licensing of Intellectual Property related to the Project. To the extent there is any conflict or inconsistency between this Exhibit and the Agreement, the terms of this Exhibit shall prevail. For purposes of the Agreement and this Exhibit F, the following definitions apply:

1.1 “Intellectual Property” and “IP” mean intellectual property rights in ideas, inventions, discoveries, know-how, useful designs and articles, works of authorship, computer programs, and non-patentable materials (including biological and living materials), including but not limited to patent, copyright, trade secret, and trademark rights recognized under any applicable state, federal, or common law of the United States, foreign countries, and international conventions.

1.2 “Project IP” means Intellectual Property developed by or on behalf of UW in the course of and as a direct result of the Project. Project IP does not include Intellectual Property (i) that has been developed outside the term of this Agreement, (ii) that has been developed by persons not participating in the Project, (iii) that has been developed at the UW independently of the Project or has been developed by UW affiliates, faculty, employees, students, agents, or subcontractors independently of the Project, (iv) that consists of copyrightable materials, including scholarly works, to the extent that UW faculty, staff, and students have personal retained rights in such materials as provided in Section 2.B. of the UW IP Policy, (v) developed by or on behalf of a non-UW person, including a UW subcontractor or supplier; or (vi) that consists of trademarks, trade names, service marks, and service names.

1.3 “UW IP Policy” means the UW’s “Patent, Invention, and Copyright Policy” (<http://www.washington.edu/admin/rules/policies/PO/EO36.html>), as it may from time to time exist, providing however, that any changes to the UW IP Policy after the Effective Date shall not operate to diminish any rights of Sponsor under this Agreement.

2.0 Intellectual Property Ownership and Rights. The parties agree that ownership of and other rights in Intellectual Property, including Project IP, will be determined in accordance with the laws of the United States, the State of Washington, and the UW IP Policy. Except as otherwise expressly provided herein, neither party shall by reason of the Agreement or its performance obtain any right, title, license or other interest, either express or implied, to the other party’s Intellectual Property.

3.0 Disclosure of Project IP. UW will make all reasonable efforts to ensure that all investigators participating in the Project prepare, sign and submit regular written disclosures to a designated UW institutional official of all Project IP (the “Disclosure”) prior to any public disclosure thereof. Within thirty (30) days of receipt of any such Disclosure, UW will provide Sponsor a copy thereof together.

4.0 Sponsor’s License to Reports and Data. Providing that Sponsor has otherwise performed its material obligations under this Agreement and Exhibit (including payment of the IP License Fee in section 6 below), UW hereby grants to Sponsor a non-exclusive non-sublicensable license to (i) Project IP; (ii) the written reports delivered to Sponsor as described in the Agreement; and (iii) the data produced by UW researchers during the course of performing the Project to the extent such data is reasonably and legally available, providing that Sponsor requests such data within thirty (30) days of receiving the final report and reimburses the UW for any additional reasonable costs incurred by the UW in reproducing the data. Sponsor understands and agrees that excepting only the rights granted under the foregoing license, UW retains full ownership of such Project IP, reports, and data.

4.1 Release and Indemnity. In consideration for receipt of the non-exclusive license to Project IP in Section 4.0 above, Sponsor hereby agrees to release UW from any liability arising from Sponsor’s exercise of rights under any such license; and to indemnify UW for any third party claims against UW resulting from Sponsor’s exercise of rights under any such license.

5.0 Patents, Patent Costs, and Option to Negotiate Exclusive Project IP License.

5.1 Patenting and Project IP Protection. UW 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 Project IP, providing that during the term of this Agreement, when reasonably feasible and practicable, the UW advises the Sponsor of such proposed action and provides Sponsor an opportunity to comment thereon.

5.2 Option to Negotiate Exclusive License. In consideration of and conditioned upon Sponsor’s agreement to reimburse UW for the costs of IP protection, Costs of conducting the Project as described in the Agreement, and payment of the IP License Fee described in section 6.1, UW hereby grants Sponsor an option to negotiate a exclusive commercial license to Project IP on the terms described in Section 6.0 below (“Option to Negotiate an Exclusive License”). In the event Sponsor fails to reimburse UW fully for all such costs and/or pay such IP License Fee within thirty (30) days of invoice, UW’s offer to execute such license and Sponsor’s Option to Negotiate an Exclusive License will automatically terminate upon thirty (30) days’ written notice thereof to Sponsor.

6.0 IP License Fee, Exercise of Option, and Negotiation of Exclusive Commercial License.

6.1 IP License Fee. In addition to the payment of costs and expenses pursuant to the Project Budget, Sponsor will pay UW 5% of total Project Budget or \$7,500 whichever is greater (the “IP License Fee”). Such IP License Fee is non-refundable and nontransferable to any other costs or fees associated with this Project or any other Project.

6.1.1 Invoice for IP License Fee. UW shall invoice Sponsor for the IP License Fee upon execution of the Sponsored Research Agreement for the Project. Sponsor shall pay such invoice in accordance with the terms, including payment due dates, of such invoice.

6.1.2 Increase in Project Budgets. Sponsor understands and agrees that increases in Project budgets may increase the price of the IP License Fee consistent with section 6.1 above. UW shall invoice Sponsor for such increases, and sponsor shall pay such invoices, in accordance with section 6.1.1 above.

6.2 Option Period, Exercise and Termination. Sponsor will have a period of three (3) months from the date upon which UW provides a Disclosure to Sponsor to exercise the Option to Negotiate an Exclusive License described in Section 5.2 above. If Sponsor fails to exercise the Option to Negotiate an Exclusive License within such period by notifying UW in writing of its unconditional exercise thereof, Sponsor’s Option to Negotiate an Exclusive License will thereupon terminate, without further notice by the UW, at the end of such exercise period.

6.3 License Negotiation. If Sponsor exercises the Option to Negotiate an Exclusive License, Sponsor will have a period of three (3) months, commencing on the date of delivery to UW of Sponsor’s notice of exercise, in which to negotiate and execute an exclusive license for all or a portion of UW’s interest in Project IP that is the subject of the Disclosure. During such period, UW and Sponsor shall make reasonable good faith efforts to negotiate a license on commercially reasonable terms. Any exclusive commercial license rights granted to Sponsor shall require the Sponsor to pay royalties, license fees, and/or other valuable consideration to UW and shall be on other customary and usual terms, all of which shall be reasonable and mutually-agreeable to the parties.

6.4 Termination of Option to Negotiate License. If UW and Sponsor fail to negotiate and execute a mutually acceptable exclusive license agreement during such period, the Option to Negotiate an Exclusive License shall thereupon terminate without further notice unless extended in writing by UW.

**[Signature Page Follows]**

**University of Washington**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Sponsor**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**University of Washington (CoMotion)**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Principal Investigator - Read and Reviewed**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_