

**CAREER DEVELOPMENT PROGRAM SCHOLAR IN CLINICAL RESEARCH GRANT AGREEMENT**

Date \_\_\_\_\_

Grantee \_\_\_\_\_ Contract Number \_\_\_\_\_

This Career Development Program Scholar in Clinical Research Grant Agreement (the “Agreement”) is entered into as of July 1, 2015 between **The Leukemia and Lymphoma Society, Inc.** (“LLS”) a New York not-for-profit corporation with an office located at 1311 Mamaroneck Ave. Suite 310, White Plains, New York 10605 and [Name] the individual grant recipient (the “Grantee”), the Sponsor [Name of Sponsor] and [Name of Sponsoring Institution] (“Sponsoring Institution”), located at [address of Sponsoring Institution] (individually each of LLS, Grantee, Sponsor, and the Sponsoring Institution is a “Party” and collectively they are referred to as the “Parties”);

WHEREAS LLS has awarded funds jointly to the Grantee and the Sponsoring Institution to be used as a grant (the “Grant”) in accordance with the Application submitted by the Grantee, the Sponsor, and the Sponsoring Institution (the “Application”);

AND WHEREAS the Grantee, the Sponsor, and the Sponsoring Institution agree to abide by the terms and conditions imposed by LLS and governing the awarding of the Grant. The maximum annual expenditures under the Agreement for direct salary costs are \$104,762 and \$5,238 for indirect costs for a term of five years, starting July 1, 2015 (“Effective Date”) through June 30, 2020 (“Expiration Date”). The total annual Grant will reflect the budget outlined in the Grantee’s Application (up to \$110,000 per year) with the total amount awarded during the life of the Grant capped at \$550,000;

NOW THEREFORE in consideration of the mutual covenants and conditions set forth herein, and for other good and valuable consideration, the mutual receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

**TERMS OF THE AWARD**

**A. Scope of the Agreement**

1. The funds given pursuant to this Grant shall be used for the purposes specified in the Application submitted to LLS as executed by the Grantee, Sponsor, and Sponsoring Institution and in compliance with the budget included in the said Application. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.
2. As the Sponsor at the Sponsoring Institution where Grantee’s research will occur, Sponsor agrees that Grantee has sufficient resources necessary to perform the research and to develop Grantee’s career.
3. The Application and budget is attached to this Agreement and marked as Attachment A.

LLS's Patent and Intellectual Property Policy as revised March 2015 is included as Attachment B. All Attachments are incorporated and made a part of this Agreement and the Parties agree to be bound thereby.

4. This Grant shall be awarded for a period of five (5) years unless terminated earlier. All LLS Grants are subject to an annual renewal process.

5. This Grant must be activated July 1<sup>st</sup> in the year for which the application is approved. Otherwise, it may need to be resubmitted and compete on an equal basis with new grant applications when they are reviewed during the following year.

## **B. Annual Renewal**

All LLS grants are subject to an annual renewal; continued funding of this Grant is contingent upon the availability of funds and research progress. Where funding is not available for a renewal and LLS does not elect to renew this Agreement, the Grantee will be given 60 days' notice in writing that the Grant will not continue. LLS does not send out continuation notices if the Grant has been renewed.

## **C. Disclosure**

While this Grant is in effect, the Grantee agrees not to participate in any agreement or activity that would prohibit the disclosure of the Grantee's LLS-funded research or obligate the Grantee to undertake his research for the exclusive benefit of the Sponsoring Institution.

## **D. Acknowledgement and Publicity**

1. The description "The Leukemia & Lymphoma Society" shall precede Grantee's title or position in all relevant publications issued by the Sponsoring Institution during the period of this Grant. All news about the Grantee's research released by the Sponsoring Institution shall indicate that such research is being funded by The Leukemia & Lymphoma Society as follows: *"Supported by an Award from The Leukemia & Lymphoma Society."*

Presentations or posters at major meetings must include the LLS logo in addition to this statement. The LLS logo is available upon request from [LLSResearchCommunications@lls.org](mailto:LLSResearchCommunications@lls.org).

2. The Sponsoring Institution, the Grantee and/or the Sponsor shall notify LLS at [LLSResearchCommunications@lls.org](mailto:LLSResearchCommunications@lls.org) at least seven (7) days prior to any advertising, promotion, publication, presentation or exhibition relating to the results of work supported by Grant funds from LLS. Notification shall include a copy of the materials intended for release, as well as the time, place and manner of disclosure. The Sponsoring Institution and Grantee shall cooperate with LLS in connection with any written, photographic, filmed, broadcast or any other forms of materials LLS elects to produce to publicize the work.

3. When support for a Grantee is, in part or whole, provided by a donor to LLS, the Grantee agrees, as a condition of receiving funds under this Agreement, to participate in

promotional/publicity activities (including but not limited to meeting the Board of Trustees of the donor's affiliated organization, being interviewed for their newsletter, etc.) as requested.

4. LLS's ability to award grants is dependent upon continued support from voluntary donations and LLS-sponsored events. It is expected that Grantees will make all reasonable efforts to attend and participate in events when requested by LLS.

#### **E. Deviations and Transfers**

1. To obtain permission for transfer of this Grant should the Grantee relocate to another institution or to another laboratory in the Sponsoring Institution, the Grantee must complete a transfer application form (request from [Researchprograms@lls.org](mailto:Researchprograms@lls.org)) and submit it at least thirty (30) days prior to the contemplated change. This Grant may not be transferred to a laboratory, clinic or other research facility that is not affiliated with a tax-exempt, not-for-profit institution. Relocations will be reviewed on a case-by-case basis. Only one transfer per year will be allowed. **Applicants must verify that their new Sponsor and/or Sponsoring Institution will accept the terms of this Grant exactly as written in this Agreement, prior to submission of a transfer request. If LLS consents to the transfer, the original Sponsor and, if applicable, the original Sponsoring Institution, must assign their obligations under this Agreement to the new Sponsor and, if applicable, the new Sponsoring Institution, who must accept the assignment of those obligations in a written assignment document to be provided by LLS prior to any payments being remitted to the new laboratory and, if applicable, to the new Sponsoring Institution.**

2. If a transfer occurs after a payment(s) has been made to the original institution, the return of funds to LLS must be pro rata, that is the proportion of the total payment that corresponds precisely to the effective date of transfer. If for any reason, funds are expended in excess of the pro rata apportionment, it will be the responsibility of the original Sponsoring Institution to make restitution to LLS in the event of transfer or premature termination of the Grant.

3. If a Grantee transfers in the middle of a quarter, the appropriate partial payment will be made to the new and/or former Sponsoring Institution with the next quarterly payment. Subsequent payments will then be adjusted to match LLS's established quarterly payment schedule.

#### **F. Grant Payments**

Grant payments will be mailed on or about the last day of each calendar quarter (September, December, March, and June) to the Controller or other financial officer of the Sponsoring Institution indicated on the Application. However, the final Grant payment shall be made only after receipt by LLS of satisfactory Final Reports (Progress, Patent/Invention Disclosure and Financial) as set forth in section L below (**Reporting Requirements**). If for any reason, funds are expended in excess of the monthly designated amount, it will be the responsibility of the Sponsoring Institution to make restitution to LLS in the event of transfer or premature termination of the Grant.

## **G. Carry forward**

Carry forward of unexpended funds from one year to another is not allowed for any reason. At the end of each year, based on the Final or Interim Financial Report submitted to LLS, any unexpended funds must be returned to LLS promptly.

## **H. Reallocation of Funds**

Reallocation of funds is not permitted. This Grant is intended to be used solely to support the Grantee's salary with only 5% of the total direct costs being allowed for institutional overhead expenses. Further, the funds awarded shall be used for the purposes specified in the Application submitted to LLS as executed by the Grantee, Sponsor and Sponsoring Institution and in strict compliance with the budget submitted with the Application and approved by LLS.

## **I. Compliance with Research Guidelines**

The Sponsoring Institution agrees that it will comply with any and all federal, state and/or local guidelines that may affect the Grantee's research. Grantee, Sponsor and/or Sponsoring Institution must immediately report any instances of non-compliance. Failure to do so may result in the suspension or termination of Grant funding.

## **J. Research Integrity**

Research misconduct involving LLS support is contrary to the interests of LLS and the patients and their families it seeks to serve, as well as to the integrity of research, and to the conservation of donor funds. The Parties hereby agree to follow the Sponsoring Institution's policies as they relate to Research Misconduct and confirm that they are at least as rigorous as those followed by the NIH (Public Health Service Policies on Research Misconduct 42 CFR 93).

For the avoidance of doubt, the NIH defines "Research Misconduct" to mean fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results. Research misconduct does not include honest error or differences of opinion.

- a) Fabrication: Making up data or results and recording or reporting them.
- b) Falsification: Manipulating research materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record.
- c) Plagiarism: The appropriation of another person's ideas, processes, results, or words without giving appropriate credit.

## **K. Leave of Absence**

The Grantee must obtain prior written permission from LLS for a leave of absence. If granted, funding for this Grant will be extended for the time of such leave. Failure to do so will result in the termination of this Agreement effective as of the beginning date of the leave of absence. Leaves of absence cannot exceed one (1) year. In the event that a Grantee's funding term is not

completed due to incapacitating illness or death of the Grantee, the unexpended balance of the funds must be returned to LLS within sixty (60) business days.

## **L. Reporting Requirements**

LLS requires Grantee to submit Progress Reports, Patent/Invention Disclosure Reports, and Financial Reports as a condition of accepting LLS funding. These reports will be reviewed by LLS staff. **LLS reserves the right in its sole discretion to terminate any Grant based on its review of a Grantee's Reports. Any Report (Progress, Patent/Invention Disclosure, and/or Financial) that is more than thirty (30) days late may result in suspension or termination of funding.**

a) Progress Reports: As shown in the Schedule below, the Grantee will submit Progress Reports by May 1<sup>st</sup> of each year the Grant is in effect, except for the final year, when the Final Report is due within sixty (60) days of the Expiration Date or any early termination date of the Grant, whichever is sooner. Each Progress Report must include an updated summary written for the lay public, which reflects the progress made since the original application was submitted. Lay summaries are critical for our efforts to educate the public about our ongoing research. The Progress Report shall be accompanied by an evaluation from the Sponsor. Progress Reports must use the most current template provided by LLS and must be submitted through the online portal at <http://lls.fluxx.io>.

b) Patent/Invention Disclosure Reports: The undersigned Sponsoring Institution hereby agrees to have its patent officer or other appropriate designated official submit at least one annual Patent/Invention Disclosure Report detailing any patent or intellectual property activity during the year. As shown in the Schedule below, this report shall be submitted by May 1<sup>st</sup> of each year the Grant is in effect except for the final year, when it is due within sixty (60) days of the Expiration Date or any early termination date of the Grant, whichever is sooner. Patent/Invention Disclosure Reports must use the most current template provided by LLS and must be submitted through the online portal at <http://lls.fluxx.io>. **In addition, in the event that a patent application is filed, the undersigned Sponsoring Institution hereby agrees to send LLS a copy of the patent application no later than thirty (30) days after the filing date.**

c) Financial Reports: The undersigned Sponsoring Institution hereby agrees to have its financial officer submit annual Financial Reports detailing how the Grant funds were expended during the year as well as cumulative totals. This report shall be submitted within sixty (60) days after each Grant anniversary date. Said Sponsoring Institution also agrees to submit a cumulative Final Financial Report within sixty (60) days of the Expiration Date or any early termination date of the Grant, whichever is sooner. Financial Reports must use the most current template provided by LLS and must be submitted through the online portal at <http://lls.fluxx.io>. Sponsoring Institution agrees to repay any portion of the Grant from LLS that is not used for the specified purposes of the Grant and to return to LLS any unexpended Grant funds at the end of each academic year. Subject to Section G above, carry forward of funds from one year to the next is not permitted for this Grant.

**SCHEDULE FOR REPORT DUE DATES**

<b>Progress Reports</b>		
<b>Report Number</b>	<b>Dates Covered</b>	<b>Due Date</b>
1	7/1/2015 – 3/31/2016	May 1, 2016
2	4/1/2016 – 3/31/2017	May 1, 2017
3	4/1/2017 – 3/31/2018	May 1, 2018
4	4/1/2018 – 3/31/2019	May 1, 2019
Final	4/1/2019 – 6/30/2020	September 1, 2020

<b>Patent/Invention Disclosure Reports</b>		
<b>Report Number</b>	<b>Dates Covered</b>	<b>Due Date</b>
1	7/1/2015 – 3/31/2016	May 1, 2016
2	4/1/2016 – 3/31/2017	May 1, 2017
3	4/1/2017 – 3/31/2018	May 1, 2018
4	4/1/2018 – 3/31/2019	May 1, 2019
Final	4/1/2019 – 6/30/2020	September 1, 2020

<b>Financial Reports</b>		
<b>Report Number</b>	<b>Dates Covered</b>	<b>Due Date</b>
1	7/1/2015 – 6/30/2016	September 1, 2016
2	7/1/2016 – 6/30/2017	September 1, 2017
3	7/1/2017 – 6/30/2018	September 1, 2018
4	7/1/2018 – 6/30/2019	September 1, 2019
Final	7/1/2015 – 6/30/2020	September 1, 2020

**M. Human Subjects**

1. The Grantee must obtain prior written approval from the Sponsoring Institution's Institutional Review Board (IRB) (or equivalent institutional authority) for the protection of human subjects before undertaking any form of human subject research. An original executed copy of this approval must be submitted to LLS within ten (10) days after such approval is obtained. With respect to those research projects which do not deal with human subject research, Grantee and Sponsoring Institution must furnish to LLS a letter executed simultaneously with this Agreement stating that: 'The research project funded by LLS does not involve the use of human subjects or human tissue. Grantee, Sponsor, and Sponsoring Institution agree that any deviation from such research which will involve human subject research will not be undertaken unless prior written approval from the Sponsoring Institution's IRB (or equivalent authority) is obtained.' Any such approvals must be forwarded to LLS within ten (10) days of approval. If the IRB (or equivalent authority) disapproves of any changes from the original Grant

Application, LLS in its sole discretion, reserves the right to modify or terminate this Grant.

2. If the Grantee's human subject research privileges are suspended, LLS must be notified within ten (10) business days. LLS will take whatever action it deems appropriate, including suspension or termination of this Grant. Failure to notify LLS of any suspension will result in suspension or termination of this Grant. If the Grant is terminated, any unused Grant funds and/or funds paid after the ten (10) day notice period must be returned to LLS immediately.

#### **N. Animal Subjects**

1. The Leukemia & Lymphoma Society adheres to the most current guidelines applicable to the care and treatment of animals used in laboratory work as outlined by the National Institutes of Health. The Grantee, Sponsor, and Sponsoring Institution acknowledge that the statement in the Application to LLS concerning the use of laboratory animals meets and adheres to these guidelines; an accompanying letter by the Institutional Animal Care and Use Committee, or equivalent institutional body, must be provided. Those projects which do not involve the use of laboratory animals must so state.

2. If the Grantee's animal use privileges are suspended, LLS must be notified within ten (10) business days. LLS will take whatever action it deems appropriate, including suspension or termination of this Grant. Failure to notify LLS of non-compliance with these guidelines on the use of laboratory animals will result in suspension or termination of this Grant. If the Grant is terminated, any unused Grant funds and/or funds paid after the ten (10) day notice period must be returned to LLS immediately.

#### **O. Biohazards**

The Grantee, Sponsor, and Sponsoring Institution acknowledge that the statements in the Application to LLS, concerning potential biohazards and the safeguards to be employed, are accurate descriptions of the circumstances pertaining to this aspect of the research proposed in the Application to LLS. Projects which do not involve biohazards must so state. Failure to notify LLS of non-compliance with these guidelines on the use of biohazards will result in suspension or termination of this Grant. If the Grant is terminated, any unused Grant funds and/or funds paid after non-compliance occurs must be returned to LLS immediately.

#### **P. Recombinant DNA**

The Grantee and Sponsoring Institution acknowledge that the statement in the Application to LLS, concerning recombinant DNA and the safeguards to be employed, are accurate descriptions of the circumstances pertaining to this aspect of the research proposed in the Application to LLS. Projects which do not involve recombinant DNA must so state. Failure to notify LLS of non-compliance with these guidelines on the use of recombinant DNA will result in suspension or termination of this Grant.

#### **Q. Indemnification**

1. The Parties acknowledge and agree that in making this Grant LLS assumes no responsibility for any of the activities of the Grantee, the Sponsor, co-investigators, other staff or the Sponsoring Institution other than the payment of this Grant in accordance with the terms set forth herein.

2. It is further agreed that the Sponsoring Institution shall hold LLS harmless and indemnify it from any claims, damages, costs and expenses that may arise as a result of the activities of the Grantee, co-investigators, other staff or the Sponsoring Institution in connection with this Grant unless caused by the willful misconduct or gross negligence of LLS and to the extent authorized under the Constitution and laws of Sponsoring Institution's state, if applicable.

## **R. Breach and Termination**

1. The failure of the Grantee or the Sponsoring Institution to adhere to any of the terms and conditions of the Agreement may constitute sufficient grounds for LLS, at its discretion, to withhold any or all funds due pursuant to this Agreement until such time as the default is corrected, or to terminate the Grant.

2. As described in Section L, **Reporting Requirements**, LLS reserves the right in its sole discretion to terminate any Grant based on its review of Progress, Patent/Invention Disclosure, and/or Financial Reports.

3. Any of LLS, the Grantee or the Sponsoring Institution may terminate this Agreement upon giving ninety (90) days' written notice to the other Parties. In such case, any unexpended balance of the Grant funds must be returned to LLS within thirty (30) days of the termination of the Grantee's employment or the expiration of the notice period, whichever is sooner.

## **S. Outcome Reporting**

LLS may contact the Grantee after the conclusion of the Grant to determine how LLS funding influenced his/her career and how it may have contributed to new treatments, prevention or diagnosis for patients with hematologic malignancies and/or related pre-malignant conditions. Grantee agrees to cooperate with LLS in connection with such contact.

## **T. Confidentiality**

"Confidential Information" means any and all of the Parties' confidential trade secrets, proprietary information, and data that are not generally known to third persons who could derive economic value from its use or disclosure.

The Parties each agree to hold in the strictest confidence, to use solely in connection with performing the research described in the Grant which is the subject of this Agreement, and not to copy, reproduce or alter, in whole or in part, or disclose to third Parties any information disclosed, in writing or orally or by electronic or any other means provided, that Confidential Information shall not include information that:



- i) is legally in the Parties' possession prior to disclosure and is not subject to a nondisclosure obligation;
- ii) becomes part of the public domain not through any Party's fault;
- iii) is developed independently of disclosure by a Party; or
- iv) is released in writing by a Party so that another Party may make public disclosure.

If a Party is required (by law or valid legal process) to disclose Confidential Information, that Party will promptly notify the other Parties in writing of such requirement so that the affected Party may seek an appropriate protective order or waive in writing the other Parties' compliance with this Section.

A Party receiving Confidential Information shall secure it and maintain its integrity so as to prevent any breach of this Section and immediately report to the other Parties any unauthorized use or disclosure of such Confidential Information.

All Applications and evaluations are considered confidential and are only available to the LLS Medical & Scientific Affairs Committee, Mission Oversight Committee, relevant Grant Review Subcommittees and LLS staff. All information provided in the Reports shall be treated as confidential with the noted exception of the summaries intended for the lay public, which should not contain confidential information, as these will be shared publicly by LLS.

#### **U. Inquiries**

Contact information is provided below for individuals referenced within this document:

##### **For contract and other administrative matters:**

Director of Research Administration  
The Leukemia & Lymphoma Society  
1311 Mamaroneck Avenue, Suite 310  
White Plains, New York 10605  
Email: [Researchprograms@lls.org](mailto:Researchprograms@lls.org)

##### **For news and publications matters only:**

LLS Research Communications  
The Leukemia & Lymphoma Society  
1311 Mamaroneck Avenue, Suite 310  
White Plains, NY 10605  
Email: [LLSResearchCommunications@lls.org](mailto:LLSResearchCommunications@lls.org)

**SIGNATURE PAGE FOLLOWS**

Each party acknowledges having read this entire Grant Agreement and with the full power and authority to execute this Agreement, agrees to perform in accordance with the terms and conditions contained herein.

**Signatures**

**Grantee**

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**The Leukemia & Lymphoma Society, Inc**

Signature: \_\_\_\_\_  
Print Name: Lee Greenberger, Ph.D.  
Title: Chief Scientific Officer  
Date: \_\_\_\_\_

**Sponsoring Institutional Official**

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**LLS Institutional Official**

Signature: \_\_\_\_\_  
Print Name: Rosemarie Loffredo  
Title: Chief Administrative Officer and  
Chief Financial Officer  
Date: \_\_\_\_\_

**Sponsoring Institution Technology  
Transfer Official**

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Sponsor**

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ATTACHMENT A**  
**THE GRANTEE'S APPLICATION**

**INCLUDED BY REFERENCE**

**ATTACHMENT B**  
**THE LEUKEMIA & LYMPHOMA SOCIETY’S PATENT AND INTELLECTUAL PROPERTY**  
**AGREEMENT**

The Leukemia & Lymphoma Society’s (“LLS”) primary purpose in funding scientifically meritorious research is to advance its mission to cure leukemia, lymphoma, Hodgkin’s disease and myeloma, and to improve the quality of life of patients and their families. In this regard, LLS recognizes that certain Inventions (defined below), potentially having public health, scientific, business, or commercial application or value, may be discovered or made in the course of research or development supported with funds furnished by the LLS. LLS desires that such Inventions be effectuated and brought into public use at the earliest possible time, and it recognizes that often this may be best accomplished through patenting and/or licensing of such Inventions.

The Parties receiving Grant funds from LLS agree to the following provisions regarding patent and intellectual property rights and licenses resulting from research conducted by Grantee and funded in whole or in part by LLS.

This Patent and Intellectual Property Agreement (“IP Agreement”) forms part of the accompanying Grant Agreement between LLS on the one hand, and the Grantee and Sponsoring Institution on the other hand, executed concurrently herewith. Although intended to be consistent with the Grant Agreement, the terms of this IP Agreement supersede any conflicting terms of the Grant Agreement, to the extent any conflicting terms exist.

1. The following terms have the following meanings set forth below:
  - a. **“Invention”** shall mean any discovery, idea, formula, material, composition, machine, product, apparatus, program, software, work of authorship, use, method, process, or improvement thereof, which is potentially protectable by intellectual property rights, and all intellectual property covering and/or embodied therein including but not limited to associated patents, copyrights, trade secrets, and know-how.
  - b. **“Funded Invention”** shall mean any Invention conceived, made and/or obtained, in whole or in part, by Grantee in the course of, and/or resulting from, research or development funded in whole or in part by this LLS Grant.
  - c. **“Gross Revenue”** shall mean any and all revenues including equity, or other consideration resulting from but not limited to the licensing, assignment, or optioning of rights to a Funded Invention, less fifteen percent (15%) of such revenues for the administrative overhead fee (“Administrative Fee”) which is not to exceed fifteen thousand dollars (\$15,000). No Administrative Fees in excess of fifteen thousand dollars (\$15,000) shall be deducted from Gross Revenue.

2. Title to, and responsibilities for, any Funded Invention shall reside in the Sponsoring Institution. All patent and other expenses for obtaining and maintaining rights to intellectual property covering and/or embodied in any Funded Invention shall be borne by Sponsoring Institution. Should Grantee or Sponsoring Institution not pursue intellectual property protection for the Invention, it must promptly notify LLS and provide LLS with the opportunity to pursue intellectual property protection on such invention, at least ninety (90) days before the deadline for filing for such protection. Within ten (10) days of the Effective Date of this Agreement, the Sponsoring Institution must provide LLS with its intellectual property policy. In the event Sponsoring Institution lacks a policy or procedure that requires assignment of ownership by Grantee to Sponsoring Institution of any Funded Invention, then title to any Funded Invention shall automatically reside in LLS. In the event this is the case, Sponsoring Institution shall confirm this to LLS in writing within ten (10) days of this Agreement.

3. Sponsoring Institution agrees to notify LLS in writing of the filing of all patent applications and all issuances to it of any and all patent(s) directed to a Funded Invention within thirty (30) days following such filing(s). This obligation shall continue throughout the term of this IP Agreement. Sponsoring Institution also agrees to notify LLS in writing thirty (30) days prior to the granting of any license, lease, sale, or assignment of a Funded Invention, and to provide LLS with the name of any licensee or assignee, the subject matter of the license or assignment, the term of the license, and whether such license is exclusive or non-exclusive. A copy of the license agreement shall be provided to LLS no later than thirty (30) days following the execution of such license agreement. Sponsoring Institution agrees that until such time an LLS-Funded Invention is exclusively licensed, the Funded Invention shall be made available to other researchers and LLS as non-exclusive royalty-free technology transfer should a request be made to use the Funded Invention for research purposes only. Any non-exclusive royalty-free rights will be governed by a separate agreement between the Sponsoring Institution and other researchers, if appropriate and required by the Sponsoring Institution.

4. No pending patent application, issued patent, or other intellectual property covering and/or embodied in the Funded Invention shall be abandoned without first notifying LLS at least sixty (60) days in advance of such decision. At such time, Sponsoring Institution shall provide LLS with the reasonable opportunity to pursue IP protection. This opportunity shall be subject to the Sponsoring Institution's obligations to all other sponsors of research, including the Federal Government.

5. Sponsoring Institution agrees to pay LLS a share of all Gross Revenues derived from Sponsoring Institution's commercialization of any Funded Invention as follows:

- a. LLS's share of the Gross Revenues shall be 10%.
- b. LLS shall have the right at its own expense to have a 3<sup>rd</sup> party Certified Public Accountant audit the books and records of the Sponsoring Institution, no more than once per year during the term of this IP Agreement, in order to verify the Gross Revenues derived annually from any Funded Invention. Sponsoring Institution shall make the books and records available within thirty (30) days of such request from LLS. Sponsoring Institution agrees that if there is an

underpayment of greater than 5% between what has been reported to LLS and what has actually been derived from any Funded Invention, the cost of the entire audit for that year shall be borne by the Sponsoring Institution.

6. Sponsoring Institution agrees to exert its best efforts to commercialize or license or cause to be commercialized the Funded Invention(s), consistent with sound and reasonable business practices and judgment.

7. In the event the Sponsoring Institution licenses, leases, sells, or assigns the Funded Invention to a third party for commercialization, Sponsoring Institution shall include provisions in the license obligating the licensee to commercialize the technology in a diligent manner and include appropriate diligence requirements and milestones. The agreement shall also provide that in the event that the licensee has failed to commercialize the technology in accordance with such diligence provisions, the Sponsoring Institution shall have the right to do one or more of the following: 1) require assignment back (if previously assigned) of any Funded Invention to the Sponsoring Institution, 2) terminate any outstanding licenses, 3) convert an exclusive license to a non-exclusive license so that it may seek other licensees, 4) grant non-exclusive licenses on terms that are reasonable under the circumstances, or 5) make other reasonable disposition of rights.

8. Sponsoring Institution agrees to complete all Reports required by LLS as set forth in the underlying Grant Agreement.

9. Disputes between or among the Parties shall be resolved as follows:

- a. One of the Parties shall request (“the Resolution Request”) that each of the Parties appoint a designated executive management representative to meet for the purpose of attempting to resolve such dispute. The Parties’ designated executive management representatives shall meet and negotiate in good faith in an effort to resolve the dispute.
- b. If the Parties’ designated executive management representatives are unable to resolve the dispute within thirty (30) days after the Resolution Request is made, the Parties shall mediate with a mutually acceptable mediator.
- c. If the mediation does not resolve the dispute within sixty (60) days (unless this time is extended by written agreement of the Parties) after the Resolution Request is made, the dispute shall be settled by arbitration by the American Arbitration Association in accordance with its procedures under its Commercial Arbitration Rules. Each party shall bear its own costs, expenses, and attorney’s fees and an equal share of the arbitration fees. The award of the arbitrator(s) shall be binding, and judgment upon the award may be entered in any court having jurisdiction thereof.

10. The Term of this IP Agreement begins as of the Effective Date and continues until the last of the patents directed to a Funded Invention expires, or for so long as the Sponsoring

Institution receives revenues including equity or any consideration from the licensing, lease, sale or assignment of any Funded Invention, whichever is later.