

the right to commercially exploit them shall be reassigned to University, subject to a royalty-free non-exclusive license to Company.

OPTION II - Deliverables as specified in Article 3 shall be owned by Company. In the event the deliverables contain patentable inventions, copyrighted software or know-how which is commercially exploited, a reasonable royalty or other financial recognition shall be negotiated in keeping with industry norms.

Intellectual property other than that included in the deliverables shall be owned by University and Company shall have the following rights:

- (a) University hereby grants Company a non-exclusive license to use and modify such other intellectual property with the right to sublicense to affiliated companies as agreed upon, subject to confidentiality requirements.
- (b) University hereby grants Company a right of first refusal to an exclusive, royalty bearing license to use, sell and modify such other project results with the right to sublicense at a royalty to be negotiated.

Notwithstanding the licenses granted hereunder, University shall retain the right to use the other project results for research and educational purposes, subject to confidentiality requirements.

Article 16 — Liability and Indemnity

Unless otherwise stipulated in Article 17:

- (a) Company shall indemnify University against all costs, suits, or claims resulting from the use by Company or its customers or licensees of any deliverable or project results developed by University under this Agreement.
- (b) University shall indemnify Company against all costs, suits or claims on account of injuries (including death) to persons participating in the Project or damage to University property during the performance of this Agreement.

Article 17 — Special Conditions