

[Date]

Subject: Standstill Agreement

Dear Dr. _____:

You have indicated you are interested in evaluating technologies you have assigned to WARF in the area of _____ (“Field of Use”) as a platform for a start-up company (“Company”) to be established by you and perhaps others. You have indicated you are interested in investigating whether the inventions described in the patent application(s) and patent(s) listed in Appendix A attached hereto (the “Patent(s)”) can be the basis for a start-up company in the Field of Use.

By signing this Agreement, both you and WARF agree to various obligations. You agree to evaluate the invention(s) of the Patent(s) as a platform for commercialization of products in the Field of Use. You also agree to begin to develop your business model, structure and plan for establishing a start-up company to bring products covered by the Patent(s) to market. You agree to provide WARF on or before _____ a completed WARF Company Start-up Application Form (“Application”, attached as Appendix B) and a business plan acceptable to WARF containing the particulars of the business model you propose. You agree that all activities and strategies relating to your evaluation of the invention(s) of the Patent(s) are entirely at your own discretion and that you will rely solely upon your own expertise or the expertise of others hired by you regarding the suitability of the Patent(s) for any purpose.

No implied or express commercial license is granted under this Agreement other than immunity from suit by WARF solely to permit Company to evaluate during the term of this Agreement the invention(s) of the Patent(s) until the Standstill Termination Date for the purposes described herein. WARF agrees to grant you a standstill period ending on _____ (the “Standstill Termination Date”) during which WARF will not grant a license to any commercial entity under the Patent(s) in the Field of Use. In addition, if WARF receives your completed Application and an acceptable business plan on or before the Standstill Termination Date, WARF may, at its discretion, choose to present such information to its Start-up Committee for consideration of your Application. If WARF’s Start-up Committee approves your Application, WARF will grant you an additional three (3) month period (the “Negotiation Period”), beginning on the Standstill Termination Date, to negotiate a license agreement with WARF under WARF’s interest in the Patent(s) in the Field of Use. During the Negotiation Period, WARF may seek additional approvals from the Start-up Equity Committee of WARF’s Board of Trustees

if necessary. WARF agrees that during the Negotiation Period, WARF will not grant another commercial entity a license under the Patent(s) in the Field of Use.

This Agreement shall terminate upon the earliest of: (1) the Standstill Termination Date, if your Application and business plan are not received by WARF before the Standstill Termination Date; (2) the date WARF rejects your Application; or (3) at the end of the Negotiation Period. This Agreement embodies the entire agreement between you and WARF and merges all prior agreements with respect to the matters addressed herein.

Please indicate your agreement to the terms herein by countersigning this Agreement and the enclosed copy and returning both to me. This Agreement will become effective upon the execution of the two originals by WARF; one of the fully-executed originals will be returned to you.

Sincerely,

_____, _____
Licensing Associate

Terms Accepted:

WISCONSIN ALUMNI RESEARCH FOUNDATION

By: _____ Date: _____, _____
Appropriate representative, Title

COMPANY

By: _____ Date: _____, _____
Name and Title: _____

APPENDIX B – WARF Company Start-up Application Form

Company Concept Insert a brief company overview including anticipated products/services and regulatory approval path, if appropriate. Highlight the management team’s experience with similar products or services.

Target Market and Customers Describe the specific market for the company’s products or services. Identify potential customers and describe any feedback from them about such products or services.

Competitors Describe the competitive products or services, the size and market share owned by the competitors, and the advantages the company will have over the competition. (For example, are the company’s products or services better, cheaper, and faster than the competition?)

**Founders/
Management**

<u>Name</u>	<u>Title</u> (e.g. "Founder")	<u>Ownership %</u>	<u>Monetary Investment</u>
		%	
		%	
		%	
		<i>Subtotal</i>	
Option Pool		%	N/A
		Total	100%

Include comments on stock vesting and buyback provisions, if appropriate

**Technologies
to be Licensed
in the Field of
Use**

- Exclusive (or Non-Exclusive) license for WARF Ref. P_____ "INSERT TITLE HERE" ; Inventors: _____

Indicate each WARF reference separately, whether an exclusive or non-exclusive license is desired, and the proposed field of use. If licenses to additional technologies are needed from other organizations, please explain.

**Development
Timeline**

Insert critical development milestones and their corresponding dates

**Financial
Projections**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Units Sold					
Product A					
Product B					
Revenue					
Product A					
Product B					
Grants/Other					
Total					
Cost of Goods Sold					
Product A					
Product B					
Other					
<i>Total</i>					
Gross Profit					
Operating Expenses					
Research & Development					
Sales & Marketing					
General & Administrative					
<i>Total</i>					
EBIT					

**Capital
Resources**

<u>Current Cash on Hand</u>	<u>Date</u>	<u>Premoney Valuation</u>	<u>Capital Raise</u>
Series A			
Series B			
Series C			
Series D			
		Total	

Exit Strategy

Provide expected time to exit, details about the exit strategy, and expected valuation.