INTER-INSTITUTIONAL AGREEMENT
(UTEP and [INSERT OTHER INSTITUTION])

This Inter-Institutional Agreement ("Agreement") is made and entered into as of the Effective Date set forth below between the Lead Institution and Other Institution(s) identified below (together, the "Parties"). This Agreement consists of: Part 1 ("Transaction Terms") which identifies the Parties, the patent rights subject to this Agreement, the economic arrangements between the Parties, and other transaction-specific terms; Part 2 ("General Terms") which contains the general terms and conditions; and Exhibit A which includes terms to be included in any license agreement of the patent rights subject to this Agreement.

The parties hereby agree as follows:

Part 1 – Transaction Terms

<table>
<tr><td colspan="2">Lead Institution
[Lead Institution name and address]
_____
_____
_____
Attn: _____</td><td colspan="3">Other Institution(s)
[Other Institution name and address]
_____
_____
_____
Attn: _____</td></tr>
<tr><td>Effective Date</td><td colspan="4">_____, 201__</td></tr>
<tr><td rowspan="4">Joint Patent Rights</td><td>Internal Reference No.</td><td>Serial No./Date of Filing</td><td>Title</td><td>Inventors (including employer at time of invention)</td></tr>
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<tr><td></td><td></td><td></td><td></td></tr>
<tr><td>Share of Net Consideration</td><td colspan="4">[Name of Lead Institution]: __%
[Name of Other Institution]: __%</td></tr>
<tr><td>Share of Patent Expenses</td><td colspan="4">[Name of Lead Institution]: __%
[Name of Other Institution]: __%</td></tr>
<tr><td>Patent Expense Cap</td><td colspan="4"></td></tr>
<tr><td>Past Patent Expenses</td><td colspan="4">[Name of Lead Institution]: $_____
[Name of Other Institution]: $_____</td></tr>
<tr><td>Administration Fee</td><td colspan="4">____ %</td></tr>
<tr><td>Third-Party Interests</td><td colspan="4">[Identify specific encumbrances, or state "None"]</td></tr>
<tr><td>Governing Law</td><td colspan="4">[Specify "State of _____" or other jurisdiction; or state "None" if the parties wish to remain silent on choice of governing law.]</td></tr>
<tr><td>Changes in General Terms</td><td colspan="4">[State "No changes" or identify the specific Paragraphs that have been changed from the standard template]</td></tr>
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Part 2 – General Terms

1. Definitions

The following capitalized terms have the meanings set forth below.

"Administration Fee" means the fee retained by Lead Institution as consideration for acting as lead under this Agreement. The amount of the Administration Fee, if any, is identified in the Transaction Terms and is calculated as a percentage of License Consideration after subtracting Patent Expenses reimbursed therefrom.

"Declining Party" means a Party that notifies the other Party(ies) that it elects to abandon particular Patent Rights or elects to not pay or to discontinue paying its Share of Patent Expenses for particular Patent Rights in accordance with Paragraphs 2.2, 2.3, 4.1(b) or 4.1(c), including declining to pay expenses in excess of the Patent Expense Cap set forth in the Transaction Terms, if any.

"License Agreement" means any agreement entered into by Lead Institution on behalf of both Lead Institution and the Other Institution(s) granting Licensee the right to make, use, offer to sell and/or sell products or services covered by Patent Rights, or any agreement granting an option for such a license.

"License Consideration" means collectively all money and other items of value (excluding research grants), including up-front license fees (whether cash, equity, or other consideration), annual maintenance fees, patent expense reimbursements, milestone fees, minimum royalties, earned royalties, and other consideration received from a Licensee or its sub-licensees, or otherwise received on account of licensing or optioning the Patent Rights.

"Licensee" means a third party who has been granted an interest in the Patent Rights pursuant to a License Agreement with Lead Institution.

"Net Consideration" means the License Consideration less the Administration Fee and unreimbursed Patent Expenses paid by the Parties.

"Patent Expenses" means all reasonable, out-of-pocket expenses incurred relating to the preparation, filing, prosecution, maintenance or defense of Patent Rights, both past and future. For avoidance of doubt, the salaries and costs of each Party's technology transfer office or legal affairs office are not included as out-of-pocket expenses for purposes of calculating the Patent Expenses.

"Patent Rights" means worldwide rights to the inventions described and claimed in the patents and patent applications identified as Patent Rights in the Transaction Terms; reissues, reexaminations, renewals, extensions, divisionals, continuations (including continuations-in-part (CIPs) only to the extent that the claims in such CIPs are entitled to the priority date of, and fully supported by, another patent or application in the Patent Rights) of the foregoing; and any

foreign counterparts and any other forms of protection directed to the inventions covered by the patents and patent applications identified as Patent Rights in the Transaction Terms.

"Share of Net Consideration" means the respective percentage allocated to each Party of Net Consideration, as set forth in the Transaction Terms.

"Share of Patent Expenses" means the respective responsibility allocated to each Party for Patent Expenses, as set forth in the Transaction Terms.

"Third-Party Interests" means rights of research sponsors (other than the U.S. government) or other third parties in the Patent Rights or in the proceeds of licensing the Patent Rights, other than inventors' interest under the Parties' intellectual property policies. The Third-Party Interests, if any, are identified in the Transaction Terms.

2. Patent Prosecution and Protection

2.1 Authority to File Patents. The Lead Institution shall have the responsibility and authority to take all reasonable actions necessary and appropriate to seek patent protection for the Patent Rights in accordance with the terms of the Agreement. The Lead Institution may not delegate this authority to a Licensee, unless stated otherwise in Exhibit A or unless such delegation is approved by the Other Institution for a particular Licensee (or deemed approved in accordance with Paragraph 3.3). Although the Lead Institution shall have the ultimate decision authority in these matters, the Lead Institution shall use reasonable efforts to keep the Other Institution(s) reasonably informed as to all material matters relevant to the patent prosecution process and decision matters, and the Lead Institution shall give due consideration to any recommendations made by the Other Institution(s) concerning the patent prosecution matters. Lead Institution will provide, or direct outside patent counsel to provide, Other Institution(s) with all serial numbers and filing dates, together with copies of all applications in the Patent Rights and patents that issue from the Patent Rights, including copies of all office actions, responses and all other communications from the U.S. Patent and Trademark Office and the patent offices in any other jurisdictions.

2.2 Foreign Patent Prosecution. In instances where there is no commitment from a Licensee to reimburse Patent Expenses, Lead Institution shall consult with the Other Institution(s) regarding foreign filings reasonably in advance of the filing deadline. If an Other Institution(s) is not willing to support its Share of Patent Expenses for any such foreign filing, it shall so notify the Lead Institution in writing and the consequences stated under Paragraph 2.4 will apply.

2.3 Abandonment of Patent Rights. The Lead Institution shall not abandon the prosecution of any patent application (except in favor of a continuation, divisional or continuation-in-part application) or the maintenance of any Patent Rights without notifying the Other Institution(s) in writing at least 90 days in advance of any applicable deadline and allowing the Other Institution(s) the opportunity to prosecute or maintain such Patent Rights at its sole expense in the name of Other Institution(s) and Lead Institution in accordance with paragraph 2.4.

2.4 Consequences of Declining Payment of Patent Expenses. If a Party elects to abandon particular Patent Rights or elects to not pay or discontinue paying its Share of Patent Expenses and thereby become a Declining Party, then the other Party(ies) may elect to (a) pay the Declining Party's Share of Patent Expenses and the Agreement remains in force, or (b) terminate the Agreement by providing 30 days prior written notice.

2.5 Patent Assignments. Lead Institution will record assignments of Patent Rights in the names of the Lead Institution and the Other Institution(s) in the United States Patent and Trademark Office and other government patent offices, as applicable, and will provide Other Institution(s) with a photocopy of each recorded assignment.

3. Licensing

3.1 Exclusive Right to License. Other Institution(s) hereby grants to Lead Institution the exclusive right to negotiate, execute, and administer any License Agreement covering Patent Rights in accordance with the terms of this Agreement. Other Institution(s) will not license the Patent Rights (other than to the U.S. government, if applicable) unless this Agreement is terminated.

3.2 Efforts to License. Lead Institution will use reasonable efforts, consistent with its usual practices, to seek Licensee(s) for the commercial development of Patent Rights and will administer the License Agreement for the mutual benefit of the Parties and in the public interest. Lead Institution shall exercise its reasonable efforts to ensure that any Licensee shall fully comply with the terms of any License Agreement. Under no circumstances shall Lead Institution be liable to Other Institution(s) for monetary damages for any alleged failure by Lead Institution to meet the obligations stated in this Paragraph 3.2.

3.3 License Agreement. Lead Institution will have the final authority to enter into negotiations and execute License Agreement(s), subject to compliance with this paragraph and Paragraph 3.6. Lead Institution will provide Other Institution(s) with a substantially final draft of any License Agreement or amendment to a License Agreement prior to execution for the Other Institution(s) to review for compliance with Paragraph 3.6 of this Agreement. Other Institution(s) agrees that if it does not provide objections or comments within fifteen (15) business days of its receipt of the substantially final draft of the License Agreement or amendment, Other Institution(s) shall be deemed to have approved it. Other Institution(s) acknowledges that it may not withhold approval of a License Agreement or amendment because of its expected financial return (e.g., royalties or equity level). The Lead Institution will provide the Other Institution(s) a copy of any License Agreement or amendment that is executed.

3.4 Reserved Rights. Each Party expressly reserves the right to use the Patent Rights and associated inventions or technology for educational and research purposes, and to grant such educational and research rights to other non-profit institutions.

3.5 No Agency Relationship. This Agreement does not create an agency relationship between the Parties.

3.6 Terms of License Agreements. License Agreements must include, without limitation, the terms identified in Exhibit A and be consistent with any policies of the Other Institution(s) identified in Exhibit A, except to the extent that a License Agreement with deviations therefrom is approved by the Other Institution(s) or deemed approved in accordance with Paragraph 3.3.

3.7 Equity in Licensees. If the consideration for a grant of a license to the Patent Rights includes equity in the Licensee, the Lead Institution shall in accordance with its regular practices either (a) allocate the equity among the Parties in accordance with each Party's Share of Net Consideration after giving effect to the Administration Fee, if any, and promptly distribute to the Other Institution(s) its share of the equity, or (b) hold such equity until it receives cash on account of such equity whether by way of dividend, sale of shares, merger or other transaction or event and then allocate and distribute such cash as License Consideration hereunder.

3.8 No Implied License. This Agreement grants no express or implied license in any rights of either Party except for the rights explicitly granted in Patent Rights.

4. Financial Terms

4.1 Patent Expenses.

(a) The Patent Expenses invoiced to the Parties prior to the Effective Date are identified as Past Patent Expenses in the Transaction Terms. Within 90 days of the Effective Date, the other Parties shall pay their Share of Patent Expenses with respect to the Past Patent Expenses to the Parties that incurred such expenses.

(b) The Lead Institution shall be solely responsible for reviewing and approving all Patent Expenses incurred after the Effective Date and for ensuring that all Patent Expenses are paid in a timely manner. The Lead Institution shall furnish to the Other Institution(s) copies of all invoices for Patent Expenses on a regular basis. The Other Institution(s), within 90 days after receipt of the invoices, shall reimburse to the Lead Institution its Share of Patent Expenses which have been paid by the Lead Institution and not reimbursed by a Licensee. Notwithstanding the foregoing, Other Institution(s) shall not be responsible for reimbursing Patent Expenses in excess of the cap, if any, set forth in the Transaction Terms absent the Lead Institution notifying the Other Institution(s) in advance of incurring expenses in excess of the cap. In the event such advance notice is given, the Other Institution(s) may elect to pay its Share of Patent Expenses for such overage or decline to pay such overage and have the consequences stated in Paragraph 2.4 apply.

(c) Upon at least 90-days prior written notice from an Other Institution to the other Party(ies), such Other Institution may decline to pay its Share of Patent Expenses incurred after such notice period for one or more types of anticipated Patent Expenses (e.g., expense for continuing to prosecute a particular patent application, or for maintenance of a particular patent). As a result of such a decision, if the other Party(ies) pays such Patent Expenses, then the consequences stated in Section 2.4 will apply.

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4.2 License Consideration.

(a) The Lead Institution shall have the responsibility, obligation and authority to receive and collect the License Consideration payable under the License Agreement, and perform such audits under the License Agreement as the Lead Institution deems appropriate. The Lead Institution shall keep the other Parties informed as to all receipts of the License Consideration in accordance with paragraph 5.2. The Lead Institution shall keep the other Parties reasonably informed of any material delinquencies, deficiencies or defaults by the Licensee in performing the License Agreement.

(b) The Lead Institution shall deduct from the License Consideration and retain for itself or reimburse the Other Institution(s) the following amounts: first, the Patent Expenses (which shall be distributed to the Parties in proportion to the Patent Expenses actually paid by each Party and not yet reimbursed, including Past Patent Expenses), and second, the Administration Fee, if any. The Net Consideration shall be distributed to the Other Institution(s) in accordance with the Share of Net Consideration set forth in the Transaction Terms. Each Party will be responsible for paying out of its Share of Net Consideration any obligations it owes with respect to Third-Party Interests, unless stated otherwise in the Transaction Terms. The Lead Institution may not deduct or retain for itself or reimburse the Other Institution(s) for any costs or expenses other than Patent Expenses, unless otherwise agreed in writing by the Parties.

4.3 Allocation of Proceeds. If the Lead Institution licenses the Patent Rights together with other patent or intellectual property rights controlled by Lead Institution that are not covered by this Agreement, the Parties shall negotiate in good faith to determine the portion of the gross licensing proceeds received under the License Agreement that are attributable to the Patent Rights.

4.4 Inventors. Each Party will be solely responsible for calculating and distributing to its respective inventors their share of Net Consideration or equity allocated to it under Paragraph 3.7(a) in accordance with the Party's own policy.

5. Records, Reports and Audits

5.1 Books and Records. Lead Institution shall keep complete, true and accurate accounts of all Patent Expenses and of all License Consideration received by it from each Licensee of the Patent Rights and shall permit Other Institution(s) to examine its books and records in order to verify the payments due or owed under this Agreement.

5.2 Payment Reports. The Lead Institution shall make the calculations as to the allocation of that License Consideration in accordance with the terms of the Agreement and furnish to the Other Institution(s) a written report of such receipts and calculations. With such report, the Lead Institution shall deliver to the Other Institution(s) the Share of Net Income for the Other Institution(s) as shown in said calculations, if any. Such reports and distributions shall be provided with the same frequency that Lead Institution distributes revenue to its inventors, but no less frequently than once per year. Lead Institution shall provide the Other Institution(s) copies of reports, sublicense agreements and other material documents received from Licensees.

5.3 Annual Reports. Upon request by Other Institution(s), Lead Institution shall submit to Other Institution(s) an annual report setting forth the status of all patent prosecution, commercial development and licensing activity relating to the Patent Rights for the preceding year.

6. Patent Infringement

If any Party learns of a potential infringement of the Patent Rights, it will promptly notify the other Parties hereto. Subject to the rights granted the Licensee in any License Agreement, the Parties agree to discuss the situation and determine in good faith how best to proceed.

7. Notice

Any notice or payment required to be given to either Party shall be addressed to the address of that Party included in the Transaction Terms. Either Party may notify the other in writing of a change of address, in which event any subsequent communication relative to this Agreement shall be sent to the last said notified address. All notices and communications relating to this Agreement will be deemed to have been given when received.

8. Confidentiality of Licensee Information

If required by a License Agreement, each Party shall, to the extent permitted by law, keep confidential the terms of such License Agreement and any business information received from the Licensee (e.g., revenues, business development reports, milestones accomplished, sublicensee information and sublicense agreements), except that a Party may report revenue it receives in accordance with its reporting requirements to sponsors and may include such revenue in aggregate licensing revenue reported by such Party.

9. Term and Termination

9.1 Term Duration. This Agreement is effective from the Effective Date and will remain in effect for the life of the last-to-expire patent under Patent Rights, or in the event no patent contained in Patent Rights issues or such patents or patent applications are abandoned, then one year after the last patent or patent application is abandoned, unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of this Agreement.

9.2 Early Termination. Any Party may terminate the Agreement without cause at any time after three years have passed from the Effective Date upon 90 days' prior written notice to the other Parties, unless either (a) there is a License Agreement in effect at the time of termination with respect to the Patent Rights, or (b) the Lead Institution notifies the terminating Party that it is actively engaged in good faith negotiations with a bona fide potential Licensee and the Lead Institution consummates a License Agreement with such potential Licensee within 120 days of the notice of termination. Any Party may terminate this Agreement for cause by written notice in the event another Party breaches this Agreement and

does not cure the breach within 30 days of written notice. For the purpose of this Paragraph, "actively engaged" shall mean that there has been at least one exchange of a draft License Agreement or term sheet between the Lead Institution and the bona fide potential Licensee within 60 days after receipt of the notice of termination. In addition, a Party may elect to terminate the Agreement in the circumstances specified in Paragraph 2.4.

9.3 Effect of Agreement Termination on Patent Rights.

The Parties hereby agree that after effective termination of the Agreement and subject to any previously signed License Agreement, each Party may separately license its interest in the Patent Rights on a worldwide basis. There are no ongoing obligations to share Patent Expenses or share or account for revenues under such licenses, except to the extent mandated by the laws of foreign jurisdictions.

9.4 Other Effects of Termination.

(a) Termination shall not affect any previously signed License Agreement or the distribution of License Consideration thereunder if still appropriate; and the applicable provisions of the Agreement shall continue to be applied.

(b) Termination of this Agreement will not relieve any Party of any obligation or liability accrued under this Agreement before termination, or rescind any payments made or due before termination.

(c) Apart from the provisions specifically set forth in this Paragraph 9, the Parties will have no further rights or obligations under the Agreement.

9.5 Surviving Terms. Any termination of this Agreement pursuant to this Paragraph 9 will not affect the rights and obligations set forth in this Paragraph 9 as well as the following Sections of the General Terms, all of which shall survive termination: 8 (Confidentiality of Licensee Information), 11 (Disclaimer; Limitations); and 14 (Governing Law).

10. Representations.

10.1 Assignment by Inventors. Each Party represents that its inventors are obligated to assign to such Party all of the inventors' rights in the Patent Rights, and that such Party will use diligent efforts to cause its inventors to sign any additional papers as may be necessary to evidence such assignment.

10.2 No Conflict. Except for the rights, if any, of the U.S. government resulting from federal funding for the research which resulted in the Patent Rights or Third-Party Interests identified in the Transaction Terms, each Party represents that, to the knowledge of its technology transfer office or other licensing office or department, it has not granted any rights to any entity or person in the Patent Rights.

11. Disclaimers; Limitations.

EXCEPT AS SET FORTH IN SECTION 10, NO PARTY EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PATENT RIGHTS. IN ADDITION, EACH OF THE PARTIES EXPRESSLY DISCLAIMS ANY WARRANTY THAT THE PRACTICE OF THE PATENT RIGHTS WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER RIGHTS OF THIRD PARTIES. No Party will make statements, representations, or warranties, or accept liabilities or responsibilities, with respect to or potentially involving the other Party, that are inconsistent with this Paragraph.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT WILL ANY PARTY BE RESPONSIBLE FOR ANY INCIDENTAL DAMAGES, CONSEQUENTIAL DAMAGES, EXEMPLARY DAMAGES OF ANY KIND, LOST GOODWILL, LOST PROFITS, LOST BUSINESS AND/OR ANY INDIRECT ECONOMIC DAMAGES WHATSOEVER REGARDLESS OF WHETHER SUCH DAMAGES ARISE FROM CLAIMS BASED UPON CONTRACT, NEGLIGENCE, TORT (INCLUDING STRICT LIABILITY OR OTHER LEGAL THEORY), A BREACH OF ANY WARRANTY OR TERM OF THIS AGREEMENT, AND REGARDLESS OF WHETHER A PARTY WAS ADVISED OR HAD REASON TO KNOW OF THE POSSIBILITY OF INCURRING SUCH DAMAGES IN ADVANCE.

12. Sponsor Reporting

Each Party will assume responsibility for reporting the Patent Rights to its own government and other research sponsors as may be required, provided that if Lead Institution and the Other Institution(s) both received federal funding for the research that resulted in the Patent Rights, then the Lead Institution will take responsibility for the federal reporting, and provide viewing rights or copies of sponsor reports to the other Party.

13. Use of Names

Each Party agrees that it shall not use the name of any other Party or a Licensee in any advertising or publicity material, or make any form of representation or statement which would constitute an express or implied endorsement by such other Party of any licensed product, and that it shall not authorize others to do so, without having obtained written approval from such other Party or Licensee.

14. Governing Law

The Agreement will be governed by and interpreted, and its performance enforced in accordance with the laws of the jurisdiction specified in the Transaction Terms, without giving effect to choice of law and conflicts of law principles, except that the scope and validity of any patent application or patent will be governed and enforced by the laws of the applicable country of the patent application or patent. If no jurisdiction is so specified or the Transaction Terms states "None" or the like, then the Parties have contractually agreed not to designate a particular governing law for the Agreement.

15. Publication

Each Party reserves the right to publish related to the Patent Rights, in accordance with each Party's own policies and practices. A License Agreement shall not give Licensee the right to review an advance copy of the proposed publication by any of the Parties relating to the Patent Rights unless such Party has specifically agreed in advance to the inclusion of and scope of such provision.

16. Complete Agreement

This Agreement sets forth the complete agreement of the Parties concerning the subject matter hereof. No waiver of or change in any of the terms hereof subsequent to the execution hereof claimed to have been made by any representative of either Party shall have any force or effect unless in writing, signed by duly authorized representatives of the parties.

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

[Name of Lead Institution]		**[Name of Other Institution(s)]**	
By	_____	By	_____
Name	_____	Name	_____
Title	_____	Title	_____
Date	_____	Date	_____

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Questions?

The University of Texas at El Paso
Prospect Hall Room 109B
500 W. University Ave.
El Paso, TX 79968
Phone: 915-747-6717
Email: techtransfer@utep.edu

Exhibit A

Patent License Agreement

[INSERT LEAD INSTITUTION'S PATENT LICENSE AGREEMENT]

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