

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is entered into by and between the State of Minnesota, through its Legislative Citizen Commission Minnesota Resources (“LCCMR”) and Regents of the University of Minnesota, through its Office for Technology Commercialization (“University”) as of (effective date).

WHEREAS, LCCMR was created pursuant to MN Stat. § 116P for the purpose of helping to ensure proper management of the state's environment and natural resources and to administer the Environmental and Natural Resources Trust Fund (“ENRTF”) created pursuant to Minnesota Constitution Article XI, Section 14;

WHEREAS, LCCMR makes funding recommendations to the Minnesota legislature for special environment and natural resource projects, primarily from the ENRTF which are designed to help maintain and enhance Minnesota's environment and natural resources;

WHEREAS, pursuant to MN Stat. § 116P.10(b) the ENRTF owns and shall take title to the percentage of a royalty, copyright, or patent resulting from a project supported by the fund equal to the percentage of the project's total funding provided by the fund;

WHEREAS, LCCMR has funded projects at University that are subject to the provisions of MN Stat. § 116P.10(b); and

WHEREAS, LCCMR and University wish to implement procedures to carry out the requirements of MN Stat. § 116P including, but not limited to, MN Stat. § 116P.10(b).

NOW, THEREFORE LCCMR and University agree as follows:

1. Invention Disclosures

University will notify LCCMR of invention disclosures that indicates LCCMR as a funding source in whole or in part. LCCMR agrees that such invention disclosures are to be treated as confidential information until such time as all the information in the invention disclosure has been made public.

2. Patent Applications and Patents

University will notify LCCMR in the event that a provisional application is filed with the US Patent and Trademark Office from an invention disclosure that lists LCCMR as a funding source. University will also notify LCCMR upon the filing of subsequent applications claiming priority to such provisional applications. Upon request, University will supply LCCMR with copies of all such provisional and other applications and patents that issue from these applications as they are filed and if they proceed to issue or grant. LCCMR agrees that such applications are to be treated as confidential information until such time as all the information in the applications has been made public.

3. License to University

In order to allow University to license inventions and applications to third parties, LCCMR agrees to obtain an exclusive license of rights under the inventions and patents for University from the ENRTF in the form set forth in Exhibit A to this MOU. University will prepare the exclusive license for signature by ENRTF and deliver to LCCMR for signature. LCCMR agrees that it will secure authorized signatures on the license and return the document to University within thirty (30) days of receipt.

4. Responsibility for Marketing and Patent Prosecution

Upon receipt of an exclusive license executed pursuant to Section 3, University will take the lead in all commercialization, marketing and licensing activities relating to inventions disclosed in the licensed applications. University will have complete discretion regarding the amount of effort and resources allocated to such commercialization, marketing and licensing activities.

University will take the lead in prosecution of all licensed applications. University shall have complete discretion regarding prosecution including, but not limited to, selection of and interaction with patent counsel, direction of patent prosecution, amendment or cancellation of claims, and abandonment of applications. LCCMR agrees to execute all documents required for prosecution of such applications as necessary.

All University inventors will, in the case of all applications referenced in Section 2 and Section 3, execute assignments confirming Regents of the University of Minnesota pursuant to the Regents Policy on Commercialization of Intellectual Property.

5. Licensing of Funded Technology

At such time as a potential licensee has been identified for any applications or patents referenced in Section 2 and/or Section 3 and University and such potential licensee have begun preparing a license agreement, University shall determine the percentage of funding contributed by LCCMR with respect to the applications being licensed. University will share the determination with LCCMR along with the percentage of net revenues under a license agreement that the University will share with the ENRTF. Upon request from LCCMR, University shall share the information used to support the determination.

Upon agreement between LCCMR and University of the percentage of funding and percentage of net revenues to be shared with ENRTF, University will execute an assignment to ENRTF in the form of Exhibit B assigning a percentage of ownership equal to the percentage of funding. In the event that research or other work at the University leading to an invention disclosed or claimed in any application or patent referenced in Section 2 and/or Section 3 was funded in part by federal government grants and is subject to restrictions on assignment pursuant to 35 U.S.C. §200 *et seq.*, ENRTF shall be entitled to the percentage of net revenues as determined in this Section 5, but University will not be required to execute assignment of patent rights as otherwise required by this Section.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Memorandum of Understanding.

Regents of the University of Minnesota

State of Minnesota

By: \_\_\_\_\_  
Jay W. Schrankler  
Executive Director  
Office for Technology Commercialization

By: \_\_\_\_\_  
Susan Thornton  
Director  
Legislative-Citizen Committee on  
Minnesota Resources

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

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

State of Minnesota

State of Minnesota

By: \_\_\_\_\_  
Sen. David Tomassoni  
Co-Chair  
Legislative-Citizen Committee on  
Minnesota Resources

By: \_\_\_\_\_  
Rep. John Persell  
Co-Chair  
Legislative-Citizen Committee on  
Minnesota Resources

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

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

State of Minnesota

By: \_\_\_\_\_  
Nancy Gibson  
Co-Chair  
Legislative-Citizen Committee on  
Minnesota Resources

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