

**MATERIAL TRANSFER AGREEMENT CONCERNING THE USE AND
DISTRIBUTION
OF
BIOLOGICAL RESOURCES**

Academic Institution

BETWEEN

(1) **MEDICAL RESEARCH COUNCIL** whose principal administrative offices are at 20 Park Crescent, London W1B 1AL, U.K. (hereinafter called "MRC")

and

(2) [*Institution*] whose principal place of business is situated at [*address*] (hereinafter called "the Institution").

WHEREAS

- (A) The MRC has developed certain Technologies, Materials and Confidential Information relating to said Technologies and Materials and information.
- (B) The MRC has co-exclusively licensed these Technologies and Materials to Commercial Partners but has retained the right to allow academic parties to use them under certain conditions.
- (C) The Institution or more specifically the Principal Scientist named below wishes to obtain rights to use the said Technologies and Materials from the MRC for the purposes of academic in-house research only.
- (D) The MRC agrees to grant the Institution a licence to use the Technologies, Materials, and Confidential Information on the terms set out below.

NOW IT IS HEREBY AGREED AS FOLLOWS

1. DEFINITIONS AND INTERPRETATION

1.1 In this agreement the following words and phrases shall have the following meanings unless the context requires otherwise:

"Commercial Partners" shall mean Cambridge Antibody Technology and Domantis Limited;

"Confidential Information" means any unpublished knowledge, experience, data, materials or other information of any nature which is possessed by MRC and which is useful in the practice of the Technologies, Patent Rights, and Materials

and which MRC is free to disclose and to which MRC has the right to grant licences;

“Effective Date”	shall mean [insert date];
“Materials”	shall mean Original Materials, Progeny and Unmodified Derivatives;
“Modifications”	shall mean any modified versions of the Materials;
“Original Materials”	shall mean all materials provided by MRC, as described in Schedule 1 attached hereto and which may from time to time be amended subject to written agreement between the parties;
“Patent Rights”	means the applications described in Schedule 2 attached hereto including any continuations, continuations-in-part, extensions, re-examinations, re-issues, confirmations, registrations and revalidations or any division thereof, any and all foreign counterparts of the foregoing, and any and all patents issuing from any of the foregoing.
“Progeny”	shall mean all unmodified descendants from the Original Materials, such as virus from virus, cell from cell, or organism from organism;
“Technologies”	means the library cloning technology and phage screening technology as described in the Patent Rights and Confidential Information;
“Unmodified Derivatives”	shall mean any substances created by the Institution which constitute an important unmodified functional sub-unit or product expressed by the Original Materials, e.g., sub clones of unmodified cell lines, purified or fractionated sub-sets of the Original Materials, proteins expressed by DNA or RNA, monoclonal antibodies secreted by a hybridoma cell line, sub-sets of the Original Materials such as novel plasmids or vectors;
“Principal Scientist”	shall mean [insert name];
“Recipient Scientists”	shall mean the Principal Scientist and any research assistants, co-workers or other workers in the Institution who the Principal Scientist is responsible for;

1.2 In this Agreement, any reference to:-

- 1.2.1 a statutory provision includes a reference to any modifications or re-enactment of it from time to time;
 - 1.2.2 Clauses, Schedules and/or parties is to clauses of and schedules and/or parties to this Agreement, respectively; and
 - 1.2.3 the singular includes the plural and vice versa.
- 1.3 The headings used in this Agreement shall not affect the interpretation of this Agreement.
- 1.4 This Agreement shall be deemed to have come into force on the Effective Date and shall be read and constructed accordingly.

2. THE GRANT

- 2.1 MRC hereby grants to the Institution the non-exclusive right and licence in accordance with this Agreement to use the Materials, Patent Rights, Technologies, and Confidential Information for academic research at the Institution's facilities under the direction of the Principal Scientist.
- 2.2 The Institution and Principal Scientist agrees that no rights are provided under this Agreement to use the Patent Rights, Technologies, and Confidential Information for the provision of a commercial service or to use the Patent Rights, Technologies, and Confidential Information on behalf of any commercial entity, or for use in consulting for a commercial entity under which that entity obtains rights to research results.
- 2.3 The Institution or Principal Scientist will not use the Patent Rights, Technologies and Confidential Information for the development of any commercial product, including, but not limited to, drug screening, drug evaluation, assay development, or identifying drug targets for commercial purposes.
- 2.4 It is expressly understood by the Institution and Recipient Scientists that the Materials and Modifications will not be introduced into humans and at all times will be used in accordance with applicable laws and regulations.
- 2.5 The MRC does not claim ownership of Modifications produced as a result of the Institution's research with the Materials however ownership of Materials included therein shall remain the property of MRC's or its Commercial Partners. For the avoidance of doubt commercial use of any such Modifications is subject to the provision of Clause 2.6.
- 2.6 The Institution may seek patent application(s) claiming inventions made by the Recipient Scientists through the use of the Materials but in order to commercialise such inventions, discoveries or Modifications the Institution will require a commercial licence from MRC's Commercial Partners. The MRC agrees to forward requests for a commercial licence to the MRC's Commercial Partners however the Institution accepts that MRC cannot guarantee that such rights will be granted to the Institution.
- 2.7 The Institution grants the MRC the non-exclusive right to use any inventions developed through use of the Material transferred under this Agreement in its

own internal, non-profit making academic research and teaching purposes without payment of licence or royalty fees to the Institution.

- 2.8 Any results of any research work carried out using the Materials or Modifications or other libraries created as a result of receiving or using the Materials or Modifications should be disclosed to Dr Greg Winter, MRC Laboratory of Molecular Biology, Hills Road, Cambridge CB2 2QH immediately after publication or any other public disclosure of those results.
- 2.9 Full acknowledgement of the Materials, their source and its creators must be made in any reference to the Materials whether in print or in verbal communication.
- 2.10 Except as expressly provided in this Agreement no rights are provided to the Institution under any intellectual property rights or other proprietary rights vested in MRC.

3. SUPPLY

- 3.1 Upon execution of this Agreement MRC agrees to supply the Institution with the Materials and any relevant Confidential Information in its possession that has not been previously disclosed which in the reasonable opinion of the MRC is necessary to enable the Institution to use the Patent Rights.

4. CONFIDENTIALITY

- 4.1 The Institution and Recipient Scientists agree not to transfer, transmit or in any other way disclose the Materials, Modifications, and Confidential Information, to any third party without the written consent of the MRC. Such consent will not be unreasonably withheld if the third party is an academic research institution as long as such third party signs an equivalent Material Transfer Agreement with the MRC.
- 4.2 The obligations of confidence referred to in this Clause 4 shall not extend to any information which:
 - (a) is or becomes generally available to the public otherwise than by reason of a breach by the recipient party of any provision of this Clause 4;
 - (b) can be shown by the recipient party to be in the recipient party's possession prior to receipt under this Agreement;
 - (c) is subsequently disclosed to the recipient party without obligations of confidence by a third party owing no such obligations to the disclosing party in respect thereof;
 - (d) can be shown to have been developed by the recipient party without benefit of any disclosure under this Agreement;
 - (e) is specifically required to disclose by law or pursuant to an order of any Court of competent jurisdiction, but only after the disclosing party is given prompt written notice and an opportunity to seek a protective order or to agree such disclosure and provided that, in the case of a disclosure under

the Freedom of Information Act 2000, none of the exemptions in that Act applies to the information.

- 4.3 If either party receives a request under the Freedom of Information Act 2000 to disclose any information of the other party, it will notify and consult with the other party. The other party will respond within five (5) days after receiving notice if the notice requests assistance in determining whether or not an exemption in the Act applies.
- 4.4 This obligation of confidence shall continue in force after the expiry or the termination of this Agreement, whatever the reason for the termination, until the last to expire of any patents granted pursuant to the Patent Rights.
- 4.5 Each party agrees not to use or refer to this Agreement in any promotional activity, or use the names or marks of the other without express written permission. However, this paragraph shall not preclude either party's attribution of authorship in, and distribution of academic literature reporting the results of research conducted with the Materials.
- 4.6 Upon termination of this Agreement, or at any time upon the written request of the disclosing party, the receiving party shall return to the disclosing party all originals, copies, and summaries of documents, materials, and other tangible manifestations of Confidential Information in the possession or control of the receiving party.
- 4.7 The parties acknowledge that remedies at law may be inadequate to protect against a breach of the provisions of this Clause 4 and therefore, each party shall be entitled to seek injunctive relief to restrain such breach, in addition to any other remedies available to such party.

5. WARRANTIES/LIABILITIES

- 5.1 The Institution and Principal Scientist warrant that Materials and Confidential Information will only be disclosed to and used by the Recipient Scientists.
- 5.2 No warranty is provided by MRC as to description, merchantability, quality, fitness or performance of the Materials and any Confidential Information supplied by the MRC to the Institution in connection with this Agreement and that the use of Materials, Patent Rights, and/or Confidential Information do not infringe any patent, copyright, trademark or other right.
- 5.3 The Institution will during and after the period of this Agreement, indemnify and hold harmless the MRC and its employees and agents against all liability, loss, damage, cost or expense which may result directly from the use of the Materials, Patent Right, and/or Confidential Information by the Institution.
- 5.4 The provision of the Materials expressly does not confer, by implication, estoppel, or otherwise, any rights under any patents owned or exclusively licensed by Xoma Ireland Limited or any of its affiliate companies. MRC hereby provides notice that the Institution should approach Xoma Ireland Limited for the grant of a licence under Xoma's patented rights, should the Institution wish

to engage in any activities utilising the Materials other than for the purposes of academic in-house research.

- 5.5 The MRC can take no responsibility for ensuring that the Materials will be allowed into all countries. If in doubt, it is the responsibility of the Institution and or Principal Scientist to check their own importation restrictions before requesting the Materials. Once such a request has been made it will be assumed that shipment and handling costs will be honoured once the package has been dispatched from the UK regardless of its treatment upon arrival in the country of destination.

6. DURATION & TERM

- 6.1 This Agreement shall come into force on the date on which it is signed by both parties and shall remain in force for as long as the Institution has possession of the Materials or Modifications.
- 6.2 The MRC may terminate this Agreement if the MRC is unable to supply the Materials to the Institution.
- 6.3 Either the Institution or the MRC may terminate this Agreement forthwith by notice in writing if the other party commits a substantial breach of this Agreement which in the case of a breach capable of remedy will not have been remedied within thirty (30) days of the receipt by the party in default of notice identifying the breach and requiring its remedy.
- 6.4 Upon termination of this Agreement the Institution will discontinue use of the Material and will, upon the direction of MRC, either return or destroy the Material. The Institution will also either destroy the Modifications or remain bound by the terms of this Agreement as they apply to Modifications.
- 6.5 Upon termination of this Agreement the Institution will destroy the Materials and Modifications and cease using the Patent Rights, Technologies, and Confidential Information.

7. FORCE MAJEURE

- 7.1 No Failure or omission by either party to carry out or to observe any of the terms or conditions of this Agreement will give rise to any claim against the party in question or be deemed a breach of this Agreement if such failure or omission arises from any fire, flood, earthquake, or other Act of God or nature, or terrorist act or any explosion, unless such explosion is caused by the wilful act, negligence or omission of Institution or any of Institution's employees or agents.

8. RELATIONSHIP OF THE PARTIES

- 8.1 Nothing in this Agreement shall create a partnership between the parties or make the Institution the agent of the MRC for any purpose whatsoever.

9. SEVERABILITY

9.1 This Agreement is severable so that if any provision of this Agreement is determined to be illegal, invalid or unenforceable by any court or authority of competent jurisdiction such provision shall be deemed to have been deleted without affecting the remaining provisions of this Agreement.

9.2 If any provision of this Agreement shall be determined to be illegal, invalid or unenforceable but would be legal, valid and enforceable if amended the parties shall consult together in good faith and agree the scope and extent of any modification or amendment necessary to render the provision legal, valid and enforceable and so as to give effect to the intention of the parties as recorded in this Agreement.

10. ASSIGNMENT

10.1 Neither party shall assign this Agreement or its rights under this Agreement or any part of this Agreement without the other party's prior written consent, such consent is not to be unreasonably withheld, except that either of the parties may assign this Agreement to an affiliate or successor in connection with the merger, consolidation, or sale of all or substantially all of its assets or that portion of its business pertaining to the subject matter of this Agreement. Each party shall forthwith notify the other party of any assignment made pursuant to this Clause. Notwithstanding the foregoing, the MRC shall consent to the Institution assigning this Agreement to a third party that can demonstrate to the satisfaction of the MRC, acting reasonably, that it has the assets to fulfil the obligations of the Institution in terms of this Agreement.

11. SURVIVAL OF CLAUSES

11.1 The obligations of both parties under Clauses 2, 4 and 5 of this Agreement shall survive termination of this Agreement for any cause.

12. WAIVER

12.1 The waiver by MRC of any breach default or omission in the performance or observance of any of the terms of this Agreement by the Institution shall not be deemed to be waiver of any other such breach default or omission.

13. NOTICES

13.1 Any notice required to be given under the terms of this Agreement may be given by letter, with all delivery charges prepaid and addressed to the parties at the addresses given above. Any notice so given shall be deemed to have been served at the expiration of 48 hours from the time of posting.

14. ARBITRATION

14.1 The parties shall attempt in good faith to resolve any such dispute promptly by negotiation between senior executives of each party. If the parties are unable to reach a resolution then either party shall be free to pursue any other remedies available to it.

15. ENTIRE AGREEMENT

15.1 This Agreement constitutes the entire agreement between the parties, and can be modified only by written instrument signed by the party to be bound. Each party acknowledges that this Agreement supersedes any other agreement or understanding between the two parties with respect to the subject matter hereof.

16. GOVERNING LAW AND JURISDICTION

16.1 The validity and construction and interpretation of this Agreement shall be governed by and construed in accordance with the Laws of England and the jurisdiction of the English courts.

IN WITNESS whereof this Agreement has been executed by duly authorised officers of the parties hereto as of the date of the last signature below.

Signed for and on behalf of the **MEDICAL RESEARCH COUNCIL**

Signature.....
Date.....

Name (Printed)..... Title.....

Signed for and on behalf of the **INSTITUTION**

Signature.....
Date.....

Name (Printed)..... Title.....

Signed by the **PRINCIPAL SCIENTIST**

Signature.....
Date.....

Name (Printed)..... Title.....

Schedule 1

The Original Materials are:

MRC ScFv libraries I and J, (or any part of the libraries, including, but not limited to, any molecule, any isolated clone or any derivative of an isolated clone, or any modification of an isolated clone), and control phage antibody UBI B1 (against bovine ubiquitin), control phage antibody 13CG2 (against bovine serum albumin), TG1 bacteria, HB2151 bacteria and the helper phage KM13 (Tomlinson *et al.*, unpublished data) as well all sequences contained therein, and any intellectual

property covering such materials, and all libraries created as a result of receiving or using the libraries.

Schedule 2

The Patent Rights are:

Patent	Winter II	Winter/Huse/Lerner	McCafferty	Griffiths
PCT Publication Number	WO90/05144	WO90/14424 WO90/14430	WO92/01047	WO93/11236

