

DATE

INVESTIGATOR NAME

UNIT, AREA

Subject: Option/License Agreement, as applicable, between Washington State University and WSU Investigator Spinout

COI Case Number: XXXX-XX

WSU OC Case Number(s): XXX GET FROM OC XXX

Dear Investigator:

This letter summarizes our review of financial conflict of interest issues related to the above referenced license agreement (“License”), or option agreement (“Option”), between Washington State University (“University”) and WSU Investigator Spinout (“Company”). This review addresses your disclosure of an ongoing relationship with Company, which has met the definition of Technology Transfer per [WSU Executive Policy #27](http://public.wsu.edu/~forms/HTML/EPM/EP27_Ethics_Conflict_of_Interest_and_Technology_Transfer.htm).

The proposed agreement is a license or option agreement focused on: OBTAIN DESCRIPTION FROM OC, INCLUDING SPECIFIC DEFINITION FOR (“Technology”). The license or option will include provisions regarding payments, patent cost reimbursement, royalties, sales reports, record retention, audit rights, and sublicensing considerations as appropriate.

Our primary interest in the management of financial interests with licensing or options is with the appropriate and legal use of state resources, including IP, facilities and staff. We also have an overriding concern to protect the ability of all students and postdoctoral researchers to freely pursue and publish their research. Hence, our goal is to facilitate the commercialization of the technology while simultaneously maintaining a clear separation between the activities of the University and those of Company. Based on our review of your financial interests, we are by copy of this letter updating the WSU Office of Commercialization (“WSU OC”) on the status of your conflict management plan related to the License or Option of the above referenced Technology, subject to the following conditions:

**Disclosures**

1. You are required to make appropriate disclosures of your financial interest(s) in connection with any publication (print, electronic, oral or otherwise) of the results of research at the University related to the Technology, as well as to all investigators at the University with whom you are collaborating on related research. For researchers in the biomedical sciences, disclosure in publications should conform to recent uniform disclosure guidelines published by a group of editors of major medical journals (Davidoff et al. JAMA 286: 1232-1234, 2001).
2. Any student (undergraduate, professional, or graduate), trainee, or WSU employee who is working in any way with the Applicant’s laboratory, or is supervised or advised at all by the Applicant - regardless if they are involved with these activities or not - shall be advised of their rights and responsibilities through the *COI Guidance for Students and Employees* orientation.
3. You may not engage students in Company activities if you have any evaluative authority (e.g., course grading, member of student’s graduate committee) over those students, unless an approved COI management plan is in place for you and your students. See attached **Appendix A** for more information. Notification to [or.coi@wsu.edu](mailto:or.coi@wsu.edu) of student, trainee, and/or WSU employee names should occur within 10 days, regardless of being involved in your Laboratory or with any Company activities. All WSU employees who are involved in any way with this activity must have a non-conflicted supervisor.
4. Any graduate student on a Graduate Assistantship (Research, teaching or staff assistantship) shall disclose any relationships with the Company to the WSU Graduate School at [gradschool@wsu.edu](mailto:gradschool@wsu.edu).
5. You must disclose to the WSU OC any IP for which you are named as inventor, regardless of the perceived origin of that IP. The University process will then be used to resolve IP issues.
6. You must disclose to the WSU OC any IP that is developed by any person who is an employee or student of WSU, using WSU facilities or resources, or working on the Company side of this management plan.

**Restrictions**

1. **Human Subjects Research.** You may not participate in a clinical trial involving technology in which you have any IP interest, or involving technology licensed/optioned by the University if you have a substantial equity interest in the License or Option, without prior review and approval by our office.
2. **Participation in Negotiation and Administration.** Neither you, or any family members, can participate in the negotiation of any University agreements related to research involving the Technology or Company, including the licensing of IP rights arising from any such work, unless appropriate waivers are in place.
3. **Sharing of University Information and IP.** You may not transfer any University research results or IP relating to the Technology to Company, except through normal scholarly publication, licensing, or other agreements that are negotiated through the WSU OC or the OR. Any information being provided to Company that was or is developed at the University, including conceptual information not yet reduced to practice, must first be disclosed to the WSU OC prior to disclosure to Company, unless already published and available to any third party.
4. **Outside Work Activities**. No services that you perform as part of outside consulting work for Company may duplicate any work you perform while participating in research, and any services you provide as part of your outside consulting must be consistent with your University obligations.
5. **Use of University Facilities and Resources.** You and all persons working with you in any University facility must take reasonable measures to ensure that no University facilities or resources are used for the private business activities or other private benefit of Company except as may be specified under terms of official agreements between the University and Company.
6. **Foreign Nationals.** Foreign nationals with VISA status with the University cannot work in a start-up company as this would be a VISA violation.

**Ongoing Compliance**

1. You are reminded of your obligations under the University’s [Executive Policy on Ethics, Conflict of Interest, and Technology Transfer (#27)](https://policies.wsu.edu/prf/index/manuals/executive-policy-manual-contents/ep27-ethics-conflict-interest-technology-transfer/) and the [WSU Faculty Manual](https://facsen.wsu.edu/faculty_manual/), including complying with the conditions of this management plan and the requirement to submit annual reports. In addition:
   1. You are required to obtain prior approval for all outside professional work and remain current in the filing of required outside work approval forms using the ANNUAL REPORT OF OUTSIDE COMPENSATION FOR FACULTY Form, found at [BPPM 60.44.](https://policies.wsu.edu/prf/index/manuals/business-policies-and-procedures-manual/bppm-60-44/)
   2. You are required to disclose the occurrence of any reimbursed or sponsored travel as outlined in [WSU Executive Policy #27](https://policies.wsu.edu/prf/index/manuals/executive-policy-manual-contents/ep27-ethics-conflict-interest-technology-transfer/).
2. If you are currently involved in any research at the University related to the Technology or otherwise of direct interest to Company, you must disclose your financial interest in Company in the University’s MyResearch Database within 30 days of execution of the License or Option.
3. No University equipment, supplies, materials or animals may be transferred from the University to Company without appropriate contracts with the University.
4. A Plan Monitor has been identified on the COI Tech Transfer Pre-Review Form. This Person would ideally be a superior, or similar level colleague with broad knowledge of the material present in your COI Case, and will need to verify all activities are appropriate via the COI Committee Annual Report Form.
5. You must not promote, endorse, cite, market, advertise or offer the sale of company products or services (their own company or others) while serving in your capacity as a WSU employee. Use of persons, money or property for private gain is a state ethics violation – this includes any use for commercial purposes such as advertising or selling ([RCW 42.52.160](http://apps.leg.wa.gov/rcw/default.aspx?cite=42.52.160) and [RCW 42.52.360(2)(a)](http://apps.leg.wa.gov/rcw/default.aspx?cite=42.52.360)).
6. If the Company will be involved with a Clinical Trial that has not yet started, you will ensure that a disclosure informing subjects of the COI will be included in the IRB approved Informed Consent Form, which will be reviewed with the rest of the protocol by the IRB. Once the Informed Consent Form has been stamped Approved, you must submit a copy of it to the COI Coordinator to be included with the case file.

**Amendments.** WSU reserves the right to modify this management plan and to impose new or additional conditions. Such modifications, conditions, and additional terms will be effective immediately and incorporated into this management plan. WSU will notify you of these changes in advance via email. You will be deemed to have accepted these terms and conditions unless you appeal your management plan, which must be done in writing and sent to WSU’s Conflict of Interest Committee at [or.coi@wsu.edu](mailto:or.coi@wsu.edu).

By copy of this letter, the WSU OC is being advised that the License or Option may be consummated. This approval is subject to the understanding of the facts as described above and to compliance with all conditions stated above. If there is a material change in the facts, you are required to report them immediately to the University. If you further engage the University in non-tech transfer related activities with the Company (e.g. a sponsored agreement, facility use agreement, etc.), a full COI Management Plan must be approved by the WSU COI Committee before those activities begin.

We appreciate your cooperation in assuring compliance with University policies, state statutes and federal regulations governing conflicts of interest.

Sincerely,

Dan Nordquist

Associate Vice President for Research

Cc:

Department Chair/Director

Dean/Chancellor/Delegate

Director, Office of Commercialization

Coordinator, WSU COI Committee

**Appendix A – Ongoing Student Compliance Information**

• Any graduate student who you accept to mentor for thesis research related to this case will form a graduate thesis committee within one month of starting research related to this case.

• Student graduate thesis committee meetings will be held a minimum of three times throughout the year to discuss experiments, publication strategy, and IP issues.

• Faculty who have no ties to Company will comprise a majority of a student's graduate thesis committee.

• Within one month of starting the student’s research related to this case, the Plan Monitor and graduate thesis committee will consult with a student regarding confidentiality agreements with the company and potential impacts on dissertation defenses. Options available for dealing with this situation can be pursued with the Attorney General's Office and may involve a non-disclosure agreement with committee members.

• Within one month of starting their research related to this case, students will meet with the Director of the WSU OC or delegate to obtain information on IP rights.

• Delays in publication or public presentations up to, but not exceeding, 60 days will be allowed for purposes of preparing and submitting relevant patent applications.

• Students who conduct research related to this case while rotating with you as part of their graduate program requirements, but who have not selected you for their thesis advisor, will be treated as described in the foregoing with the exception that there will be no graduate thesis committee involvement.

• Students (as opposed to employed graduate research assistants in the research employee's lab) are not permitted to function as employees of the Company without obtaining prior permission from the chair/director, dean, chancellor (as appropriate), and Provost. The students must be free to pursue publication, advance in their line of study, and publish their thesis or dissertation without restriction per WSU Executive Policy #27.

• If you are an Undergraduate, Professional, or Graduate Student you must complete the *COI Guidance for Students and Employees* and you cannot have a co-owner of the Company as the Chair of your Graduate Committee. If the work on your dissertation will be performed using Company time, resources, or at WSU during Company-allocated time (example: student performing thesis-related work in a Service Center during Company allotted time) you will follow WSU policy for non-academic pursuits, regarding time allocation. You can find this in the Graduate Student Handbook at <http://gradschool.wsu.edu/159-2/>.