

MATERIAL TRANSFER AGREEMENT

This Material Transfer Agreement (the "Agreement") is entered into as of _____ (the "Effective Date") by and between _____, having its principal place of business at _____ ("Recipient"), and [Dr. _____] (the "Investigator") and Montana State University, having its principal place of business at 304 Montana Hall, Montana 59717-2460 ("MSU").

WHEREAS, Recipient has requested that MSU supply the Original Material (as defined below);

WHEREAS, the requested Material (as defined below) are considered by MSU to be highly valuable and proprietary products developed, produced, purchased, owned or under license by or to MSU;

WHEREAS, all information relating to the requested Material is considered by MSU to be confidential information of MSU; and

WHEREAS, MSU is willing to provide Recipient with the Original Material and Recipient is willing to receive the Original Material subject to the following terms and conditions;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties hereto agree to the following:

1. Definitions.

"Material" means Original Material, Progeny and Unmodified Derivatives. The Material shall not include (i) Modifications or (ii) other substances created by Recipient through the use of the Material which are not and do not contain Progeny or Unmodified Derivatives.

"Modifications" means substances created by Recipient which contain/incorporate the Material, but which are not Progeny or Unmodified Derivatives.

"Original Material" means all material transferred by MSU to Recipient hereunder, as set forth in the attached Exhibit A.

"Progeny" means unmodified descendant from the Original Material, such as virus from virus, cell from cell, or organism from organism or natural or induced mutants, including mutants obtained from serial dilutions/transfers or genetic engineering.

"Unmodified Derivatives" means substances created by Recipient which constitute an unmodified functional unit or sub-unit of the Original Material or Progeny or a product of the Original Material. For the purposes of this Agreement, it is understood that this includes, but it is not limited to, cells of or derived from the provided strain that still function in the manner described herein. Some examples include, without limitation, subclones of unmodified cell lines, derived cell lines containing additional expression unit(s) or in which the expression of individual gene(s) or gene product(s) has been suppressed, purified or fractionated sub-sets of the Original Material or Progeny, extracts of the Original Material or Progeny, proteins expressed by DNA/RNA supplied by MSU, or monoclonal antibodies secreted by a hybridoma cell line, or isolated gene products and biomolecules, genes, gene fragments, gene sequences and elucidated metabolic pathways and mechanisms of action.

"Research" shall mean use of the Material solely for application in research conducted by the Investigator to be carried out exclusively at the Recipient's laboratories or facilities solely in accordance with the Brief Statement of Research set forth in the attached Exhibit B.

2. Title to Material; Modifications. MSU shall retain all title and interest in and to the Material including, without limitation, any Material contained or incorporated in Modifications. The Recipient shall not imply or represent to any person that he/she is the owner of the Material.

3. Use of Material. Recipient shall use the Material solely for conducting the Research under this Agreement and for no other purpose whatsoever, including, without limitation, any commercial purpose. Recipient shall not use the Material in humans (including for diagnostic purposes), or in animals intended for use as food by human or animals, or in contact with any cells or other Material to be infused into humans. Recipient shall use the Material in compliance with all applicable federal, state and local laws and regulations, including Public Health Service and National Institutes of Health guidelines and regulations including, without limitation, those relating to research involving the use of animals or recombinant DNA. Recipient shall not transfer the Material to any person or entity who is not an employee of Recipient and under the immediate and direct supervision of the Investigator, including a public or private depository, nor use the Material in research that is subject to any consulting, option, license, sponsored research, material transfer, or any other agreement to which a third party obtains rights in intellectual property arising from the Research, unless express prior written approval is obtained from MSU. Under no circumstances shall the Investigator or Recipient attempt to reverse engineer, deconstruct or in any way determine the chemical structure (including the genetic sequence) or composition or duplicate the Material; or commingle the Material with any other active drug compounds except as and to the extent expressly provided in Exhibit B, Recipient agrees to use special care in the use, storage, handling and disposal of the Material in accordance with any material data safety sheets or other documentation or instructions provided by MSU and all applicable laws and regulations.

4. Other Uses. Without prior written consent from MSU, neither the Recipient nor the Investigator may provide Modifications for commercial purposes, but shall not be prevented from granting commercial licenses under the Recipient's valid intellectual property rights claiming such Modifications, or methods of their manufacture or use subject to Section 10. If Recipient desires to use or license the Material or Modifications for commercial purposes, the Recipient agrees in advance of such use to negotiate in good faith with MSU to establish the terms of a commercial license. Recipient understands and acknowledges that MSU shall have no obligation to grant such a license to Recipient and may grant exclusive or non-exclusive licenses to others, or sell or assign all or part of the rights in the Material to any third parties, subject to any prior rights held by third parties or the U.S. government.

5. No Implied Rights. Except as provided in this Agreement, no express or implied rights or implied licenses or other rights are provided to the Recipient under any patents, patent applications, copyrights, trade secrets, or other proprietary rights of MSU, including with respect to any altered forms of the Material made by MSU. In particular, no express or implied licenses or other rights are provided to use the Material, modifications, or any proprietary rights of MSU for commercial purposes.

6. Confidential Information. During the term of this Agreement and for a period of five (5) years thereafter (or such longer period as provided in any other written agreement between the parties), Recipient agrees to maintain in strict confidence and not to disclose to any third party the Material, any and all knowledge, know-how, practices, processes, data, all patentable and non-patentable inventions, ideas or other information disclosed or submitted to Recipient by MSU and any information about the Material learned by Recipient in the course of using the Material (the "Confidential Information") whether in written, oral, graphic or electronic form. Recipient shall use the Confidential Information only for the purpose of carrying out the Research, and for no other purpose whatsoever. Recipient may disclose Confidential Information to its employees (including Investigator), officers, agents, students, or independent contractors with a need to know such information for the purposes of conducting the Research; provided, that each such employee, officer, agent, or independent contractor either agrees to maintain Confidential Information in confidence and to use such information solely to perform the Research pursuant to a written agreement containing or is

otherwise legally bound by terms of non-use and non-disclosure no less restrictive than those set forth herein. Recipient will take all steps necessary to ensure that its employees (including Investigator), officers, agents, students, and independent contractors comply with the terms and conditions of this Agreement, and shall be solely responsible for such persons' compliance with the terms and conditions of this Agreement.

7. Exceptions; Authorized Disclosure. The obligations of Section 6 shall not pertain to any information that Recipient can establish by competent written evidence:

- (a) at the time of disclosure, is in the public domain;
- (b) after the date of disclosure, has lawfully become part of the public domain by publication or otherwise, except by breach of this Agreement by Recipient, its employees (including Investigator), officers, agents, students, or independent contractors;
- (c) was already known by Recipient prior to the date of disclosure by MSU,
- (d) is independently developed by Recipient's employees (including Investigator), agents, students, or independent contractors without knowledge of or access to the Confidential Information; or
- (d) is received by Recipient without any obligation of confidentiality from a third party with the lawful right to disclose such information and who has not obtained the information either directly or indirectly from MSU.

Notwithstanding the foregoing, Recipient may disclose certain Confidential Information without violating the obligations of this Agreement to the extent disclosure is required by applicable law or regulation, or in response to a valid order of a court of the United States or any political subdivision thereof having competent jurisdiction; provided, that, Recipient shall give prompt prior written notice to MSU of such required disclosure and shall make a reasonable effort to obtain a protective order, or to assist MSU in obtaining a protective order preventing or limiting the disclosure, at MSU's request and expense, and/or requiring that the Confidential Information so disclosed be used only for the purposes for which the law or regulation required, or for which the order was issued.

8. Reports. Recipient shall keep complete and accurate records of the results of the Research performed under this Agreement and all Inventions (as defined below) and will keep MSU informed of all uses made of the Material. Upon completion of the Research or termination or expiration of this Agreement, Recipient shall provide MSU with a written report summarizing the data and results generated from the Research of the Material. On a periodic basis (and at any time upon request) but in any event not more frequently than once every **[three (3)]** months, Recipient shall provide MSU interim reports summarizing the status and results of the Research in a timely manner following the conclusion of such experiments

9. Publications. Recipient shall not publish or otherwise disclose the results of the the Research without the prior written consent of MSU

10. Ownership of Inventions; Disclosure; Licenses; Option

(a) Ownership of Inventions. If any invention or discovery is made, developed, created, results from or is reduced to practice from Recipient's use of the Material or the Research, including any Modifications, whether patentable or not (an "**Invention**"), Recipient shall promptly disclose the Invention in writing to MSU in sufficient detail to allow MSU to evaluate its significance. Invention of Inventions will be determined in accordance with the principles of U.S. patent law. Recipient shall own all right, title and interest in and to any Inventions made, developed, created, or reduced to

practice, whether solely or jointly with third parties, by employees, agents, and/or consultants of Recipient (the "**Recipient Inventions**"). MSU shall own all right, title and interest in and to any Inventions made, developed, created, or reduced to practice, whether solely or jointly with third parties, by employees, agents, and/or consultants of MSU (the "**MSU Inventions**"). The parties will jointly own all Inventions made, developed, created, or reduced to practice jointly by one or more employees, agents, and/or consultants of MSU and one or more employees, agents, and/or consultants of Recipient (the "**Joint Inventions**"). Subject to Section 10(c), each party will have the right to practice and grant licenses to third parties to practice the Joint Inventions without the consent of and without a duty of accounting to the other party.

(b) Disclosure. Recipient shall notify MSU in writing of the substance of each Invention and of the filing of any patent application thereon. Recipient shall also notify MSU in writing at least one (1) month prior to the filing of any patent application related to such Recipient Invention, so that the subject matter can be evaluated by MSU or its representative to determine that such filing will not publicly disclose any Confidential Information, including but not limited to the public deposit of biological material.

(c) Licenses; Option. Recipient hereby grants to MSU a perpetual, non-exclusive, worldwide, royalty-free, fully-paid, irrevocable right and license to use the Recipient Inventions for MSU's noncommercial, academic, teaching and research purposes. Recipient agrees to enter into a license agreement or interinstitutional agreement with MSU pursuant to which MSU shall be responsible for filing and prosecuting patents claiming or covering any Invention and to execute licenses on behalf of the Recipient, such agreements and related activities to be consistent with academic technology transfer standards for the benefit of the owners of the Invention

11. No Conflicts. Recipient represents and warrants that it is authorized to enter into this Agreement and that no other contract or other obligation conflicts with the obligations to be assumed by Recipient under this Agreement.

12. Term and Termination. This Agreement shall be effective as of the Effective Date and shall terminate () years thereafter unless otherwise earlier terminated by the parties in accordance with this Section 12. This Agreement may be earlier terminated at any time for any reason by either party upon ten (10) days' written notice. Upon receipt of notice of termination, Recipient shall immediately discontinue all use of the Material. All unused Material and all Confidential Information shall be returned to MSU or destroyed, at the sole option of MSU, in accordance with MSU's instructions within ten (10) days following termination or expiration of this Agreement. Sections 1 through 6 (inclusive), 9, 10, 12, 13, 14, 16, 17 and 18 and any of Recipient's outstanding payment obligations under Section 15 (if applicable) shall survive termination or expiration of this Agreement.

13. Liability. To the extent permitted by applicable law, Recipient assumes all liability and responsibility for damages which may arise from its use, storage, or disposal of the Material. RECIPIENT BEARS ALL RISK AND LIABILITY RELATING TO THE MATERIAL OR THEIR USE, STORAGE, OR DISPOSAL, AND MSU WILL NOT BE LIABLE UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER THEORY FOR ANY DAMAGES INCLUDING, WITHOUT LIMITATION, DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY. RECIPIENT SHALL INDEMNIFY AND HOLD MSU, ITS TRUSTEES, OFFICERS, EMPLOYEES, AGENTS AND ADVISORS HARMLESS FOR ANY CLAIM OF LIABILITY RELATING TO OR ARISING OUT OF THE RESEARCH OR THE USE OF THE MATERIAL

14. Disclaimer. RECIPIENT UNDERSTANDS AND AGREES THAT THE MATERIAL IS UNTESTED AND MAY HAVE UNPREDICTABLE AND UNKNOWN BIOLOGICAL AND/OR CHEMICAL PROPERTIES. ACCORDINGLY, SUCH MATERIAL ARE TO BE USED WITH CAUTION

AND ARE NOT TO BE USED FOR TESTING IN OR TREATMENT OF HUMANS. RECIPIENT WILL USE SUCH MATERIAL IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS, INCLUDING, BUT NOT LIMITED TO, ANY LAWS OR REGULATIONS RELATING TO THE RESEARCH, TESTING, PRODUCTION, STORAGE, TRANSPORTATION, EXPORT, PACKAGING, LABELING OR OTHER AUTHORIZED USE OF THE MATERIAL. SUCH MATERIAL ARE PROVIDED "AS IS" WITH NO WARRANTIES EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, NO WARRANTIES OF EITHER MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OF NON-INFRINGEMENT.

15. Fees. [The Material is provided to Recipient at no cost.] **OR** [The Material is provided to Recipient for a transmittal fee of \$_____ to cover reasonable costs of shipping and packaging the Material.] 16. Assignment This Agreement shall be binding upon and inure to the benefit of the parties' successors and assigns. The rights and obligations of the Recipient under this Agreement shall not be assigned without the prior written consent of MSU. Any assignment in violation of this Section 16 shall be null and void.

17. Entire Agreement. This Agreement and the exhibits attached hereto constitute the entire, final and complete agreement between the parties and supersede all previous agreements or representations, written or oral with respect to the subject matter of this Agreement. No modification of this Agreement or an exhibit attached hereto shall be effective unless the modification is in writing and signed by an authorized representative of each party. To the extent that any terms and conditions set forth in this Agreement are inconsistent with any exhibit attached hereto, the terms and conditions of this Agreement shall control including without limitation, the NDA. All information related to the subject matter hereof to be kept confidential under such NDA as of the Effective Date shall be maintained as "Confidential Information" by the Recipient pursuant to the obligations set forth in Section 6 of this Agreement.

18. Miscellaneous. The parties shall perform their obligations under this Agreement as independent contractors and nothing contained in this Agreement shall be construed to be inconsistent with such relationship or status. This Agreement shall not constitute, create or in any way be interpreted as a joint venture or a partnership of any kind. This Agreement shall be governed in accordance with the laws of the State of Montana, without giving effect to any choice of law principles that would require the application of the laws of a different state or country. Any claim or controversy arising out of or related to this Agreement or any breach hereof shall be submitted to a court of applicable jurisdiction in the State of Montana, and each party hereby consents to the jurisdiction and venue of such court and waives any objection thereto. In the event enforcement of this Agreement or a dispute regarding same results in litigation, the prevailing party shall be entitled to recover all costs and reasonable attorneys' fees incurred thereby. Recipient hereby acknowledges and agrees that in the event of any breach of this Agreement by Recipient, including, without limitation, the actual or threatened disclosure or unauthorized use of Confidential Information without the prior express written consent of MSU, MSU would suffer an irreparable injury such that no remedy at law would adequately protect or appropriately compensate MSU for such injury. Accordingly, Recipient agrees that MSU shall have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that MSU may have for a breach of this Agreement. The parties further agree that nothing contained herein shall be construed or interpreted as a waiver of sovereign immunity of the State of Montana beyond the waiver provided in Title 2, Ch. 9, Montana Codes Annotated. Recipient agrees not to export, directly or indirectly, any U.S. source technical data acquired from MSU or any products utilizing such data to countries outside the United States, which export may be in violation of the United States export laws or regulations. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the Effective Date.

Montana State University

By: _____ Date _____
Rebecca W. Mahurin, Ph.D,
Director, Technology Transfer Office

[Other Party]

Name

Title

Date _____

Acknowledged by:

Investigator

Date _____

EXAMPLE

Exhibit A

Original Material

EXAMPLE

Exhibit B

Brief Statement of Research

EXAMPLE