PUBLIC HEALTH SERVICE

COST-SHARING AGREEMENT

This Agreement is based on the model Cost Sharing Agreement adopted by the U.S. Public Health Service ("PHS") Technology Transfer Policy Board for use by components of the National Institutes of Health ("NIH"), the Centers for Disease Control and Prevention ("CDC"), and the Food and Drug Administration ("FDA"), which are agencies of the PHS within the Department of Health and Human Services ("HHS").

This Cover Page identifies the Parties to this Agreement:

The U.S. Department of Health and Human Services, as represented by

[Insert the full name of the IC]

an Institute or Center (hereinafter referred to as the “IC”) of the

[INSERT as appropriate: NIH, CDC, or FDA]

and

[Insert Company’s official name],

hereinafter referred to as the “Licensee”,

having offices at [Insert Company’s address],

created and operating under the laws of [Insert State of Incorporation].
1. BACKGROUND

1.1 In the course of fundamental research programs at the IC and by the Institution, (hereinafter referred to as the “Inventor(s)”) made or reduced to practice certain inventions, which are included within the Patent Rights, as defined in Paragraph 2.1.

1.2 It is the mutual desire of the Institution and the IC that their respective undivided interests in the Patent Rights be administered in a manner to ensure the rapid commercialization of the Patent Rights and to make their benefits widely available to the public.

1.3 The Government of the United States (hereinafter referred to as “Government”) shall have the irrevocable, royalty-free, paid-up right to practice and have practiced the Patent Rights 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.

1.4 The IC and the Institution are co-owners of the Patent Rights through the assignment of rights from the Inventors.

2. DEFINITIONS

2.1 “Patent Rights” means:

(a) Patent applications (including provisional patent applications and PCT patent applications) or patents as follows: U.S. Patent Application Serial No./U.S. Provisional Patent Application Serial No. _____/______,______, filed ______________, entitled __________________, and any patent application(s) claiming the benefit of priority thereof including all divisions and continuations of these applications, all patents issuing from such applications, divisions, and continuations, and any reissues, reexaminations, and extensions of all such patents to the extent that at least one Inventor from the Institution is an Inventor thereon;

(b) to the extent that the following contain one or more claims directed to the invention or inventions disclosed in 2.1(a) and to the extent that at least one Inventor from the Institution is an Inventor:

(i) continuations-in-part of 2.1(a);

(ii) all divisions and continuations of these continuations-in-part;

(iii) all patents issuing from these continuations-in-part, divisions, and continuations;

(iv) priority patent application(s) of 2.1(a); and

(v) any reissues, reexaminations, and extensions of all these patents; and
(c) to the extent that the following contain one or more claims directed to the invention or inventions disclosed in 2.1(a) and to the extent that at least one Inventor from the Institution is an Inventor: all counterpart foreign and U.S. patent applications and patents to 2.1(a) and 2.1(b); and

(d) Patent Rights shall not include 2.1(b) or 2.1(c) to the extent that they contain one or more claims directed to new matter which is not the subject matter disclosed in 2.1(a).

2.2 “Expenses” means all reasonable and actual out-of-pocket costs, excluding those reimbursed by a third party, paid by the IC for the preparation, filing, prosecution, and licensing of United States and foreign patent applications, extraordinary expenses as provided in Paragraph 3.6, and the maintenance of resulting the patents or patent applications, exclusive of any salaries, administrative, or other indirect costs.

3. PATENT PROSECUTION AND PROTECTION

3.1 The IC shall file, prosecute, and maintain patent application(s) relating to the Patent Rights and shall promptly provide to the Institution all serial numbers and filing dates, together with copies of all the applications, including copies of all Patent Office actions, responses, and all other Patent Office communications. In addition, the Institution shall be granted Power of Attorney for all such patent applications. The IC shall consult with the Institution, when so requested, prior to communicating with any Patent Office with respect to the Patent Rights.

3.2 The IC shall make an election with respect to foreign filing, upon consultation with the Institution. If any foreign patent applications are filed, the IC shall promptly provide to the Institution all serial numbers and filing dates. The IC also shall provide to the Institution copies of foreign patent applications and Patent Office actions. The IC shall consult with the Institution, when so requested, prior to communication with any Patent Office with respect to the Patent Rights.

3.3 The IC shall promptly record assignments of domestic patent rights in the United States Patent and Trademark Office and shall promptly provide the Institution with a photocopy of each recorded Assignment(s) to the Institution.

3.4 Notwithstanding any other provision of this Agreement, the IC shall not abandon the prosecution of any patent application, including provisional patent applications (except for purposes of filing continuation application(s)) or the maintenance of any patent contemplated by this Agreement, without prior written notice to the Institution. Upon receiving the written notice, the Institution may, at its sole option and expense, take over the prosecution of any patent application, or the maintenance of any patent.

3.5 The IC shall promptly provide to the Institution copies of all patents issued which are subject to this Agreement.

3.6 In the event that the IC anticipates the possibility of any extraordinary expenditures arising from the preparation, filing, prosecution, licensing, or defense of any patent application or patent contemplated by this Agreement, including, without limitation, interferences, reexaminations, reissues and oppositions, the IC shall provide the Institution with all relevant information and these extraordinary expenditures shall be included as Expenses only upon written agreement of the Institution. The IC and the Institution shall agree on a mutually acceptable course of action prior to incurring these expenditures.
3.7 The IC or its contractors shall submit statements of itemized expenses to the Institution, and if the Institution should fail to reimburse the IC or its contractors for ______ percent (X%) of Expenses within one hundred and eighty (180) days of receipt, the IC may give written notice of default to the Institution pursuant to Paragraph 6.3. If the Institution should fail to cure this default within ninety (90) days from the receipt by it of the written notice, the IC may construe this default as termination on the part of the Institution pursuant to Paragraph 5.2, except where the Institution has identified discrepancies in billing by the IC, in which case payment for the contested item may be delayed pending resolution thereof.

4. LICENSING

4.1 The Institution and the IC shall both diligently seek licensee(s) for the commercial development of said Patent Rights and shall administer the Patent Rights for the mutual benefit of the parties and in the best interest of the public.

5. TERM AND TERMINATION

5.1 This Agreement is effective when signed by all parties, unless the provisions of Paragraph 6.8 have not been fulfilled, and shall extend to the expiration of the last to expire of the patents included within the Patent Rights unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of this Agreement.

5.2 The Institution may terminate this Agreement upon at least sixty (60) days written notice to the IC, but in any event not less that sixty (60) days prior to the date on which any pending Patent Office actions need be responded to in order to preserve Patent Rights for the benefit of the parties hereto.

5.3 The IC may terminate this Agreement for any reason upon sixty (60) days written notice to the Institution.

6. GENERAL

6.1 This Agreement shall be construed in accordance with U.S. Federal law, as interpreted and applied by the U.S. Federal courts in the District of Columbia. Federal law and regulations shall preempt any conflicting or inconsistent provisions in this Agreement. Institution agrees to be subject to the jurisdiction of U.S. courts.

6.2 Any controversy or any disputed claim by either party against the other arising under or related to this Agreement shall be submitted jointly to the Institution’s President, or designee, and to the designated IC official, or designee for resolution. The Institution and the IC shall be free after written decisions are issued by those officials to pursue any and all administrative or judicial remedies which may be available.
6.3 All Agreement notices required or permitted by this Agreement shall be given 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 at the address designated on the following Signature Page, or to another address as may be designated in writing by the other party. Agreement notices shall be considered timely if the 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.

6.4 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 or similar breach or default.

6.5 This Agreement is binding upon and shall inure 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.

6.6 Any modification to this Agreement must be in writing and agreed to by both parties.

6.7 It is understood and agreed by the Institution and the IC 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, expressed or implied, shall be abrogated, canceled, and are null and void and of no effect.

6.8 The terms and conditions of this Agreement shall, at the IC’s sole option, be considered by IC to be withdrawn from Institution’s consideration and the terms and conditions of this Agreement, and the Agreement itself to be null and void, unless this Agreement is executed by the Institution and a fully executed original is received by the IC within sixty (60) days from the date of the IC’s signature found at the Signature Page.
SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals by their respective duly authorized officers hereunto, on the day and year hereinafter written. Any communication or notice to be given shall be forwarded to the respective addresses listed below.

For IC:

DRAFT

Name
Title
Office
National Institutes of Health

Mailing Address or E-mail Address for Agreement notices:

Chief, Monitoring & Enforcement Branch
Office of Technology Transfer
National Institutes of Health
6011 Executive Boulevard, Suite 325
Rockville, Maryland 20852-3804 U.S.A.

E-mail: LicenseNotices_Reports@mail.nih.gov

For the Institution (Upon information and belief, the undersigned expressly certifies or affirms that the contents of any statements of the Institution made or referred to in this Agreement are truthful and accurate.)

DRAFT

Signature of Authorized Official

Date

Printed Name

Title

Official and Mailing Address for Agreement notices:

Name

Title

Mailing Address:

A-XXX-200X

CONFIDENTIAL
NIH Cost Sharing Agreement
Model 10-2015

Page 6 of 7 [Draft/Final] [Company] [Date]
Email Address: ________________________________
Phone: ________________________________
Fax: ________________________________

Official and Mailing Address for Financial notices (Licensee’s contact person for royalty payments)

Name

Title

Mailing Address:

Email Address: ________________________________
Phone: ________________________________
Fax: ________________________________

Any false or misleading statements made, presented, or submitted to the Government, including any relevant omissions, under this Agreement and during the course of negotiation of this Agreement are subject to all applicable civil and criminal statutes including Federal statutes 31 U.S.C. §§3801-3812 (civil liability) and 18 U.S.C. §1001 (criminal liability including fine(s) or imprisonment).