KAUST ref. 1319

Material Transfer Agreement

This Agreement is made by and between:

a) **UNIVERSITY OF PUERTO MAYAGUEZ- DEPARTMENT OF MARINE SCIENCES** whose administrative offices are located at Mayagüez, PO Box 9000, Mayagüez, Puerto Rico 00681-9000 ("the Provider")

and

b) **KING ABDULLAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,** whose administrative offices are at 4700 KAUST, Thuwal 23955-6900, Jeddah, Kingdom of Saudi Arabia ("the Recipient")

This Agreement records the terms under which the Provider will make available following research material(s) (the "Material") have been developed by Professor Ernesto Weil at UPRM. The material is described as: coral reef sand and mucus –which does not contain bovine serum albumin.

The above described original research material includes any fragments, subunits, progeny, products, genetic material, subsets, derivatives, or modification thereof, and unmodified derivatives ("Biological Materials"), as well as any related confidential information provided by UPRM, shall hereinafter be referred to as the "MATERIAL".

The term "Material" includes all unmodified progeny generated from the material supplied and that part of all derivatives and the derivative's progeny which contains any of the material supplied or its progeny. The Recipient will hold the Material on the terms of this Agreement and solely for the purpose of microbiological analysis of the Material ("the Research Project") within the research group of Marine Science acting through Assistant Professor, Christian R Voolstra ("the Recipient Scientist").

1. Definitions

Material: Original Material, Progeny, and Unmodified Derivatives. The Material shall not include: (a) Modifications, or (b) other substances created by the Recipient through the use of the Material which are not Modifications, Progeny, or Unmodified Derivatives.

Progeny: Unmodified descendant from the Material, such as virus from virus, cell from cell, or organism from organism.

Unmodified Derivatives: Substances created by the Recipient which constitute an unmodified functional subunit or product expressed by the Original Material. Some examples include: subclones of unmodified cell lines, purified or fractionated subsets of the Original Material, proteins expressed by DNA/RNA supplied by the Provider, or monoclonal antibodies secreted by a hybridoma cell line.

Modifications: Substances created by the Recipient which contain/incorporate the Material.

Commercial Purposes: The sale, lease, license, or other transfer of the Material or Modifications to a for-profit organization. Commercial Purposes shall also include uses of the Material or Modifications by any organization, including Recipient, to perform contract research, to screen compound libraries, to produce or manufacture products

for general sale, or to conduct research activities that result in any sale, lease, license, or transfer of the Material or Modifications to a for-profit organization. However, industrially sponsored academic research shall not be considered a use of the Material or Modifications for Commercial Purposes per se, unless any of the above conditions of this definition are met.

2. **Ownership**
The Provider retains ownership of the Material, including any Material contained or incorporated in Modifications.

3. The Recipient retains ownership of: (a) Modifications (except that, the Provider retains ownership rights to the Material included therein), and (b) those substances created through the use of the Material or Modifications, but which are not Progeny, Unmodified Derivatives or Modifications (i.e., do not contain the Original Material, Progeny, Unmodified Derivatives). If either 2 (a) or 2 (b) results from the collaborative efforts of the Provider and the Recipient, joint ownership may be negotiated.

4. **Use of Material**
The Recipient and the Recipient Scientist agree that the Material:

   (a) is to be used solely for teaching and academic research purposes;

   (b) will not be used in human subjects, in clinical trials, or for diagnostic purposes involving human subjects without the written consent of the Provider;

   (c) is to be used only at the Recipient organisation and only in the Recipient Scientist's laboratory under the direction of the Recipient Scientist or others working under his/her direct supervision; and

   (d) will not be transferred to anyone else within the Recipient organisation without the prior written consent of the Provider.

5. The Recipient and the Recipient Scientist agree to refer to the Provider any request for the Material from anyone other than those persons working under the Recipient Scientist's direct supervision. To the extent supplies are available, the Provider or the Provider Scientist agrees to make the Material available, under a separate agreement having terms consistent with the terms of this Agreement, to other scientists (at least those at non-profit organisations) who wish to replicate the Recipient Scientist's research; provided that such other scientists reimburse the Provider for any costs relating to the preparation and distribution of the Material.

   (a) The Recipient and/or the Recipient Scientist shall have the right, without restriction, to distribute substances created by the Recipient through the use of the Original Material only if those substances are not Progeny, Unmodified Derivatives, or Modifications.

   (b) Under a separate agreement at least as protective of the Provider's rights, the Recipient may distribute Modifications to non-profit organisations for research and teaching purposes only.

   (c) Without written consent from the Provider, the Recipient and/or the Recipient Scientist may NOT provide Modifications for Commercial Purpose. It is recognized by the Recipient that such Commercial Purpose may require a commercial license from the Provider and the Provider has no obligation to grant a commercial license to its ownership interest in the Material incorporated in the

Modifications. Nothing in this paragraph, however, shall prevent the Recipient from granting commercial licenses under the Recipient's intellectual property rights claiming such Modifications, or methods of their manufacture or their use.

6. **No License**
The Recipient acknowledges that the Material is or may be the subject of a patent application. Except as provided in this Agreement, no express or implied licenses or other rights are provided to the Recipient under any patents, patent applications, trade secrets or other proprietary rights of the Provider, including any altered forms of the Material made by the Provider. In particular, no express or implied licenses or other rights are provided to use the Material, Modifications, or any related patents of the Provider for Commercial Purpose.

7. **Commercial License**
If the Recipient desires to use or license the Material or Modifications for Commercial Purpose, the Recipient agrees, in advance of such use, to negotiate in good faith with the Provider to establish the terms of a commercial license. It is understood by the Recipient that the Provider shall have no obligation to grant such a license to the Recipient, and may grant exclusive or non-exclusive commercial licenses to others, or sell or assign all or part of the rights in the Material to any third party(ies), subject to any pre-existing rights held by others.

8. **Patent Protection**
The Recipient is free to file patent application(s) claiming inventions made by the Recipient through the use of the Material but agrees to notify the Provider upon filing a patent application claiming Modifications or method(s) of manufacture or use(s) of the Material.

9. **Warranties**
Any Material delivered pursuant to this Agreement is understood to be experimental in nature and may have hazardous properties. The Provider makes no representations and extends no warranties of any kind, either expressed or implied. There are no express or implied warranties of merchantability or fitness for a particular purpose, or that the use of the Material will not infringe any patent, copyright, trademark, or other proprietary rights of third parties. The Provider will not be liable for any use made of the Material.

10. **Liability**
Except to the extent prohibited by law, the Recipient assumes all liability for damages which may arise from its use, storage or disposal of the Material. The Provider will not be liable to the Recipient for any loss, claim or demand made by the Recipient, or made against the Recipient by any other party, due to or arising from the use of the Material by the Recipient, except to the extent permitted by law when caused by the gross negligence or wilful misconduct of the Provider. The liability of either party for any breach of this Agreement, or arising in any other way out of the subject matter of this Agreement, will not extend to loss of business or profit, or to any indirect or consequential damages or losses.

11. **Publications**
This agreement shall not be interpreted to prevent or delay publication of research findings resulting from the use of the Material or the Modifications. The Recipient

Scientist agrees to acknowledge the source of the Material in any publication reporting on its use. If the Recipient Scientist wishes to include in a publication any information which has been provided by the Provider with the Material and which was clearly marked as "confidential" and "proprietary" at the point of disclosure ("Confidential Information"), the Recipient Scientist will request permission from the Provider, providing a copy of the text before publication takes place

12. **Compliance**
The Recipient agrees to use the Material in compliance with all applicable laws, statutes and regulations, such as, for example, but not limited to, those relating to research involving the use of animals or recombinant DNA.

13. **Termination**
This Agreement will terminate on the earliest of the following dates: (a) when the Material becomes generally available from third parties, for example, though reagent catalogues or public depositories or (b) on completion of the Recipient's current research with the Material, or (c) on thirty (30) days written notice by either party to the other, or (d) the Provider may terminate this Agreement if the Recipient is in material breach of any of the terms of this Agreement and, where the breach is capable of remedy, the Recipient has failed to remedy the same within one month of service of a written notice from the Provider specifying the breach a requiring it to be remedied; provided that:

(i) if termination should occur under 13(a), the Recipient shall be bound to the Provider by the least restrictive terms applicable to the Material obtained from the then-available resources; and

(ii) if termination should occur under 13(b) above, the Recipient will discontinue its use of the Material and will, upon direction of the Provider, return or destroy any remaining Material. The Recipient, at its discretion, will also either destroy the Modifications or remain bound by the terms of this agreement as they apply to Modifications; and

(iii) in the event the Provider terminates this Agreement under 13(c) other than for breach of this Agreement or for cause such as an imminent health risk or patent infringement, the Provider will defer the effective date of termination for a period of up to one year, upon request from the Recipient, to permit completion of research in progress. Upon the effective date of termination, or if requested, the deferred effective date of termination, Recipient will discontinue its use of the Material and will, upon direction of the Provider, return or destroy any remaining Material. The Recipient, at its discretion, will also either destroy the Modifications or remain bound by the terms of this agreement as they apply to Modifications.

14. **Transfer Costs**
The Material is provided with a transmittal fee solely to reimburse the Provider for its preparation and distribution costs.

15. **Effective Date**
This Agreement shall commence on the date of last signature below and will (subject to earlier termination pursuant to clause 13) continue for the duration of the research project for which the Material is used.

Accepted and Agreed *by an authorised signatory* on behalf of	Accepted and Agreed *by an authorised signatory* on behalf of
King Abdullah University of Science & Technology	University of Puerto Rico
Name: Stefan Catsicas	Name: Jorge Rivera-Santos, PhD, PE
Position: Provost & Executive VP(Academic Affairs)	Position: Acting Chancellor Sciences
Signature	Signature:
Date: 12/13/11	Date: 12/12/11

Acknowledged by the Recipient Scientist	Acknowledged by the Provider Scientist
Name: Christian R Voolstra	Name: Ernesto Weil
Position: Assistant Professor of Marine Science	Position: Professor of Depatment of Marine Sciences
Signature	Signature:
Date: 12/13/11	Date: 12/14/2011