MITACS Option Agreement
Dated for reference _____________________, 20___

BETWEEN:

__________________________________________________________________
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__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

(“Sponsor”)

AND:

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__________________________________________________________________

(the foregoing each referred to as an/the “Intern” and together as the “Interns”)

AND:

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__________________________________________________________________

(“Academic Supervisor”)

AND:

UNIVERSITY OF VICTORIA (by the Office of Research Services), a corporation
continued under the University Act of British Columbia and having offices at
Administrative Services Building Room B202, 3800 Finnerty Road, Victoria,
British Columbia, V8P 5C2, Facsimile 250-721-8960 Att: Contracts

(“UVic”)

(Individually a “Party”, collectively the “Parties”)

WHEREAS:

A. The Parties are or have engaged in a research project entitled ‘____________________________________
______________________________________________________________________________’ (“Project”),
performed by the Interns and Academic Supervisor with support from the Mitacs-Accelerate internship or
Mitacs-Elevate fellowship program (the “Mitacs Program”).

B. The Interns and Academic Supervisor have agreed that Sponsor should be provided with an option to
acquire a commercial license to intellectual property (“IP”) arising from the performance of the Project.

C. The Interns and Academic Supervisor have agreed to assign their interest in the Project IP to UVic for the
purpose of enabling UVic to grant this option and execute a license with Sponsor.
NOW THEREFORE the Parties agree as follows:

1 DEFINITIONS

In this Agreement:

1.1 “Agreement” means this Agreement and any and all attached schedules, appendices and exhibits.

1.2 “Assignors” means the Interns and Academic Supervisor.

1.3 “Field of Use” means the field of use identified by Sponsor which Sponsor can diligently exploit.

1.4 “Intellectual Property” means intellectual property or intellectual property rights including, without limitation, discoveries, inventions (whether patentable or not), patents, copyright material, trade secrets, know-how, data, methods, and techniques.

1.5 “Optioned Intellectual Property” means intellectual property created by the Interns or Academic Supervisor in the performance of the Project, except that academic or scientific publications, seminars and presentations, whether given orally or in writing, shall not be included in Optioned Intellectual Property.

1.6 “Option Period” means the sixty (60) days following the conclusion of the Project.

2 ASSIGNMENT

2.1 Assignors do hereby sell, transfer and assign to UVic all right, title and interest Assignors might otherwise retain in any Optioned Intellectual Property.

2.2 Assignors hereby agree to assist and to fully cooperate with UVic or its designate UVic Industry Partnerships Ltd. (together hereinafter referred to as “UVic”) to obtain any patent(s), pending patent application(s), or any other rights, in and to the Optioned Intellectual Property, including the right to file priority applications and any improvements thereto in order to obtain or secure patent or divisions which may be granted and issued therefore, or any other intellectual property rights required for UVic to effect the ownership rights in the Optioned Intellectual Property as set out in this Agreement.

3 OPTION

3.1 UVic hereby grants to Sponsor an option, exercisable during the Option Period, to exclusively negotiate in good faith with UVic a written agreement containing a royalty bearing licence to use any or all of the Optioned Intellectual Property (the “Commercial Licence”) for commercial purposes or profit, within the Field of Use, it being understood that the Commercial Licence will be in the standard form of licence agreement then adopted by UVic including, without limitation, the terms and conditions set out in Schedule A together with such terms and conditions as are negotiated between the Parties.

3.2 Sponsor may exercise the option at any time during the Option Period, by delivering written notice to UVic at the address first written above. Upon receipt of the notice described in this section, UVic will enter into good faith negotiations with the Sponsor for a period of ninety (90) days or such longer period as is agreed to in writing (the “Negotiation Period”), during which time the Parties will attempt to negotiate and finalize the form of the Commercial Licence.

3.3 If at the end of the Negotiation Period UVic and the Sponsor have not executed a written agreement to give effect to the Commercial Licence, any right of exclusivity granted to the Sponsor in accordance with the Option will cease, absolutely.
3.4 If the Sponsor does not deliver to UVic notice of the exercise of the Option prior to the end of the Option Period, the Option will terminate, absolutely.

4 TERM AND TERMINATION

3.1 This Agreement shall come into effect on the start date of the Project as defined in the Mitacs notice of award and shall remain in force for the duration of the Project and thereafter until:

3.1.1 The Option Period has expired and Sponsor has not exercised the option;

3.1.2 Sponsor has exercised the option and the Negotiation Period has expired without the execution of a Commercial License;

3.1.3 Sponsor and UVic have executed a Commercial License; or

3.1.4 Sponsor has issued written notice waiving the option or the exclusivity granted upon exercise of the option.

3.2 The Parties acknowledge that performance of the Project is conditional on the receipt of funding from Mitacs under the Mitacs Program, and agree that should the Mitacs funding not be received, this Agreement shall automatically be considered null and void.

4 ADDING PARTIES

4.1 New Interns or Faculty Supervisors may be added to this Agreement after the original Parties have signed by agreeing to all the same terms and conditions. If a new Intern or Faculty Supervisor is added UVic must approve the addition and UVic will notify the Sponsor of the addition.

5 GENERAL TERMS

5.1 Sponsor agrees not to use the name of UVic or any trademark, service mark, trade name, copyright or symbol of UVic in any promotional advertising, press releases, sales literature or other promotional materials to be disseminated to the public without UVic’s prior written consent which consent may be withheld in UVic’s sole discretion. Sponsor further agrees not to use the name of any UVic employee, faculty member, inventor, or Intern in such communications without the prior written consent of the person whose name is sought to be used.

5.2 Time will be of the essence in this Agreement.

5.3 This Agreement may not be assigned, in whole or in part, directly or indirectly, by Sponsor without the prior written consent of UVic.

5.4 This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

5.5 This Agreement will be construed in accordance with and governed by the laws of the Province of British Columbia. The Parties irrevocably attorn to the courts of the jurisdiction of the Province of British Columbia, and agree that the Supreme Court of British Columbia shall have exclusive jurisdiction to entertain any proceeding in respect of this Agreement. The Parties further agree that any mediation, arbitration, or litigation relating directly or indirectly to this Agreement will be commenced exclusively within the judicial district of Victoria, in the province of British Columbia.
5.6 Any notice provided or permitted by this Agreement will be in writing and given by personal delivery or registered mail or transmitted by facsimile, properly addressed to the Party for whom it is intended, to the address set out above. Any such notice will be deemed to have been received, if delivered or transmitted by facsimile, on the date on which it was delivered or transmitted by facsimile. Any Party may change its address for the purposes of transmittal or receipt of any notice upon giving to the other Parties ten (10) days prior written notice in the manner prescribed above.

5.7 No term, provision, covenant or condition of this Agreement will be deemed waived by a Party and no breach excused, unless such waiver or consent excusing the breach is in writing and signed by such Party. No waiver by a Party of any default or breach of this Agreement shall constitute a waiver by that Party of any prior, concurrent or subsequent default or breach of the same or any other term, provision, covenant or condition of this Agreement.

5.8 No amendment or other modification of this Agreement will be valid or binding unless reduced to writing and executed by the Parties.

5.9 In the event that any term, provision, covenant or condition of the Agreement is declared indefinite, invalid, illegal or unenforceable by a court having jurisdiction, then the Agreement with respect to the enforceable terms, provisions, covenants or conditions will continue in force, and any unenforceable section, paragraph, or subparagraph will be severed from the remainder of this Agreement, which will continue to be valid to the fullest extent permitted by law.

5.10 This Agreement constitutes the entire agreement between the Parties with respect to the subject matter herein, and supersedes all prior representations, negotiations, understandings, and agreements, oral or written, between the Parties, with respect thereto. No director, officer, employee or agent of UVic has any authority to make any warranty, representation or promise not contained in this Agreement, and Sponsor agrees that it has executed this Agreement without reliance upon any such warranty, representation or promise.

5.11 The terms, provisions, covenants and conditions contained in this Agreement which, by their terms, require their performance after expiration or other termination of this Agreement, shall be and remain enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

5.12 This Agreement may be executed simultaneously in counterparts, each of which will be an original, and all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed.

ACADEMIC SUPERVISOR

________________________
Name: __________________________
Per: __________________________
Date: __________________________
Title: __________________________

SPONSOR

________________________
Name: __________________________
Title: __________________________
Date: __________________________

INTERN 1

________________________
Name: __________________________
Title: __________________________
Date: __________________________
INTERN 2 (if applicable)  INTERN 3 (if applicable)

________________________________________________________
Name:   Name:  
Date:   Date:

INTERN 4 (if applicable)  INTERN 5 (if applicable)

________________________________________________________
Name:   Name:  
Date:   Date:

INTERN 6 (if applicable)

________________________________________________________
Name:  
Date:

New Interns or Faculty Supervisors Added to the Project

The following should be signed only by new Interns or new Faculty Supervisors added to the Project after all the original Parties have signed the Agreement. Note that UVic’s Office of Research Services (contract@uvic.ca) will coordinate the approval by UVic of the addition.

I wish to participate in the Project. I agree to be bound by the Terms and Conditions established by UVic and posted online (https://www.uvic.ca/research/assets/docs/contracts/mitacs_uvic_ip_2014.pdf) which govern Mitacs projects. I agree that the Sponsor should be provided with an option to acquire a commercial license in Intellectual Property arising from the performance of the Project and agree to assign my interest in the Project Intellectual Property to UVic for the purpose of enabling UVic to grant this option and execute a license with Sponsor. Therefore, my signature below witnesses my agreement to be bound by all the Terms and Conditions for the Project and all the terms and conditions of this Option Agreement.

New INTERN/FACULTY SUPERVISOR  Witness

________________________________________________________
Name:   Name:  
Date:   Date:

Intern or Faculty Supervisor?:

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Schedule A

Field of Use: ____________________________________________________________________________________________________________________________________________
__________________________________________________________________________________________________________________________________________

Option Conditions:

The Commercial License must meet the requirements of applicable Mitacs and UVic policies.

To the extent exclusivity is provided, Sponsor must diligently pursue commercialization. In furtherance of this objective, following exercise of the Option, the Sponsor should be prepared to provide:

1. A written statement and commercialization plan satisfactory to UVic, acting reasonably, setting out its intention and ability to develop a product or processes using the Optioned Intellectual Property.
2. Evidence of sufficient financial resources committed to commercialize the Optioned Intellectual Property.
3. A commitment to use reasonable commercial efforts to commercialize the Optioned Intellectual Property.

Terms and Conditions to be Included in the Commercial Licence:

The nature of the commercial terms of the Commercial License will depend on the nature of the licensed intellectual property, the exclusivity provided and the commercial potential of the licensed intellectual property. Commercial licenses for patentable/patented intellectual property usually include the following terms:

a) License fee
b) Annual maintenance fee
c) Royalty rate
d) Minimum annual royalty
e) Milestone payments
f) Payments on account of accrued patent expenses
g) Payment of ongoing/future patent maintenance and prosecution expenses
h) Prohibition on challenging validity of UVic patent rights

All licenses include the following:

1. Commitment to diligently pursue commercialization of licensed intellectual property.
2. The right of UVic and its affiliates, faculty, staff and Interns to use the licensed intellectual property for educational purposes and for academic instruction, research and development.
3. Limitations on warranties.
4. Indemnification and insurance provisions consistent with university technology licensing practices.