

PROGRAM PARTICIPATION AGREEMENT

This AGREEMENT is made between **Texas Tech University** (“**TTU**”) and _____ (“**Company**”). This Agreement is made between all the parties in Lubbock, Lubbock County, Texas.

1. Term. The term of the contract will begin on **September 1, 2002**, and end on **August 31, 2004** (project term). By mutual agreement, the parties may extend this Contract on such terms as they may agree in writing.

2. Program. TTU agrees, during the Project Term, to carry out a program in accordance with the Process Control and Organization Program , a copy of which has been delivered to Company and is attached hereto as Exhibit A.

3. Independent Contractor. It is expressly understood that TTU is an independent contractor, that all of the services provided for herein shall be accomplished by TTU in such capacity, that TTU’s method of performance of the subject matter of this Contract shall be solely in the control of TTU, that TTU is not an employee of Company, Company being a client, rather an employer of TTU. TTU shall be responsible for carrying out all activities in a safe and professional manner, and in accord with all applicable laws and regulations.

4. Liaison. Company will appoint a representative to maintain a liaison with TTU and to provide any advice and consultation on the program as may be desired by Company. Similarly, TTU shall appoint a representative for the program who shall maintain liaison, advise and consult with Company’s representative.

Company Representative: _____

TTU Representatives: _____

5. Program Information. Company agrees that TTU may make program results available to the public provided that they have been previously made available to Company. During the Project Term, on a semi-annual basis, TTU will invite Company to a one-day seminar at which the program activities and results will be discussed and progress reports will be provided. Within sixty (60) days after the end of the Project Term, a written report presenting the overall program results will be submitted to Company. Both the seminars and written reports are prepared for the exclusive use of Company and other organizations providing financial support for the research program.

6. Third Party Information. TTU will not disclose to Company and third party information of a confidential nature, and further, TTU warrants that the possession, use, and/or disclosure by Company of any information furnished by TTU to company shall not violate the proprietary rights of any third party as to such information.

7. Financial Report. After the end of the Project Term, Company will be furnished with a statement of receipts and expenditures relating to this Agreement.

8. Right to Audit. TTU shall maintain complete records pertinent to all aspects of the work performed here under and shall retain such records for a period of two (2) years after termination of this Agreement. During this Agreement and for a period thereafter, Company shall have the right to audit from time to time and at reasonable times and places any all records thus maintained by TTU.

9. Program Fee. As consideration for participation in this program, Company agrees to pay \$30,000 to TTU as follows:

\$15,000 on or before **September 1, 2003.**

\$15,000 on or before **September 1, 2004** _____.

Invoices shall be sent to the attention of _____
_____. Company shall remit
payment to the attention of Robert M. Sweazy, Interim VP Research Grad
Studies/Tech Transfer & Director of Graduate School. Office of Research
Services, Box 41035, Lubbock, TX 79409-1035.

10. Title and License. All rights and title in and all intellectual
property arising out of the performance of the work undertaken in
this program shall vest in TTU. Such intellectual property shall
include all developments, inventions (patentable or unpatentable),
software programs and technical information, including patents and
copyrights.

TTU hereby grants to Company, its affiliates and subsidiaries an irrevocable,
royalty-free, nonexclusive right to make, use, have made, copy, perform and sell
anywhere in the world intellectual property, as defined above, which arises out of
the performance of the program described in Article 2 above, and any
background technical information previously developed by TTU in connection
with the Program except that intellectual property subject to any other specific
sponsored research agreement shall not be included in this grant of rights.

11. Liability. TTU shall not hold Company responsible for TTU's
actions in the conduct of this research program.

Company shall not hold TTU responsible for Company's utilization of any
information furnished through this research program by TTU.

12. Miscellaneous. Two copies of the contract will be signed by
each party, one to be delivered to TTU and one to Company. This
contract shall be governed by the laws of Texas and shall be
binding upon and inure to the benefit of, each of the parties, their
successors and assigns.

Texas Tech University

By _____
Dr. Robert M. Sweazy

Title Interim VP Research Grad Studies/Tech Transfer and Director of
Graduate School

Date: _____

By: _____

Title: _____

Date: _____