MATERIAL TRANSFER AND NON-EXCLUSIVE LICENSE AGREEMENT

This material transfer and non-exclusive license agreement ("Agreement") is made as of ____________(the "Effective Date") by and between the Texas Biomedical Research Institute, having a principal place of business at 8715 W. Military Dr., San Antonio, TX 78227 ("Texas Biomed") and the institution receiving the material, ________________ (the "Recipient"), having a place of business at ________________________.

A. The Materials to be transferred are identified as follows:

B. The Material will be used as follows (the "Authorized Research Use") under the direction and control of ________________ (the "Recipient Scientist"):

1. Definitions

1.1 "Commercial Purposes" shall mean the sale, lease, license or other transfer of the Material or Modifications to a for-profit organization. Commercial Purposes shall also include uses of the Material or Modifications by any organization, including Recipient, to perform contract research, to screen compound libraries, to produce or manufacture products for general sale, or to conduct research activities that result in any sale, lease, license, or transfer of the Material or Modifications to a for-profit organization.

1.2 "Original Material" shall mean all biological materials as identified above in Section A and all associated data and information (e.g., methods of making and using such materials, preclinical data, and performance data) provided to or accessed by the Recipient under this Agreement.

1.3 "Material(s)" shall mean the Original Material, Progeny, and Unmodified Derivatives.

1.4 "Progeny" shall mean unmodified descendants from the Material, such as virus from virus, cell from cell, or organism from organism.
1.5 "Unmodified Derivatives" shall mean substances created by the Recipient which constitute an unmodified functional subunit or product expressed by the Original Material. Examples include subclones of unmodified cell lines, purified or fractionated subsets of the Original Material, proteins expressed by DNA/RNA supplied Texas Biomed, or monoclonal antibodies secreted by a hybridoma cell line.

1.6 "Modifications" shall mean substances created by Recipient which contain and/or incorporate the Material.

2. Terms and Conditions

2.1 The above Materials are the property of Texas Biomed, and Texas Biomed retains all ownership of the Materials, including any Materials contained or incorporated in Modifications. Nothing in this Agreement grants any rights in the Materials or any product or process related thereto or derived therefrom other than those rights specifically set forth herein.

2.2 The parties acknowledge that Texas Biomed will transfer Materials that are considered confidential and proprietary to Texas Biomed. During the Term of this Agreement and for a period of four (4) years after the termination of this Agreement, whether at the instance of any Party, Recipient shall not, except as expressly authorized or directed by Texas Biomed, use, copy, or disclose, or permit any unauthorized person access to any Material.

2.3 Notwithstanding Section 2.2, Material shall be deemed not to be confidential to the extent that it: (a) is or later becomes publicly known other than through a breach of this Agreement by the Recipient, its employees (including the Recipient Scientist), or its agents; (b) is lawfully made available to the Recipient, its employees (including the Recipient Scientist), or its agents by a third party that the Recipient reasonably believes owes no obligation of confidentiality to the other party; or (c) was already known to or is independently developed by the Recipient, its employees (including the Recipient Scientist), or its agents as evidenced by written records.

2.4 Recipient shall use the Materials exclusively for the Authorized Research Use and for no other purpose. Any use of Materials for Commercial Purposes is expressly prohibited. The research will be conducted only at Recipient's facilities in Recipient Scientist's laboratory under the direction of the Recipient Scientist. The Materials shall not be distributed or transferred to any third party, including transfer to anyone else within the Recipient organization, or used for any purpose other than the Authorized Research Use without the prior written consent of Texas Biomed.

2.5 Recipient shall inform Texas Biomed, in confidence, of results of the research related to the Materials by personal written communication or by providing Texas Biomed with a draft manuscript describing such results. Results may be published or disclosed in non-commercial, scientific publications and conferences, provided that Texas Biomed and its scientists are either named as co-authors of the publication or public disclosure and/or cited expressly as the source and licensor of the Materials, as scientifically appropriate. However, Texas Biomed requires a 45-day period to review the manuscript for proprietary information prior to publication or disclosure. Recipient will remove any confidential information of Texas Biomed at the request of Texas Biomed.

2.6 Recipient and Recipient Scientist agree to refer to Texas Biomed any request for the Material.

2.7 If Recipient’s research results in a discovery, invention, new use, or a product (collectively referred to as “Invention”), Recipient agrees to fully disclose promptly such Invention(s) to
Texas Biomed on a confidential basis. Inventorship shall be determined in accordance with United States patent law. If Texas Biomed or Texas Biomed personnel are co-inventors of such Inventions, the Recipient agrees to negotiate in good faith to enter into a license agreement with Texas Biomed concerning Texas Biomed’s and/or Recipient’s use of the Invention. If either Texas Biomed or Recipient is the sole inventor of any invention, that party shall be free to dispose of such invention as it sees fit. Texas Biomed shall have a paid-up, royalty-free right to use Inventions for its own research purposes.

2.8 Recipient acknowledges that the Material is or may be the subject of a patent application. Except as provided in this Agreement, no express or implied licenses or other rights are provided to the Recipient under any patents, patent applications, trade secrets or other proprietary rights of Texas Biomed, including any altered forms of the Material made by Texas Biomed. In particular, no express or implied licenses or other rights are provided to use the Material, Modifications, or any related patents of Texas Biomed for Commercial Purposes.

2.9 Any Material delivered pursuant to this Agreement is understood to be experimental in nature and may have hazardous properties. Texas Biomed MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES, EITHER EXPRESS OR IMPLIED. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE USE OF THE MATERIAL WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER PROPRIETARY RIGHTS.

2.10 Unless prohibited by applicable law, Recipient assumes all liability for damages which may arise from its use, storage or disposal of the Material. Texas Biomed will not be liable to the Recipient for any loss, claim or demand made by the Recipient, or made against the Recipient by any other party, due to or arising from the use of the Material by the Recipient, except to the extent permitted by law when caused by the gross negligence or willful misconduct of Texas Biomed. To the extent permitted by applicable law, Recipient agrees to hold harmless and indemnify Texas Biomed against any and all losses, liabilities, damages and expenses (including reasonable attorneys’ fees and costs) of every kind arising out of the activities to be carried out pursuant to this Agreement.

2.11 Recipient agrees to use the Material in compliance with all applicable statutes and regulations, including Public Health Service and National Institutes of Health regulations and guidelines such as, for example, those relating to research involving the use of animals or recombinant DNA.

2.12 Recipient agrees to have a communication and mitigation plan for any experiments in animal models with viruses showing enhanced replication in excess of 1 log or enhanced weight loss in excess of 10% compared to the wild-type backbone strain. In those instances, recipient agrees to stop all work with the virus and notify their EHS/Biosafety officer and also Texas Biomedical Research Institute on the outcome.

2.13 This Agreement is not assignable, whether by operation of law or otherwise, and sets forth the entire agreement and understanding of the parties. This Agreement cannot be changed or amended except by written agreement executed by both parties.

2.14 A breach of any of the promises or agreements contained herein will result in irreparable and continuing damage to Texas Biomed for which there will be no adequate remedy at law, and Texas Biomed shall be entitled to seek injunctive relief and/or a decree for specific performance, and such other relief as may be proper (including monetary damages if appropriate).

2.15 This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas, U.S.A., without regard to the conflicts of law principles thereof.
2.16 This Agreement will terminate on the earliest of the following dates:
   a. on completion of the Recipient’s current research with the Material;
   b. on thirty (30) days written notice by either party to the other; or
   c. two years from the last signature date.

2.17 The Material is provided for a fee, which is solely to reimburse Texas Biomed for its preparation and distribution costs. The amount of the fee is $U.S. Dollars ($), due contemporaneously upon execution of this Agreement. At the request of Texas Biomed, Recipient shall provide courier service name and account information to Texas Biomed in advance of distribution of Material.

IN WITNESS WHEREOF, the parties have executed this Agreement by duly authorized persons.

Texas Biomedical Research Institute  
Recipient Organizational Official:

By: _________________________________
Bruce Edwards*
Executive Vice President, Finance and Administration and CFO
Texas Biomedical Research Institute
8715 W Military Drive San Antonio, TX 78227
Bedwards@txbiomed.org

Recipient Scientist:

By: _________________________________
Name: Luis Martinez-Sobrido*
Title: Professor

*Please direct all questions about the MTA document to our Innovations Manager, Dr. Tracey Baas <tbaas@txbiomed.org> who will be able to assist you.