**PRECLINICAL LAB STUDY  
GRANT AGREEMENT**

Grant Agreement, made this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 19\_\_\_\_ by and between The University of Texas \_\_\_\_\_\_, a state agency governed by the Board of Regents (Board) of The University of Texas System ("System"), whose address is \_\_\_\_\_\_\_\_\_, (hereinafter referred to as "Institution") and [Hoffmann-La Roche Inc./Roche Laboratories], a New Jersey corporation (hereinafter referred to as "ROCHE"), whose principal office is located at 340 Kingsland Street, Nutley, New Jersey 07110.

**W I T N E S S E T H**

WHEREAS, ROCHE is the manufacturer of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, collectively hereinafter referred to as the "Compounds"; and

WHEREAS, Institution has laboratory research situations which would allow testing and study of the Compounds; and

WHEREAS, both ROCHE and Institution consider it necessary and desirable to better understand the effectiveness and use of the Compounds and to accordingly complete the study of same;

NOW, THEREFORE, the parties agree as follows:

1. Evaluation. ROCHE agrees to engage the services of Institution to carry out the testing of the Compounds as further described at Exhibit I. These evaluations will be under the supervision of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ at Institution ("Investigator"), with the assistance of appropriate associates and colleagues at Institution as may be required.

2. Protocol. Institution agrees to conduct the investigation according to the procedures described in Exhibit I (the "Protocol") and incorporated by reference into this Agreement. Institution will conduct the Protocol as originally submitted and thereafter amended and approved in accordance with its institutional policy and all applicable law.

3. Laboratory Animals. All investigations using animals will be conducted in conformity with the guidelines for experimental procedures as set forth in the Animal Welfare Act and the Public Health Service Policy on the Care and Use of Laboratory Animals.

4. Compounds. ROCHE agrees to provide Institution with the required quantity of the Compounds at no charge. Institution agrees to maintain control of the Compounds in accordance with applicable law and Institution's standard procedure for investigational drugs and to return to ROCHE any unused quantities of the Compounds at the conclusion of the evaluation in accord with directions from ROCHE.

5. Results. Institution will provide ROCHE with data obtained from the study within a reasonable time after the completion of the study.

6. Inventions and Patents.

a. The work to be performed under this Agreement is the testing of Compounds supplied by ROCHE as specified in Exhibit I. Institution makes no claim to the specific use of the Compounds to be tested by this study, as that use is described in Exhibit I, in as much as that use has been proposed by ROCHE or a third party to this Agreement and therefore pre-exists the performance of research under this Agreement. Any Inventions or copyrightable work made during the course of this Agreement either solely by Institution personnel or jointly by Institution and ROCHE personnel shall be the property of the employer (assignee) of said personnel. All rights to any Invention or copyrightable work made solely by ROCHE during the course of this Agreement and related to work under this Agreement shall be the property of ROCHE. In no case shall this Agreement be deemed to diminish ROCHE's or any third party's established patent rights (including background patent rights) in the Compounds. An Invention is made during the term of this Agreement if it is conceived and reduced to practice during the term of this Agreement. "Invention" shall mean any discovery, concept or idea, whether or not patentable, made during the term of this Agreement including, but not limited to, processes, methods, software, formulae and techniques, improvements thereof and know-how relating thereto.

b. In the event that an Invention is conceived and reduced to practice during the term of this Agreement, either by employees or agents of Institution or ROCHE, which Invention arises from work performed under this Agreement, Institution and ROCHE agree to report such Invention to each other within ninety (90) days of the identification of such Invention. Institution and ROCHE will thereupon exert their best efforts in cooperation with each other to investigate, evaluate and determine to the mutual satisfaction of both parties, within ninety (90) days of receipt of notice by the non-reporting party, the disposition of rights to the Invention, including whether, by whom, and where any patent applications are to be filed, according to the provisions of this Section 6.

c. If, after consultation with ROCHE, it is agreed by the parties that a patent application should be filed, Institution, for Inventions on which it is the sole assignee, will prepare and file appropriate United States and foreign patent application on inventions made during the course of the work under this Agreement, and ROCHE will pay the cost of filing and maintenance thereof. If ROCHE notifies Institution that it does not intend to pay the costs of an applications, or if ROCHE does not respond or make an effort to agree with Institution on the disposition of rights to the Invention, then Institution may file such application at its own expense, and ROCHE shall have no rights to such Invention. Institution will provide ROCHE a copy of the application filed for which ROCHE has paid the cost of filing, as well as copies of any documents received or filed during prosecution thereof. For jointly owned Inventions, the parties will mutually agree as to who shall file any patent application.

d. Institution agrees to grant to ROCHE an option, which shall be exercisable by ROCHE within six (6) months of the date of disclosure of any Invention according to the provisions of Section 6c. above, to acquire an exclusive, worldwide royalty-bearing license under any patent based on such Inventions. The terms and conditions of the license are to be determined by the parties negotiating in good faith at the time the option is exercised, and in no event shall the parties be obligated to negotiate for more than six (6) months from the date of exercise of the option. In consideration of this exclusive license, ROCHE shall pay a reasonable royalty based on net sales of the licensed product sold providing that such licensed product is covered by licensed patent rights in the country or countries of sale; and in the event that no patent right is available for the technology developed by Institution, in whole or in part, but some other form of intellectual property protection (such as trade secret or confidential treatment) is available, the parties shall negotiate a commercially reasonable royalty rate, taking into account, among other factors, the commercial value of the technology and the relative contribution of the parties.

7. Confidentiality. Because Institution and ROCHE will be cooperating with each other in this evaluation and because each may reveal to the other in the course of this evaluation certain confidential information, Institution and ROCHE agree to hold as proprietary or confidential all information which (a) is obtained during the course of this work and (b) is related thereto, and (c) is marked as "CONFIDENTIAL" or with a proprietary legend, in confidence; and each party will not disclose the confidential information of the other party to any third party without the express written consent of the other party to this Agreement. This requirement shall remain in force for a period of four (4) years following completion of work under this Agreement. Nothing in this paragraph shall in any way restrict the rights of either Institution or ROCHE to use, disclose, or otherwise deal with any information which:

a. on the effective date of this Agreement shall be generally available to the public or thereafter shall become so available through no act of the receiving party; or

b. shall have been in possession of the receiving party at the time of disclosure by the disclosing party; or

c. shall have been acquired by the receiving party from any person entitled to make such disclosure, including independent derivation by another investigator of the receiving party; or

d. shall be required for disclosure under applicable federal, state or local law or to file patent applications related to any Inventions conceived, developed, or reduced to practice under this Agreement, or shall be required to be reported to a governmental agency in connection with approval for use of a drug.

8. Publication Rights. Notwithstanding the provisions of Article 7 of this Agreement, Institution may publish scientific papers relating to the collaborative research performed under this Agreement after review and comment by ROCHE. Institution shall supply any such manuscript to ROCHE before publication and ROCHE shall have thirty (30) working days in which to review the manuscript. ROCHE may request the deletion of confidential information from the manuscript in accordance with Institution's obligation under Section 7 above. In no case shall this Agreement be deemed to diminish ROCHE'S or any third party's established patent rights (including background patent rights) in the Compound. ROCHE agrees to notify Institution in writing within thirty (30) days of receipt of such publication as to whether or not ROCHE desires to have a patent application filed in the U.S. Patent and Trademark office or to have any foreign patent application filed. Upon receipt of such written notification, Institution agrees to delay publication for such time as is required for Institution to file such application, if publication would impair said patent rights; but in no event shall such delay exceed one-hundred and twenty (120) days.

9. Publicity. The University of Texas Southwestern Medical Center at Dallas acknowledges ROCHE'S intention to periodically distribute information releases and announcements to the news media regarding the progress of the research hereunder. ROCHE shall not release such materials containing the name of Institution or any of its employees without prior written approval by an authorized representative of Institution. Should Institution reject a news release, Institution and ROCHE agree to discuss the reasons for Institution's rejection and every effort shall be made to develop an appropriate informational news release within the bounds of accepted academic practices. ROCHE reserves the same right in the event that Institution desires to distribute a news release concerning the research program. Nothing herein shall be construed as prohibiting Institution or ROCHE from reporting on this study to a governmental agency or otherwise identifying the study as required by law.

10. Responsibility. Not in any limitation of the provisions of Article 15, the parties each agree to assume individual responsibility for the actions and omissions of their respective employees, agents and assigns in conjunction with this evaluation.

11. Independent Contractor. ROCHE will not have the right to direct or control the activities of Institution in performing the services provided herein, Institution shall perform services hereunder only as an independent contractor, and nothing herein contained shall be construed to be inconsistent with that relationship or status. Under no circumstances shall Institution be considered to be an employee or agent of ROCHE. This agreement shall not constitute, create or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

12. Title to Equipment. Institution shall retain title to all equipment purchased and/or fabricated by it with funds provided by ROCHE under this Agreement.

13. Survivorship. The provisions of Articles 6, 7, 8, 9 and 15 shall survive any expiration or termination of this Agreement.

14. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party; provided, however, that ROCHE may assign this Agreement to an affiliated company (ie., subsidiary or parent company) or to any purchaser or transferee of all or substantially all of ROCHE'S business upon prior written notice to Institution.

15. Indemnification. ROCHE agrees to indemnify and hold harmless Institution, System, their Regents, officers, agents and employees ("Indemnified Parties") from any liability, loss or damage they may suffer as a result of claims, demands, costs or judgments against them arising out of the performance of this Agreement in accordance with Exhibit I, including but not limited to the use by ROCHE of the results of the Protocol described in Exhibit I; provided, however, that any such liability, loss or damage resulting from the following subsections a - c is excluded from this Agreement to indemnify and hold harmless:

a. a negligent failure to adhere to the terms of the Protocol or to ROCHE'S written instruction relative to the use of the Compounds; or

b. a failure to comply with any applicable governmental requirements; or

c. the negligence or willful malfeasance by any Regent, officer, agent or employee of Institution.

Both parties agree that party receiving the notice will promptly notify the other party, within such a time frame so as not to materially prejudice the rights of that party. ROCHE agrees, at its own expense, and subject to the statutory duty of the Texas Attorney General, to provide attorneys to defend against any actions brought or filed against the Indemnified Parties with respect to the subject of indemnity contained herein, whether such claims or actions are rightfully brought or filed. The Indemnified Parties agree to cooperate with ROCHE in the defense of such claim or action. The obligation of the Indemnified Parties to cooperate in the defense of a claim shall not entail financial cooperation. Subject to the statutory duty of the Texas Attorney General, ROCHE shall have the right to select and direct such attorneys. The Indemnified Parties shall not settle any claim under this section without the prior written consent of ROCHE.

16. ROCHE agrees to pay Institution a fee of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for the performance of the study. This fee shall be payable in two (2) installments, as follows:

a. $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ within thirty (30) days after the execution of this Agreement; and

b. $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ upon ROCHE's receipt of all of the final report.

17. Term and Termination. This Agreement shall become effective as of the date first hereinabove written and, unless earlier terminated as hereinafter provided, shall continue in force until completion of the study as mutually determined by the parties, which in no event shall be later than \_\_\_\_\_\_, except with respect to the obligations under Article 7 and 15 above, which may continue beyond the term of the Agreement. Either party may terminate this Agreement upon sixty (60) days prior written notice to the other party. Upon the termination of this Agreement before the end of the term, the total payable by ROCHE under this Agreement shall be an amount equal to the non-cancelable expenses incurred by Institution in the performance of this Agreement until either the termination date or the receipt of notice of termination, whichever is earlier. In the event Investigator becomes unable to complete the study for any reason ROCHE and Institution may mutually agree to a substituted Investigator, in which event this Agreement shall continue in full force and effect. If ROCHE and Institution cannot agree on a substitute, this Agreement shall immediately terminate.

18. Default. If either party to this Agreement breaches any provisions hereof, the party complaining of said breach shall give the breaching party written notice of the breach and thirty (30) days to cure said breach before this Agreement is affected in any way. Should either party fail to cure its breach within thirty (30) days, or such extended time as the complaining party may grant in writing, the complaining party may terminate this Agreement by written notice to the other party, notwithstanding anything to the contrary contained in this Agreement.

19. Entire Agreement. The parties acknowledge that this Agreement represents the sole and entire understanding between the parties hereto pertaining to the evaluation of the Compounds, according to the Protocol set forth in Exhibit I, and that is supersedes all prior agreements, understandings, negotiations, and discussion regarding the same, whether oral or written. There are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein. No supplement, amendment, alteration, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties hereto.

20. Severability. All agreements and covenants contained herein are severable; and if any of the provisions hereof, with the exception of Articles 2, 7 and 16, shall be held to be invalid by a competent court, this Agreement shall be interpreted as if such invalid agreement or covenant were not contained herein.

21. Captions. The captions of this Agreement are for convenience only and shall not be considered a part of, or affect the construction or interpretation of any provision of this Agreement.

22. Notices. Any notices required by this Agreement shall be sent by certified mail, postage prepaid and addressed as follows:

If to Institution:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_

If to ROCHE:

Hoffmann-La Roche, Inc.  
340 Kingsland Street  
Nutley, New Jersey 07110  
Attention: Corporate Secretary

All such notices shall be deemed effective upon receipt. All notices concerning the exercise of intellectual property options shall additionally be sent to The University of Texas System, Office of General Counsel, Intellectual Property Section, 201 West 7th Street, Austin, Texas 78701. All communications concerning scientific/technical matters shall, in the case of Institution, be addressed to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and, in the case of ROCHE, shall be addressed to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

IN WITNESS WHEREOF, Institution and ROCHE have entered into this Agreement effective as of the date first hereinabove written and have executed three (3) duplicate originals each of which are of equal dignity.

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| University of Texas \_\_\_\_\_\_\_\_\_\_\_\_  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_                                 Name  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Licensee  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_                                 Name  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

I have read this Agreement and understand  
my obligations hereunder.

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
                   (Principal Investigator)

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

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