

CONSULTING AGREEMENT

This Agreement is made on _____, 19____ between _____ (the "Company") and _____ (the "Consultant"),(Name of his company and location) _____, and is effective on _____ 19____. The Consultant has extensive experience regarding

_____, and the Company seeks to benefit from the Consultant's expertise by retaining the Consultant as an exclusive Technical Consultant. The Consultant wishes to perform consulting services for the Company. Accordingly, the Company and the Consultant agree as follows:

Services

The consultant shall provide advice and consulting services to the Company with respect to matters related to

_____. The Consultant shall be engaged by the Company as a consultant for the exchange of ideas only and under the terms of this Agreement, shall not direct or conduct research for or on behalf of the Company. Any research which may be conducted shall be carried out under the auspices of a sponsored research agreement between Company and (Company Department)

Upon request by the Company and in return for compensation detailed in Article 2, the Consultant shall keep the Company informed about applications, features, and specifications in the area of _____ as they may broaden or change from time to time as well as be available for assisting in quality control issues.

The Company acknowledges that the Consultant is an employee of (Company Department) and is subject to the (Company Department) 's policies, including policies concerning consulting, conflicts of interest, and intellectual property. If there is a conflict between Consultant's obligations under (Company Department) 's policies and any of Consultant's obligations to Company pursuant to this Agreement, the Consultant's obligations under the (Company Department) policies take priority over any obligations the Consultant may have to the Company by reason of this agreement.

Compensation

As full consideration for the consulting services provided by the Consultant, the Company shall pay to the Consultant

_____.

Competition

The Consultant represents to the Company that the Consultant does not have any agreement to provide consulting services to any other party, firm, or company in the _____ industry on matters relating to the scope of this consultancy, and will not enter into any such agreement during the term of this Agreement. The Company acknowledges and agrees, however, that nothing in this Agreement shall affect the Consultant's obligations to, or research on behalf of, (Company Department) or any component of The University of Texas System, including, without limitation, obligations or research of the Consultant in connection with a transfer by (Company Department) of materials or intellectual property developed in whole or in part by the Consultant, or in connection with research collaborations.

Confidentiality

Either party may disclose to the other party any information that the disclosing party would normally freely disclose to the other members of the scientific community at large, whether by publication, by presentation at seminars, or in informal scientific discussions.

The parties may wish, from time to time, in connection with work contemplated under this Agreement, to disclose confidential information to each other ("Confidential Information"). Each party will use reasonable efforts to prevent the disclosure of any of the other party's Confidential Information to third parties for a period of _____ (__) years from receipt thereof. The recipient may acquire information that pertains to the discloser's processes, equipment, programs, developments, or plans that is both (i) disclosed or made known by the disclosure to the recipient and (ii) identified in writing as "proprietary" by the disclosure. The recipient agrees not to disclose any Confidential Information to third parties or to use any Confidential Information for any purpose other than performance of the services contemplated by this Agreement, without prior written consent of the Company.

Confidential Information subject to paragraph 4(b) does not include information that (i) is or later becomes available to the public through no breach of this Agreement by the recipient; (ii) is obtained by the recipient from a third party who had the legal right to disclose the information to the recipient; (iii) is already in the possession of the recipient on the date this Agreement becomes effective; (iv) is independently developed by recipient; or (v) is

required to be disclosed by law, government regulation, or court order. In addition, Confidential Information subject to paragraph 4(b) does not include information generated by the Consultant unless the information (i) is generated as a direct result of the performance of consulting services under this Agreement and (ii) is not generated in the course of the Consultant's activities as a (Company Department) employee or (Company Department) faculty member.

Return of Materials

The Consultant agrees to promptly return, following the termination of this Agreement or upon earlier request by the Company, all drawings, tracings, and written materials in the Consultant's possession and (i) supplied by the Company in conjunction with the Consultant's consulting services under this Agreement or (ii) generated by the Consultant in the performance of consulting services under this Agreement and not generated in the course of the Consultant's activities as an (Company Department) employee or (Company Department) faculty member.

Intellectual Property

Title to all inventions and discoveries made by Consultant resulting from the work performed hereunder shall reside in (Company Department); title to all inventions and discoveries made by Company resulting from the research performed hereunder shall reside in Company; title to all inventions and discoveries made jointly by Consultant and Company resulting from the research performed hereunder shall reside jointly in (Company Department) and Company. Inventorship shall be determined in accordance with U.S. Patent law.

After consultation with Company regarding the advisability of filing patent applications, (Company Department) shall file appropriate United States and foreign patent applications for wholly or jointly owned (Company Department) inventions. (Company Department) will provide Company, on a confidential basis, a copy of any such application filed and any documents received or filed during prosecution thereof and will provide Company the opportunity to comment thereon. On any application on which an employee of Company is named as a co-inventor, Company will cooperate in obtaining execution of any necessary documents by its employees.

(Company Department) agrees to grant to Company an option to negotiate an exclusive, worldwide, royalty-bearing license to make, use or sell under any invention or discovery owned wholly or partly

by (Company Department) and made or conceived and reduced to practice during the term of this Agreement or within six (6) months thereafter and directly resulting from the performance of the consulting work conducted hereunder, with right to sublicense with accounting to (Company Department). Company shall have three (3) months from disclosure of any invention or discovery to notify (Company Department) of its desire to enter into such a license agreement, and a license agreement shall be negotiated in good faith within a period not to exceed six (6) months from Company's notification to (Company Department) of its desire to enter into a license agreement, or such period of time as to which the parties shall mutually agree.

If Company and (Company Department) fail to enter into an agreement during that period of time, Company shall have a right of first refusal with respect to any terms generally more favorable offered by (Company Department) to a third party for a period of one (1) year thereafter.

In the event Company elects to exercise its option to negotiate a license in accordance with the procedures detailed above, it shall be obligated to pay all expenses, including attorney's fees, incurred in searching prior art, obtaining search opinions, preparing applications, filing, prosecuting, enforcing or maintaining a patent or patent application with respect to the licensed invention in any country in which the patent or application is filed.

Defense and Indemnification

The company agrees, at its sole expense, to defend the Consultant and (Company Department) against, and to indemnify and hold the Consultant and (Company Department) harmless from, any claims or suits by a third party against the Consultant or (Company Department) or any liabilities or judgements based thereon, either arising from the Consultant's performance of services for the Company under this Agreement or arising from any Company products which result from the Consultant's performance of services under this Agreement.

Term and Termination

This Agreement shall be for a term of _____ months, renewable upon reasonable terms and conditions as may be agreed upon by the Company and the Consultant.

Termination of the Agreement under paragraph 8(a) above shall not affect (a) the Company's obligation to pay for services previously

performed by the Consultant or expenses reasonably incurred by the Consultant for which the Consultant is entitled to reimbursement under paragraph 2, above, (b) the Company's obligations to recognize the priority of (Company Department) and (Company Department) intellectual property rights under paragraph 6(b), above, (c) the Company's obligation to defend and indemnify the Consultant and the Institute under paragraph 7 above, or (d) the Consultant's continuing obligations to the Company under paragraphs 4(b) and 6(a), above.

Miscellaneous

This Agreement shall inure to the benefit of and be binding upon the respective heirs, executors, successors, representatives, and assigns of the parties, as the case may be.

The relationship created by this Agreement shall be that of independent contractor, and the Consultant shall have no authority to bind or act as agent for the Company or its employees for any purpose.

The Company will not use the Consultant's or (Company Department)'s name in any commercial advertisement or similar material used to promote or sell products, unless the Company obtains in advance the written consent of both the Consultant and (Company Department).

Notice or payments given by one party to the other hereunder shall be in writing and deemed to have been properly given or paid if deposited with the United States Postal Service, registered or certified mail, addressed as follows:

{Company Address}

{Consultant Address}

This Agreement replaces all previous agreements and the discussions relating to the subject matters hereof and constitutes the entire agreement between the Company and the Consultant with respect to the subject matters of this Agreement. This Agreement may not be modified in any respect by any verbal statement, representation, or agreement made by any employee, officer, or representative of the Company, or by any written documents unless it is signed by an officer of the Company and by the Consultant.

If any term or provision of this Agreement is deemed invalid, contrary to, or prohibited under applicable laws or regulation of any jurisdiction, this Agreement (save only this sentence) shall be invalid.

IN WITNESS WHEREOF, the parties have executed this Agreement effective the date first stated above.

By: _____
President

By: _____
Consultant