

**U.S. DEPARTMENT OF VETERANS AFFAIRS**  
**AND OREGON HEALTH & SCIENCE UNIVERSITY**  
**COOPERATIVE TECHNOLOGY ADMINISTRATION AGREEMENT**

This Cooperative Technology Administration Agreement ("Agreement") is made as of this (DATE), by and between the United States Department of Veterans Affairs (hereinafter referred to as "VA"), as represented by the Technology Transfer Program, Office of Research and Development, having an address at 810 Vermont Avenue NW, Washington, D.C. 20420, and Oregon Health & Science University (hereinafter referred to as "OHSU"), having an address at 3181 SW Sam Jackson Park Road, Portland, OR 97201.

**RECITALS**

Whereas, VA and OHSU through their employment relationship with certain faculty and staff, through 37 CFR Part 501, and/or through 35 U. S. C. 200-212, as well as state law and implementing policies, have an interest in inventions made by their employees;

Whereas, VA and OHSU policies promote disclosure of research results for the public's use and benefit, as well as to define and protect the rights of inventors, provide for an equitable distribution of the rewards and responsibilities associated with the invention(s), and provide that income from such invention(s) be used for the purpose of promoting research and education;

Whereas, pursuant to their shared objectives, it is the mutual desire of VA and OHSU that their respective interests in such inventions be administered and managed exclusively by OHSU on behalf of both parties in a manner to ensure the timely commercialization of such inventions and to make their benefits widely available for society's use and benefit;

Whereas, VA is authorized to transfer to and to undertake all suitable steps to administer its rights in any such existing or future invention through contract with a nonprofit organization (including a university) under 35 U.S.C. 202(e) (to the maximum extent permitted by law), 35 U.S.C. 207(a)(3), or 15 U.S.C. 3710a;

Now, therefore, the parties hereto agree as follows:

**1. DEFINITIONS**

- 1.1 "Dual Appointment Personnel (DAP)" means any person who has appointments at both OHSU and VA, either with or without compensation, or is otherwise obligated to assign intellectual property rights under OHSU and/or federal policies.
- 1.2 "Patent Rights" means all United States patent applications and patents and corresponding patent applications and patents filed in countries other than the United States that are assigned to VA and OHSU, including any reissues, extensions, substitutions, divisions, continuations, and continuation-in-part applications (only to the extent, however, that claims in the continuations-in-part applications are entitled to the priority filing date of the parent patent application) based on the subject matter claimed in or covered by a Joint Invention.
- 1.3 "Property Rights" means all personal property rights in and to tangible research property directly associated with any Joint Invention, such as biological materials, data, drawings, prototypes, etc.

- 1.4 "Made" in relation to any Joint Invention means the conception or first actual reduction to practice of such Joint Invention.
- 1.5 "Joint Invention" means Patent Rights and/or related Property Rights covering any existing invention identified in Exhibit A or future invention disclosed after the effective date of this Agreement in which both parties have an interest under their various policies, that is Made either by a DAP or at least one inventor from each party, and that is not a Disclaimed Invention.
- 1.6 "Disclaimed Invention" means any Joint Invention for which OHSU declines to pursue patenting, license or commercialization activities under Section 2.2 of this Agreement.
- 1.7 "License Agreement" means any executed agreement entered into by OHSU under this Agreement that grants Licensee the right to make, use, sell, offer for sale, or import products covered by or claimed by the Joint Invention being licensed under such agreement or otherwise deals with administration of the Joint Invention, such as option or secrecy agreements.
- 1.8 "Licensee" means any party, not including the United States Government, that enters into a License Agreement with OHSU.
- 1.9 "Government" means the Government of the United States of America.
- 1.10 "Fiscal Year" means July 1 through June 30.
- 1.11 "Gross Revenues" means any and all consideration received by OHSU from the licensing of any Joint Invention, including equity and other non-cash consideration at the time it is liquidated, but not including consideration in the form of research funding or other research support.
- 1.12 "Net Revenues" means Gross Revenues, less Expenses for each Joint Invention.
- 1.13 "Central Administration Share" means those revenues to be allocated to the Central Administration at OHSU and to VA Headquarters under this Agreement.
- 1.14 "Inventors Share" means those revenues due under the applicable OHSU policy to named inventors for each Joint Invention.
- 1.15 "Research Share" means those revenues to be allocated to the department or academic unit, including the Department of Veterans Affairs, under the applicable OHSU Policy.
- 1.16 "Expenses" means legal and other direct expenses incurred by OHSU (that are not otherwise reimbursed from a third party) for patenting, protecting and preserving U.S. and foreign patent, copyright and related property rights, maintaining patents and such other costs, taxes, or reimbursements as may be necessary or required by law for each Joint Invention.
- 1.17 "Administrative Fee" means 15% fee of Net Revenues remaining after distributing the Inventors and OHSU Research Shares. It is retained by OHSU in consideration of OHSU's commercialization efforts for each Joint Invention.
- 1.18 "Site" means the campus or laboratory managed by OHSU at which a Joint Invention is made.
- 1.19 "Pooled Expense" means the cumulative sum of all Expenses for any Joint Invention hereunder, less any amount of said Expenses that are reimbursed or otherwise recovered.

## 2. PATENT PROSECUTION AND PROTECTION

- 2.1 Disclosure. The parties agree to promptly and in confidence report to the other party each Joint Invention. VA agrees to provide to OHSU a copy of its Determination of Rights letter to inventors regarding any potential Joint Invention.
- 2.2 If OHSU decides not to file a patent application with respect to any Joint Invention or otherwise to attempt to license the Joint Invention, it shall inform VA in writing of the Disclaimed Invention. VA then may undertake, at its sole discretion, to file such patent applications and/ or market and license as it deems appropriate. In that event, what otherwise would have been OHSU's financial and other rights and obligations to VA under this Agreement with respect to such a Joint Invention thereafter shall become the VA's obligation to OHSU. If both OHSU and VA decline to file a patent application, both parties will then consider waiving their joint rights under this Agreement to the inventor, subject to the rights of the federal government.
- 2.3 VA authorizes OHSU to have the exclusive right to prepare, file, prosecute, and maintain patent application(s) and patents covering any Joint Invention. OHSU and VA will be listed as joint assignees on all Joint Invention patent documents. OHSU shall promptly provide to VA, upon request, all serial numbers and filing dates, together with copies of all such applications, including, on request, copies of all Patent Office Actions, responses, and all other Patent Office communications. In addition, OHSU shall be granted Power of Attorney for all such patent applications.
- 2.4 OHSU shall make an election with respect to foreign filing including in which countries foreign filing will be done prior to the election, within ten (10) months of any United States filing. If any foreign patent applications are filed, OHSU shall promptly, upon request, provide to VA all serial numbers and filing dates together with copies of all such foreign patent applications, including on request, copies of all Patent Office Actions.
- 2.5 OHSU shall promptly record assignments of domestic patent rights covering a Joint Invention in the United States Patent and Trademark Office and shall promptly provide VA with a copy of each recorded assignment with respect to VA.
- 2.6 Notwithstanding any other provision of this Agreement, OHSU shall not abandon the prosecution of any patent application including provisional patent applications (except for purposes of filing continuation applications) or the maintenance of any patent for a Joint Invention without prior written notice to VA. Upon receiving such written notice, VA may, at its sole option and expense, take over the prosecution of any such patent application, or the maintenance of any such patent. In that event, what otherwise would have been OHSU's financial and other obligations to VA under this Agreement with respect to such a Joint Invention thereafter shall become VA's obligations to OHSU with respect to the Joint Invention.
- 2.7 OHSU may decide to bail, lease, license, or sell Property Rights as a more efficient commercialization method than patenting. If OHSU so decides, then OHSU will follow the guidelines (if any) issued by the U.S. National Institutes of Health on such commercialization approach.

## 3. LICENSING

- 3.1 VA authorizes OHSU to have the exclusive right to negotiate, execute, and administer any License Agreement. VA shall not license to any third parties any Joint Invention unless this Agreement is terminated in accordance with Article 7 (Termination) and there are no License Agreements in effect or under negotiation.
- 3.2 VA authorizes OHSU to have the sole right to diligently seek a Licensee and negotiate and enter into License Agreements for the commercial development of any Joint Invention and to administer all such License Agreements for the mutual benefit of the parties and in the public interest. VA authorizes OHSU to accept equity or other non-cash consideration as total or partial consideration of a License Agreement.
- 3.3 OHSU shall have the final authority to enter into negotiations and execute License Agreements. In accordance, with Section 5.2, OHSU shall provide VA with a copy of all executed License Agreements. VA shall keep these documents and related documentation confidential, unless such disclosure is required by law, except that VA may disclose the existence of any License Agreement, but only to the extent of the granting clause. VA will not disclose the names of the Licensee or any other terms contained in the License Agreement unless such disclosure is required under law.
- 3.4 OHSU agrees to not enter into a License Agreement for commercial development of Joint Invention with a company which to OHSU's knowledge cannot certify that they are in good standing to do business with the federal government regarding debarment, suspension, proposed debarment or other matters rendering them ineligible.
- 3.5 Any respective License Agreement will include provisions that address the following:
  - 3.5.1 The License Agreement will be subject to the overriding obligations to the U.S. Government, including those set forth in 35 U.S.C. §200-212 or 15 U.S.C. 3710a, and applicable governmental implementing regulations, whichever may be appropriate.
  - 3.5.2 For a License Agreement granting an exclusive right to use or sell the Joint Invention in the United States, Licensee acknowledges that any patent products embodying the Joint Invention or produced through the use thereof will be manufactured substantially in the United States.
  - 3.5.3 The Government shall have the nonexclusive, nontransferable, irrevocable, royalty-free, paid-up right to practice or have practiced the Joint Invention throughout the world by or on behalf of the Government and on behalf of any foreign government or international organization pursuant to any existing or future treaty or agreement to which the Government is a signatory.

- 3.5.4 The Government shall retain the right to require OHSU to grant to a responsible applicant a nonexclusive, partially exclusive, or exclusive license to use the invention in the applicant's licensed field of use on terms that are reasonable under the circumstances; or, if OHSU fails to grant such a license, to grant the license itself. The Government may exercise its rights retained herein only in exceptional circumstances and only if the Government determines that (i) the action is necessary to meet health or safety needs that are not reasonably satisfied by OHSU; (ii) the action is necessary to meet requirements for public use specified by Federal regulations, and such requirements are not reasonably satisfied by OHSU; or (iii) OHSU has failed to comply with an agreement containing provisions described in 35 U.S.C. 204 or 15 U.S.C. 3710a(c)(4)(B), whichever is appropriate.

#### 4. REVENUES

- 4.1 With respect to each licensed Joint Invention, OHSU will collect Gross Revenues paid or transferred pursuant to a License Agreement. OHSU will deduct from Gross Revenues the Expenses related to the Joint Invention. The remaining balance is the Net Revenue which will be distributed by OHSU according to Sections 4.2, 4.3 and 4.4 below.
- 4.2 Inventor Share. OHSU shall be solely responsible for calculating and distributing Inventor Share from Net Revenue pursuant to OHSU policy. Inventor Share will be distributed equally among the named inventors, including inventors whose interests are claimed by the VA , unless mutually agreed otherwise in writing by all inventors.
- 4.3 Research Share. OHSU shall be solely responsible for calculating and distributing Research Share from Net Revenue pursuant to OHSU policy. Research Share will be distributed equally among the Departments of the named inventors, including inventors whose interests are claimed by the VA , unless mutually agreed otherwise in writing by all inventors. For VA inventors, following deduction of the Administrative Fee, Research Share will be distributed to the Department of Veterans Affairs, Technology Transfer Financial Management Office.
- 4.4 Central Administration Share. Following deduction of the Administrative Fee, OHSU shall be solely responsible for calculating and distributing Central Administration Share. OHSU will pay to the Department of Veterans Affairs, Technology Transfer Financial Management Office fifty percent (50%) of the Central Administration Share and shall distribute fifty percent (50%) as its own share. The VA's portion of the Central Administration Share will not be distributed until such time there are no Pooled Expenses.
- 4.5 All payments to VA, required under this Agreement for Research and Central Administration Shares, shall be paid out annually in October in U.S. Dollars and shall be made by OHSU by check or bank draft drawn on United States banks and shall be payable, as appropriate, to the "Department of Veterans Affairs (royalty)." All such payments shall be sent to the following address:  
Department of Veterans Affairs  
Technology Transfer Financial Management Office (12TT)  
8 10 Vermont Avenue NW  
Washington, D.C. 20420

#### 5. RECORDS AND REPORTS

- 5.1 OHSU shall keep complete, true, and accurate accounts of all Expenses and of all Gross Revenues received by it under each License Agreement and shall permit VA or VA's designated agent to examine its books and records in order to verify the payments due or owed under this Agreement.
- 5.2 OHSU shall submit to VA at the address identified in Article 8 a semi-annual report, not later than January 31 covering the period through the prior June 30 and not later than April 30 covering the period through the prior December 31, setting forth the status of all patent prosecution, commercial development, and licensing activity concerning Joint Invention(s), and upon request of the VA, copies of patents issued and, in confidence, License Agreements executed during that period.
- 5.3 The report required under Section 5.2 shall also be made within sixty (60) days of the termination of this Agreement.
- 5.4 The semi-annual report of inventions will be provided as a hard copy printout from the "Interagency Edison" software package, D.E.A.L.S. <sup>TM</sup> or some other database existing at OHSU to provide the detail required in Section 5.2.

## 6. PATENT INFRINGEMENT

- 6.1 If the administrators responsible for this Agreement at VA or OHSU learn of the substantial infringement of any Joint Invention, then the party who learns of the infringement will promptly call attention to the infringement in writing to the other party and provide the other party with reasonable evidence of the infringement. Neither party will notify a third party of infringement without first obtaining written consent of the other party, which consent will not be unreasonably withheld. OHSU, in cooperation with VA, will use its best efforts to terminate the infringement without litigation. If the efforts of the parties are not successful in abating the infringement within 90 days after the infringement was formally brought to the attention of the parties, then either party will have the right to elect to:
  - 6.1.1 commence suit on its own account;
  - 6.1.2 permit an exclusive Licensee to bring suit separately, but only if OHSU or VA elects not to bring suit;
  - 6.1.3 join with the other party or an exclusive Licensee in the suit; or
  - 6.1.4 refuse to participate in the suit; and each party will give written notice of its election to the other party within 10 days after the 90-day period. OHSU may permit an exclusive Licensee to bring suit on its own account, either by formal notice or by failure to act within the period, but only if OHSU or VA elects not to commence suit or join each other in any suit.
- 6.2 Such legal action as is decided upon will be at the expense of the party on account of whom suit is brought and all recoveries recovered thereby will belong to such party, provided, however, that legal action brought by VA, OHSU, and/or an exclusive Licensee, and participated in by the parties bringing suit will be at the expense of such parties, and all recoveries will be allocated in the following order:

- 6.2.1 to each party reimbursement pro rata in proportion to the amounts of the attorney's costs, fees, and other related expenses to the extent each party paid for such costs, fees, and expenses until all such costs, fees, and expenses are consumed for each party; and
- 6.2.2 any remaining amount shared by them in proportion to the share of expenses paid by each party.
- 6.3 Each party will cooperate with the other in litigation proceedings instituted under this Agreement but at the expense of the party on account of whom suit is brought. This litigation (including settlement) will be controlled by the party bringing the suit, except that OHSU will control the suit if brought jointly. Either party may be represented at its sole expense by counsel of its choice in any suit brought by the other party or an exclusive Licensee. VA's agreement in this paragraph is subject to U.S. Department of Justice approval on a case-by-case basis.

## 7. TERM AND TERMINATION

- 7.1 Term. This Agreement is effective when signed by both parties and shall extend until the expiration of the last-to-expire of the License Agreements or patents covering a Joint Invention included under this Agreement, whichever is later, unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of this Agreement.
- 7.2 Termination by Mutual Consent. OHSU and VA may elect to terminate this Agreement, or portions thereof, at any time by mutual consent in writing. In such event, any outstanding commitments to third parties through License Agreements, options thereto, or research agreements concerning any Joint Invention(s) or future inventions that would be Joint Inventions under this Agreement that were entered into by OHSU or were reliant on this Agreement prior to the effective termination date shall survive this Agreement.
- 7.3 Termination by Unilateral Action.
  - 7.3.1. Written Notice. Either Party may unilaterally terminate this entire Agreement at any time by giving the other Party prior written notice, but not less than six (6) months prior to the desired termination date.
  - 7.3.2. Commitments. In such event, any outstanding commitments to third parties through License Agreements, options thereto, or research agreements concerning any Joint Invention(s) or future inventions that would be Joint Inventions under this Agreement that were entered into by OHSU or were reliant on this Agreement prior to the effective termination date shall survive this Agreement. All uncancelable obligations shall be included within Expenses.
- 7.4 Termination of License Agreement by VA. The VA may terminate a License Agreement, with respect to the VA's interest in a Joint Invention License Agreement if it is determined by VA that
  - 7.4.1 OHSU or any of its Licensees substantially fail to meet the material obligations set forth in the License Agreement; or
  - 7.4.2 The VA determines that such action is necessary to meet requirements for public use specified by federal regulations issued after the date of this Agreement and such requirements are not reasonably satisfied by OHSU or any Licensees; or

- 7.4.3 OHSU or any Licensees have willfully made a material false statement of, or willfully omitted, a material fact in any report required by this Agreement; or
  - 7.4.4 OHSU or any Licensees commit a substantial breach of covenant or agreement contained in the License Agreement; or
  - 7.4.5 OHSU or any Licensees materially defaults in making any payment or report required by this Agreement or a License Agreement; or
  - 7.4.6 OHSU or any Licensees is adjudged as bankrupt or has its assets placed in the hands of the receiver or makes any assignment or other accommodation for the benefit of creditors; or
  - 7.4.7 OHSU is held by a court of competent jurisdiction, without taking a further appeal, to have misused any patent rights covering a Joint Invention.
- 7.5 Prior to any termination of the License Agreement, VA shall furnish OHSU and any Licensee of record a written notice of intention to terminate, and OHSU and any notified Licensee shall be allowed 30 days after the date of such notice to remedy any breach or default of any covenant or agreement of the License Agreement or to show cause why the License Agreement should not be terminated. If OHSU is engaged in good faith negotiations to bring Licensee into compliance or if OHSU is engaged in arbitration or litigation with the Licensee, then VA will defer termination until OHSU notifies VA that the Licensee is in compliance or that all efforts to resolve the noncompliance have failed. In these cases, OHSU will keep VA apprised, on a quarterly basis, of the status of the negotiations or litigation.
- 7.6 The word 'termination' and cognate words, such as 'term' and 'terminate,' used in this Article 7 and elsewhere in this Agreement are to be read, except where the contrary is specifically indicated, as omitting from their effect the following rights and obligations all of which survive any termination to the degree necessary to permit their complete fulfillment or discharge;
- 7.6.1 OHSU's obligation to supply a terminal report as specified in Section 5.3 of this Agreement.
  - 7.6.2 VA's right to receive or recover and OHSU's obligation to share Net Revenues or accruable for payment at the time of any termination as specified in Article 4 of this Agreement.
  - 7.6.3 OHSU's obligation to maintain records and VA's right to conduct a final audit pursuant to Section 5.1 of this Agreement.
  - 7.6.4 Sublicenses, releases, and agreements of non-assertion running in favor of Licensees prior to any termination and on which royalties shall have been paid.
  - 7.6.5 Any cause of action or claim VA accrued or to accrue, because of any breach or default by OHSU.
- 7.7 In the event the termination of this Agreement or conversion of this Agreement, any Licensee of record granted pursuant to this Agreement may, at Licensee's option, be converted to a license directly between Licensee and VA.
- 7.8 After effective termination, each party may separately license its interests in Joint Inventions according to its own policy. Apart from specific obligations of the parties under this Agreement accrued prior to

termination, the parties will have no further rights or obligations under this Agreement after such termination.

## 8. NOTICES

All notices required or permitted by this Agreement to be given to the parties thereto shall be deemed to have been properly given if delivered in writing, in person or mailed by prepaid, first class, registered or certified mail or by an express/overnight delivery service provided by a commercial carrier, properly addressed to the other Party. Notices shall be considered timely if such notices are received on or before the established deadline date or sent on or before the deadline date as verifiable by U.S. Postal Service postmark or dated receipt from a commercial carrier. Parties should request a legibly dated U.S. Postal Service postmark or obtain a dated receipt from a commercial carrier or the U. S. Postal Service. Private metered postmarks shall not be acceptable as proof of timely mailing.

Notices shall be sent to the mailing address below, or alternative address(es) for individual Joint Inventions as identified in writing by the VA Director, Technology Transfer Program or by the OHSU Director, Technology and Research Collaborations.

To VA:                                 Director (122)  
  Technology Transfer Program  
  Office of Research and Development  
  U.S. Department of Veterans Affairs  
  810 Vermont Avenue N.W.  
  Washington, D.C. 20420

To OHSU:                                Director  
  Technology and Research Collaborations  
  Mackenzie Hall, Room 2172  
  3181 S.W. Sam Jackson Park Road  
  Portland, Oregon 97201-3098

## 9. GOVERNING LAWS, SETTLING DISPUTES

9.1     This Agreement shall be construed in accordance with U.S. Federal law and the law of the State of Oregon when not in conflict with U.S. Federal law. Federal law and regulations will preempt any conflicting or inconsistent provisions in this Agreement. OHSU shall have all defenses available to it under law.

9.2     Any controversy or any disputed claim by either party against the other arising under or related to this Agreement shall be submitted jointly to OHSU, Director, Technology and Research Collaborations, and to the VA, Director, Technology Transfer Program, Office of Research and Development. OHSU and VA will be free after written decisions are issued by those officials to pursue any and all administrative and/or judicial remedies that may be available.

## 10. MISCELLANEOUS

10.1    This Agreement or anything related thereto shall not be construed to confer on any person any immunity from or defenses under the antitrust laws or from a charge of patent misuse, and the acquisition and use of rights pursuant to this Agreement shall not be immunized from the operation of state or Federal law by reason of the source of the grant.

- 10.2 It is agreed that no waiver by either party hereto of any breach or default of any of the covenants or agreements herein set forth shall be deemed a waiver as to any subsequent and/or similar breach or default.
- 10.3 This Agreement is binding upon and shall insure to the benefit of the parties hereto, their successors or assigns, but this Agreement may not be assigned by either party without the prior written consent of the other party.
- 10.4 This Agreement confers no license or rights by implication, estoppel, or otherwise under any patent applications or patents of OHSU or VA other than Joint Inventions regardless of whether such patents are dominant or subordinate to Joint Inventions.
- 10.5 Any modification to this Agreement must be in writing and agreed to by both parties.
- 10.6 It is understood and agreed by OHSU and VA that this Agreement constitutes the entire agreement, both written and oral, between the parties, and that all prior agreements respecting the subject matter hereof, either written or oral, express or implied, shall be abrogated, canceled, and are null and void and of no effect.
- 10.7 Use of Name. Neither party may use the name of the other party in any way for advertising or publicity without the express written consent of the other party, provided, however, that while OHSU may not allow a Licensee to use the name of VA for advertising or publicity, it does have the right to use the name of VA in connection with negotiating a License Agreement or sublicense agreement and where required by law.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as follows:

U.S. DEPARTMENT OF VETERANS AFFAIRS

By: \_\_\_\_\_

Name: John R. Feussner, M.D

Title: Chief Research and Development Officer  
U.S. Department of Veterans Affairs

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

OREGON HEALTH & SCIENCE UNIVERSITY

By: \_\_\_\_\_

Name: Todd T. Sherer, Ph.D.

Title: Director:  
Technology and Research Collaborations  
Oregon Health & Science University

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