



## SPONSORED RESEARCH AGREEMENT

WHEREAS \_\_\_\_\_ ("Sponsor") and the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("LSU") wish to provide for a research Project that is of mutual interest to the parties; whereas the Project will further LSU's instructional and research objectives in a manner that is consistent with LSU's tax-exempt status; and whereas the Project may result in discoveries and inventions that could be of mutual benefit to the parties;

THEREFORE Sponsor and LSU have entered into this Sponsored Research Agreement (the "**Agreement**"), effective the first day of the Project Period defined below.

### Article 1 – Project Period

1.1 "Project Period" means the period from \_\_\_\_\_, to \_\_\_\_\_.

### Article 2 - Research Work

2.1 "Project" means the project described in Appendix A, LSU Proposal Number \_\_\_\_\_, under the direction of \_\_\_\_\_ Principal Investigator ("P.I").

2.2 LSU shall use reasonable efforts to perform the Project substantially in accordance with the terms of this Agreement.

### Article 3 - Reports

3.1 LSU shall provide written progress reports to Sponsor as stated in Appendix A. On either party's request, the parties shall confer to discuss the status of the Project and any proposed changes to the Project.

### Article 4 - Payment

#### 4.1 COST REIMBURSEMENT

4.1 Sponsor shall reimburse LSU's reasonable expenses in conducting the Project. Without Sponsor's prior written consent, these expenses shall not exceed \_\_\_\_\_ dollars (\$\_\_\_\_\_). LSU shall invoice Sponsor for \$\_\_\_\_\_ upon execution of this Agreement. LSU shall invoice Sponsor for additional payments of \$\_\_\_\_\_ each on \_\_\_\_\_ and \_\_\_\_\_. Sponsor will pay invoices within 30 days. LSU shall submit financial reports of expenditures by major cost categories on a cumulative basis. The initial financial report shall be submitted within 20 days after the end of the first full calendar quarter of the Project Period. Subsequent financial reports will be submitted within 30 days after the end of each calendar quarter, and a final financial report shall be submitted within 90 days of the end of the Project Period or within 90 days of termination of the Agreement. If the payments made to LSU exceed expenditures, then the difference shall be refunded to Sponsor with the final financial report.

**OR**

**FIXED PRICE (OPTION 1)**

- 4.1 The total amount Sponsor shall pay LSU under this Agreement is \_\_\_\_\_ dollars (\$\_\_\_\_\_). LSU shall invoice Sponsor for \$ \_\_\_\_\_ upon execution of this Agreement. Sponsor will pay invoice within 30 days. Any unexpended funds will be retained by LSU.

**OR**

**FIXED PRICE (OPTION 2)**

- 4.1 The total amount Sponsor shall pay LSU under this Agreement is \_\_\_\_\_ dollars (\$\_\_\_\_\_). LSU shall invoice Sponsor for \$ \_\_\_\_\_ upon execution of this Agreement. LSU shall invoice Sponsor for additional payments of \$ \_\_\_\_\_ each on \_\_\_\_\_ and \_\_\_\_\_. Sponsor will pay invoices within 30 days. Any unexpended funds will be retained by LSU.

- 4.2 Payment will be made via either electronic transfer (wire or ACH) or check and will reference the invoice number and name of the Principal Investigator for purposes of identification.

Electronic transfer to:

J.P. Morgan Chase Bank, NA  
Baton Rouge, LA  
Account # 7900000051  
ABA/Routing # 065400150  
Name on Account: Louisiana State University  
Invoice # \_\_\_\_\_

Checks shall be made payable to Louisiana State University and Agricultural and Mechanical College, and shall be mailed to:

Louisiana State University and Agricultural and Mechanical College  
Office of Accounting Services  
Sponsored Programs Accounting  
Baton Rouge, Louisiana 70803-2901  
Invoice # \_\_\_\_\_

- 4.3 LSU is authorized to incur pre-award costs up to six months prior to the Project Period. However, LSU shall not receive more funds than the total provided in Paragraph 4.1.
- 4.4 LSU shall retain title to any equipment purchased with funds provided by Sponsor.
- 4.5 If Sponsor loans any equipment or supplies to LSU, Sponsor shall bear all risk of damage or loss to the equipment or supplies, except to the extent due to LSU's willful or intentional acts. Sponsor shall maintain all such equipment or supplies while in LSU's custody.
- 4.6 Notwithstanding anything in this Agreement to the contrary, in the event of early termination of this Agreement under Article 9, Sponsor shall pay all costs accrued by LSU as of the date of termination, including all non-cancelable obligations and all non-cancelable contracts; provided

that this obligation shall not be construed to authorize payment in excess of the total amount provided in Paragraph 4.1.

## Article 5 – Confidential Information

- 5.1 "Confidential Information" shall mean information that one party discloses to other, and that is conspicuously marked "**CONFIDENTIAL INFORMATION.**" "Confidential Information" shall also include information that is initially disclosed orally -- provided that within seven days the information is reduced to writing, is conspicuously marked "**CONFIDENTIAL INFORMATION,**" and a copy of the information thus marked is delivered to the receiving party. Each party shall hold the other party's Confidential Information in strict confidence, and shall not disclose it to any third party. Neither party shall use the other party's Confidential Information for any purpose other than to perform its obligations under the Agreement, or to evaluate a potential license under Article 8. A receiving party shall use reasonable efforts not to disclose the other's Confidential Information, but neither party will be financially liable for an inadvertent disclosure. Should either party realize that an inadvertent disclosure to a third party has occurred, then the parties shall promptly confer to determine an appropriate course of action. On request by the other party, the party who has made an inadvertent disclosure shall promptly notify the third party that the disclosure was inadvertent, and shall request that the third party promptly return all copies of the disclosed Confidential Information.
- 5.2 This Agreement shall not be construed to prevent a party from disclosing information that: (a) at the time of receipt is public knowledge or later becomes public knowledge through no fault of the receiving party; or (b) is shown by written records to have been in the possession of the receiving party prior to its disclosure; or (c) is received from a third party who neither directly nor indirectly obtained it from the providing party; or (d) is required to be disclosed by a court or government agency, or is reasonably believed by either party to have significant implications for public health or public safety -- provided in such a case that the providing party is given reasonable notice and opportunity to contest the disclosure.
- 5.3 These confidentiality obligations shall continue until three years after the termination of the Agreement.

## Article 6 - Publications

- 6.1 Whereas LSU is an institution of higher education, and whereas the freedom to publish is of cardinal importance to universities and to their personnel, it is understood that LSU, the P.I., and other LSU personnel shall be free to make such publications as they see fit concerning the Project, except as provided in Article 5 respecting Sponsor's Confidential Information provided, however, that Sponsor shall receive a copy of any proposed publication or presentation at least thirty days before the proposed publication, presentation, or submission to a journal, editor, or other third party. On Sponsor's written request, received by LSU before the end of this thirty-day period, LSU shall delay the submission an additional thirty days, but shall thereafter be free to make the proposed publication or presentation. On Sponsor's written request, received by LSU before the end of this thirty-day period, LSU shall make reasonable deletions of materials that would otherwise disclose Sponsor's Confidential Information as defined in Par. 5.1. LSU shall own the copyright in such works, except to the extent that LSU's Bylaws waive ownership of copyright in favor of the authors.

## Article 7 - Publicity

- 7.1 Without prior written approval, neither party may make any use whatsoever of the name, marks, insignia, or logos of the other party, or of any of its campuses, departments, centers, institutes, or employees; whether in news releases, advertisements, promotional materials, or otherwise; except that: **(1)** LSU may acknowledge Sponsor as the source of funding for the Project; and **(2)** Sponsor may use LSU's name to the extent necessary to supply information whose disclosure may be required by law. However, in no circumstance may Sponsor state or imply that LSU endorses a particular investment, product, process, or treatment.

## Article 8 - Intellectual Property Rights

- 8.1 LSU shall own each invention that is conceived solely by one or more LSU employees. Sponsor shall own each invention that is conceived solely by one or more Sponsor employees. LSU and Sponsor shall jointly own an invention that is jointly conceived by one or more LSU employees and by one or more Sponsor employees. Conception of an invention shall be determined in accordance with United States patent law.
- 8.2 A "**Funded Invention**" shall mean an invention owned by LSU (or subject to an obligation of assignment to LSU) that is first actually reduced to practice in the scope of the Project, during the Project Period, at a time when Sponsor's financial obligations to LSU are current. If LSU is a co-owner of an invention that otherwise satisfies this definition, then LSU's part-interest in the invention shall be considered a "**Funded Invention**."
- 8.3 "**Patent Rights**" shall mean LSU's interest in any United States or non-United States patent application or issued patent whose specification is based, in whole or in part, on data obtained in the course of the Project, and whose claims are directed specifically to one or more Funded Inventions.
- 8.4 LSU shall promptly notify Sponsor of any new Funded Invention, subject to Article 5. LSU may file such patent applications within the Patent Rights as LSU in its sole discretion sees fit. Within 180 days after the earliest priority filing date for a particular patent application within the Patent Rights (the "**Negotiation Period**"), on Sponsor's written request LSU and Sponsor shall negotiate in good faith to try to reach mutually agreeable terms for an exclusive or non-exclusive license to Sponsor under the applicable Patent Rights. Any such license agreement will provide for reasonable compensation to LSU; will establish reasonable minimum performance standards for Sponsor; and will include other standard LSU patent license provisions, including (by way of example) provisions concerning reimbursement of patenting expenses, restrictions on the use of LSU's name, indemnity, insurance, inflation, and disclaimers of warranties. However, neither party shall be obligated to enter into such a license agreement if mutually agreeable terms cannot be found; the obligation imposed by this Paragraph is an obligation only to negotiate in good faith. If no license agreement has been entered by LSU and Sponsor by the end of the Negotiation Period, then LSU shall be free to dispose of LSU's rights in those Patent Rights as LSU in its sole discretion sees fit, with no further obligation to Sponsor with respect to those rights.
- 8.5 LSU makes no representation or warranty that the use of information derived from the Project (whether under a license contemplated above or otherwise) will be free from infringement of patents or other rights of third parties. Sponsor shall have no rights arising from this Agreement in any LSU inventions or in any LSU intellectual property rights other than the specific rights in Funded Inventions and Patent Rights that are specified above.

## **Article 9 - Term and Termination**

- 9.1** This Agreement is effective during the Project Period, unless terminated earlier in accordance with its terms. Either party may terminate this Agreement on thirty days written notice.
- 9.2** If the P.I. becomes unable or unwilling to continue the Project, and a mutually acceptable substitute is not available, LSU and Sponsor each shall have the option to terminate the Project.
- 9.3** If either party commits a material breach of this Agreement, and fails to remedy that breach within thirty days of written notice, the other party may, at its option, in addition to any other legal remedies, terminate this Agreement immediately upon written notice.
- 9.4** In the Court's discretion, the prevailing party in any dispute arising out of this Agreement may be awarded reasonable attorneys' fees, court costs and expenses, including those associated with appellate or enforcement proceedings.
- 9.5** Termination of this Agreement for any reason shall not affect rights and obligations accrued prior to termination, nor release the parties from their respective rights and obligations under Articles 4, 5, 6, 7, 8, 10, 11, 12, 13 and 14.

## **Article 10 - Independent Contractors**

- 10.1** In the performance of all obligations under this Agreement: (a) Each party shall be an independent contractor. Neither party shall be entitled to any benefits applicable to employees of the other party. (b) Neither party is authorized to act as agent for the other for any purpose. Neither party shall enter into any contract, warranty, or representation as to any matter on behalf of the other party. Neither party shall be bound by the acts of the other party.
- 10.2** Each party represents that it is acting on its own account and not on behalf of another private or governmental party. Sponsor represents that none of the funding to be provided under this Agreement is derived from a contract or grant from the United States government. Neither this Agreement nor any right under this Agreement may be assigned by either party without the prior written consent of the other party.

## **Article 11 – Insurance and Indemnity**

- 11.1** LSU represents that LSU has adequate liability insurance, such protection being applicable to LSU's officers, employees, and agents while acting within the scope of their employment by LSU. LSU has no liability insurance as such that extends protection to any other person.
- 11.2** Each party shall indemnify, defend, and hold harmless the other party, and its officers, directors, agents and employees, from and against any and all losses, liabilities, demands, suits, judgments and claims, including reasonable attorneys' fees, to the extent that such losses, liabilities, demands, suits, judgments, claims, or fees are attributable to the willful act, fault, omission, or negligence of the indemnifying party, or of its employees, servants, or agents, in performing its obligations under this Agreement; provided, however, that neither party shall hereby be liable for consequential damages.
- 11.3** Sponsor shall indemnify, defend, and hold harmless LSU and LSU's officers, directors, agents and employees, from and against any and all losses, liabilities, demands, suits, judgments and claims,

including reasonable attorneys' fees, for losses arising out of the use, by Sponsor or by a third party acting with Sponsor's authorization, of products or processes developed or made as a result of information or materials received from LSU.

## **Article 12 - Chemicals or Biological Materials**

- 12.1** If Sponsor supplies chemicals or biological materials ("**Materials**") to LSU, then on LSU's request Sponsor shall accept any unused portions of the Materials and any progeny of the Materials, including the containers in which the Materials are shipped. Further, for each Material supplied, Sponsor shall furnish LSU with sufficient information to permit reasonable interpretation of the results obtained in the Project, and to identify precautions necessary to protect health and safety, including all pertinent material safety data sheets.

## **Article 13 – Export Controls**

- 13.1** As an institution of higher education with many foreign employees, students and visitors, LSU intends to conduct the Project as fundamental research under U.S. export regulations. Accordingly, Sponsor warrants that it will not transfer its export-controlled materials or information to LSU.

## **Article 14 - Miscellaneous**

- 14.1** This Agreement shall be construed in accordance with the laws of the State of Louisiana.
- 14.2** Any controversy arising out of or related to this Agreement that cannot be resolved by the parties shall be adjudicated only in a court of competent jurisdiction in East Baton Rouge Parish, State of Louisiana. Both parties consent to such venue and jurisdiction.
- 14.3** This Agreement constitutes the entire understanding between Sponsor and LSU, and supersedes any prior agreement or understanding on the same subject matter. Any modification, extension, or amendment to this Agreement shall not be effective unless reduced to writing and signed by both parties.
- 14.4** LSU makes no representation or warranty regarding what the results of the Project will be.
- 14.5** Nothing in this Agreement shall be construed to limit the freedom of the P.I. or any other LSU personnel from engaging in research in the same field that is covered by this Agreement. Sponsor acknowledges that the rights specified in this Agreement are subject to the rights of other sponsors in other research agreements to which LSU is a party.
- 14.6** Any otherwise irresolvable inconsistency shall be resolved by giving precedence in the following order: **(a)** first, to the main body of this Sponsored Research Agreement, and **(b)** second, to the attached Statement of Work (Appendix A). This Agreement shall not be altered by the acknowledgement or acceptance by LSU of any purchase order form or similar document containing terms or conditions at variance with, or in addition to those set forth herein.
- 14.7** If any part of this Agreement is deemed void or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. Furthermore, in lieu of that invalid part, there shall be automatically added to this Agreement a provision as similar in terms to that invalid part as may be possible, legal, valid, and enforceable.

**14.8** Notices, invoices, and other communications shall be deemed made if sent postage prepaid, addressed as shown below, or to such other address as a party may hereafter designate by written notice:

If to Sponsor (Business Matter):	If to LSU (Business Matter):  Darya Courville, Assistant Vice President of Sponsored Programs 202 Himes Hall Louisiana State University Baton Rouge, Louisiana 70803 Phone: 225-578-2760 Email: osp@lsu.edu
If to Sponsor (Technical Matter):	If to LSU (Technical Matter):

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed.

**Sponsor**

**Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College**

BY: \_\_\_\_\_ BY: Darya Courville  
Assistant Vice President of Sponsored Programs

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