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**GULF OF MEXICO RESEARCH INITIATIVE
MASTER RESEARCH AGREEMENT**

Dated March 14, 2011

Between

BP EXPLORATION & PRODUCTION INC.

and

GULF OF MEXICO ALLIANCE

AS AMENDED AND RESTATED July 11, 2012

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FOR CLARIFICATION PURPOSES:

The Master Research Agreement (MRA) is the overall governing document for GoMRI and all funded organizations are responsible for adhering to its requirements. We've highlighted in grey the areas in the MRA that we consider not applicable to the Consortia or individual researchers. In the past some of these areas have caused some confusion when the MRA is being reviewed by applicants. These areas apply to the Parties (BP and the Gulf of Mexico Alliance), the Research Board and GoMRI Support Teams. In some cases the greyed areas do describe the responsibilities and authority of those mentioned above.

APPENDICES

- Appendix 1 Definitions Appendix
- Appendix 2 Research Board Conflict of Interest Policy and Confidentiality Statement
- Appendix 3 Intellectual Property and Publications Policy

GULF OF MEXICO RESEARCH INITIATIVE

MASTER RESEARCH AGREEMENT

THIS AMENDED AND RESTATED MASTER RESEARCH AGREEMENT (this “Agreement”) is made and entered into as of _____, 2012 by and between BP Exploration & Production Inc., a Delaware corporation, having a principal place of business at 501 Westlake Park Boulevard, Houston, Texas 77079 (“BP”), and the Gulf of Mexico Alliance, a Mississippi nonprofit corporation (the “Alliance”), having a principal place of business at ~~444 Bayview Avenue, Biloxi, Mississippi 39530~~ 1151 Robinson Street, Ocean Springs, Mississippi 39564¹ (the “Party” or “Parties” shall mean BP and/or the Alliance).

RECITALS

WHEREAS, following the Deepwater Horizon incident, BP committed \$500 million over an anticipated 10-year period to create an independent research program to study the effect, and the potential associated impact, if hydrocarbon releases on the environment and public health, as well as to develop improved spill mitigation, oil detection, characterization and remediation technologies (such independent research program hereinafter referred to as the “Gulf of Mexico Research Initiative” or “GoMRI”);

WHEREAS, pursuant to this Gulf of Mexico Research Initiative, funds to conduct these studies are to be distributed to governmental or nonprofit academic and research institutions (“Research Institutions”) primarily in Alabama, Florida, Louisiana, Mississippi and Texas (each a “Gulf Coast State”), which have formed or may form partnerships with Research Institutions based outside of the Gulf Coast States, as appropriate to the scientific research success of the Gulf of Mexico Research Initiative;

WHEREAS, after the announcement of the Gulf of Mexico Research Initiative on May 24, 2010, BP distributed approximately \$50 million of the GoMRI funds to Research Institutions in a series of fast-track grants prior to the Effective Date of this Agreement;

WHEREAS, pursuant to its Articles of Incorporation and Constitution, the Alliance is constituted by, represents and includes delegates from the Gulf Coast States, with the Governors of the Gulf Coast States serving as the Members of the Alliance;

WHEREAS, the Alliance is recognized as an organization exempt from taxation under section 501(a) of the Internal Revenue Code of 1986, as amended (the “Code”), as an organization described in section 501(c)(3) of the Code and a public charity described in sections 170(b)(1)(vi) and 509(a)(1) of the Code;

WHEREAS, the Alliance is organized and operated for charitable, religious, educational and/or scientific purposes within the meaning of section 501(c)(3) of the Code, including, but not limited to, promoting the protection, restoration, enhancement, understanding, awareness and wise use of the natural resources of the Gulf of Mexico through aligned and cooperative efforts

¹ Alliance address changed April 2013.

involving research, planning, management, information and resource sharing, public education and advocacy;

WHEREAS, pursuant to this Agreement, the research conducted under the Gulf of Mexico Research Initiative shall be directed by a research board (the "Research Board") which shall, among other things, select groups of Research Institutions (each a "Research Consortium", which for purposes of this Agreement shall include such Research Investigators or groups of Research Investigators as are described in Section 4.2 hereof) that shall receive GoMRI funds pursuant to merit review by peer evaluation as described in the 2005 Report of the National Science Board (NSB-05-119) (the "NSB Peer Evaluation Process"), and perform an annual review and approval of funding for research programs conducted at such Research Consortia;

WHEREAS, pursuant to this Agreement, the Alliance, through an internal department at the Alliance to be known as the "GoMRI Administrative Unit," shall be responsible for the administration and management of the research programs at the Research Consortia, in addition to other administrative and management tasks, as described herein;

WHEREAS, the Alliance shall enter into an agreement with a third-party not-for-profit entity to undertake such responsibilities as are assigned to the GoMRI Administrative Unit pursuant to this Agreement for which the Alliance does not have sufficient expertise or capacity;

WHEREAS, pursuant to this Agreement, the Alliance and BP shall enter into an agreement (the "GoMRI Grant Administration Agreement") with a third-party not-for-profit entity (such third-party entity referred to as the "GoMRI Grant Unit") to receive funds from BP for distribution to the Research Consortia for Approved Research Projects selected by the Research Board, and enter into Grant Agreements with such Research Consortia for Approved Research Projects;

WHEREAS, recognizing the unique scientific knowledge of the Gulf of Mexico, it is anticipated that the Research Consortia conducting research under the Gulf of Mexico Research Initiative will be headed by Research Institutions within the Gulf Coast States; however the selection will be made by the Research Board based on the evaluation criteria delineated by the Research Board. Further, partnerships and collaboration by the Research Consortia with Research Institutions or individual researchers (any individual researcher is referred to herein as a "Research Investigator") beyond the Gulf Coast States will be welcomed, and participation by such Research Institutions will bring specific research capabilities necessary to ensure delivery of the high quality scientific studies contemplated for this research program;

WHEREAS, subject to the terms of this Agreement and the Grant Agreements for Approved Research Projects, such Research Consortia shall conduct research in furtherance of the broad categories of research set forth in this Agreement;

WHEREAS, the terms of this Agreement shall apply to all Research Consortia, Research Institutions or Research Investigators that receive funding, directly or indirectly, in whole or in part, under the Gulf of Mexico Research Initiative; and

WHEREAS, the parties executed a Master Research Agreement dated as of March 14, 2011 (the "Effective Date"), which was amended and restated as of December 1, 2011, and, in

order to integrate various further amendments to the Master Research Agreement, have agreed to further amend and restate such Master Research Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants that follow, the Parties, intending to be legally bound, agree as follows:

1. OPERATING PRINCIPLES

The Parties acknowledge and agree that the operation principles of the Gulf of Mexico Research Initiative program to be conducted pursuant to this Agreement shall be as set forth below. Capitalized terms used in this Agreement shall have the meaning set forth in the Definitions Appendix (Appendix 1 hereto).

1.1 Gulf of Mexico Research Initiative. Through the terms of this Agreement, the Parties intend to create the independent Gulf of Mexico Research Initiative. The GoMRI shall be the contractual arrangement between the Parties, but not a separate legal entity, and, via this Agreement and a series of grants from BP to the GoMRI Grant Unit which are earmarked for distribution to the Research Consortia, the GoMRI is designed to create a mechanism for the funding, conduct and oversight of research in furtherance of the purposes of the GoMRI.

1.2 Research Themes. The research conducted by the Research Consortia shall focus on one or more of the following broad categories of research (the “Research Themes”), as determined by the Research Board, subject to the requirements of this Section 1.2.

1.2.1 Current Research Themes. The research conducted under the GoMRI shall focus on the following five Research Themes, subject to any amendment pursuant to Section 1.2.2.

(a) Physical distribution, dispersion and dilution of petroleum, its constituents and any dispersants applied, under the action of physical oceanographic processes, air-sea interactions and tropical storms.

(b) Chemical evolution and biological degradation of the petroleum/dispersant systems and subsequent interaction with coastal, open ocean and deep-water ecosystems.

(c) Environmental effects of the petroleum/dispersant system on sea floor, water column, coastal waters, shallow water habitats, wetlands, organisms and beach sediments; and the science of ecosystem recovery.

(d) Technology developments for improved response, mitigation, detection, characterization and remediation associated with oil spills and accompanying releases of gas.

(e) Impact of oil spills on public health including behavioral, socioeconomic, environmental risk assessment, community capacity and other population health considerations and issues.²

1.2.2 Amended Research Themes. The Research Board may, in its sole discretion, review the Research Themes in the context of results from GoMRI research and other information relevant to potential subjects of investigation. Based upon this review and subject to agreement by BP, the Research Board may amend the Research Themes or select alternate themes

² New wording of theme approved by the Research Board on October 17, 2013.

in addition to, or as a replacement for, the Research Themes currently set forth in Section 1.2.1; provided, however. That such amended Research Themes must be consistent with, and in fulfillment of, the GoMRI as set forth in this Agreement. In the event that the Research Themes are amended in accordance with this Section 1.2.2, such amendment shall automatically be deemed incorporated into this Agreement.

1.3 Research Consortia Activities and Expenditures. To implement the GoMRI, a collaborative, multidisciplinary, multi-site research and interactive research environment is required in the form of Research Consortia. The Research Consortia shall conduct independent research in accordance with and subject to the terms of this Agreement; such research shall be conducted independently from BP and the Alliance, and no approval from either BP or the Alliance must be obtained prior to publishing the results of such research, except where otherwise provided pursuant to the Intellectual Property and Publications Policy (attached as Appendix 3). The funds received pursuant to the GoMRI shall be used for the active conduct of such research, and shall not be used for Capital Expenditures, except where specifically authorized by an initial budget pursuant to Approved Research Project or a budget approved in a Continuation Funding Authorization pursuant to an Approved Research Project.

2. GOMRI FUNDING

2.1 GoMRI Funding Levels Pursuant to this Agreement. BP has committed \$500 million to the Gulf of Mexico Research Initiative, to be awarded over a period of approximately ten (10) years. The GoMRI budget year (each such year a “Program Year”) began on June 1, 2010 and ended on December 31, 2010 for Program Year 1, but shall begin on January 1 and end on December 31 for each subsequent Program Year; thus, the period of ten (10) Program Years began on June 1, 2010 and shall end on December 31, 2019, except as provided by Section 16. The approximately \$50 million in funds allocated by BP to Program Year 1 were distributed prior to execution of this Agreement. Thus, this Agreement covers the expenditure of the approximately \$450 million in remaining GoMRI funding allocated to the nine (9) years from Program Year 2 through Program Year 10. The Funds committed by BP to the GoMRI are in nominal dollars and, as such. There shall not be an inflation factor applied to BP’s GoMRI commitment.

2.2 Funds Allocated to Each Program Year. It is intended that the remaining \$450 million in GoMRI funds shall be spent evenly at a rate of \$50 million per year over the course of these nine (9) years, with such \$50 million amount to include both funding for Approved Research Projects as well as for GoMRI Administrative Costs, GoMRI Grant Unit Costs and Research Board Administrative Costs, as described in Section 2.3. BP may elect, in its sole discretion, to authorize the Research Board to award funding to the Research Consortia that, in conjunction with the associated GoMRI Administrative Costs, GoMRI Grant Unit Costs and Research Board Administrative Costs, would be in excess of \$50 million for any single Program Year. The amount of additional funding that is available for each remaining Program Year shall be decreased on a pro rata basis.

2.3 Budget for Each Program Year. The funds allocated to each Program Year shall consist of the following four categories of expenditures: (a) GoMRI Administrative Costs; (b)

GoMRI Grant Unit Costs; (c) Research Board Administrative Costs; and (d) Research Program Costs.

2.4 Research Consortia Expenditures Pursuant to Yearly Budget. Pursuant to this Agreement and the Grant Agreement for Approved Research Projects, each Research Consortium must expend GoMRI funds for each Program Year at the rate set forth in the approved budget for the Program Year, subject to adjustment by the Research Board under Section 6.4. If any Research Consortium's expenditures for a Program Year are less than the budgeted amount and the Research Board has not approved the carryover of the remaining amount to a future Program Year under Section 6.4, then such remaining amount shall be removed from such Research Consortium's budget for that Program Year, And BP shall have no obligation to distribute such excess amount through the GoMRI system established pursuant to this Agreement. BP shall then, in consultation with the Research Board, either reinstate the removed funds in a future Program Year with distribution to be determined by the Research Board pursuant to the procedures described in Section 5, or develop an alternative management process to ensure timely and effective use of the funds in fulfillment of the goals of the GoMRI set forth in this Agreement.

2.5 Payments to the Research Consortia Pursuant to Approved Research Project Budget. The GoMRI Grant Unit shall reimburse each Lead Research Institution for verifiable research expenses incurred by its Research Consortium in accordance with the approved budget for the Program Year, according to the procedures set forth in this Section 2.5.

2.5.1 Quarterly Advancement of Approved Research Project Budgets to the Research Consortia. On a quarterly basis, but no later than fifteen (15) Business Days prior to the start of each Program Year quarter, each Lead Research Institution shall provide the GoMRI Grant Unit with a forecast of the Research Program Costs for its Research Consortium for that Program Year quarter. The GoMRI Grant Unit shall verify that the forecasted Research Program Costs for each Research Consortium do not exceed the approved budget for the Program Year, as adjusted pursuant to Section 6.4, and the GoMRI Grant Unit shall, no later than ten (10) Business Days prior to the start of the Program Year quarter, transmit each such permissible Research Consortium funding request to BP. No later than five (5) Business Days prior to the start of each Program Year quarter, BP shall transfer the forecasted Research Program Costs for that Program Year quarter received from the GoMRI Grant Unit to a designated account or accounts of the GoMRI Grant Unit. As soon as practicable, but in no event later than five (5) Business Days after receipt of such funds from BP, the GoMRI Grant Unit shall transfer the forecasted funds for each Approved Research Project to the Lead Research Institution for each Research Consortium.

2.5.2 Research Consortium Invoice Submission³. In accordance with standards established by the GoMRI Administrative Unit and ~~approved~~ agreed upon by BP and the Alliance, ~~the Lead Research Institutions shall submit, no later than thirty (30) days after the close of each Program Year quarter, all invoices and supporting documentation~~ keep copies of all invoices and supporting documentation for expenditures by its Research Consortium pursuant to the Approved Research Project budget for the Program Year to the GoMRI Administrative Unit.

2.5.3 GoMRI Administrative Unit Review and Verification Process. The GoMRI Administrative Unit shall then verify that the invoices submitted by each Lead Research

³ Revised language agreed upon by BP and the Alliance at the November 1, 2012, meeting.

Institution contain only documented research expenditures in accordance with and not in excess of the approved budget for the Program Year, and all Capital Expenditures have been approved as required by Section 2.8. As part of this review, the GoMRI Administrative Unit shall ensure that expenditures fully comply with the terms and conditions stipulated in the RFP as applicable to such Lead Research Institution's Research Consortium and as set forth in the Grant Agreement for the Approved Research Project.

2.5.4 GoMRI Administrative Unit Invoice Submission. No later than sixty (60) days after the close of each Program Year quarter, the GoMRI Administrative Unit shall provide BP with copies of all invoices received from each Lead Research Institution for the Program Year quarter. BP has sixty (60) days after receipt of such invoices to provide any reasonable questions that it has regarding such invoices to the GoMRI Administrative Unit. Unless BP receives reasonable responses to such questions, BP may, in its sole discretion, either (a) remove any disputed amounts from such Research Consortium's budget for the Program Year, or (b) if the funds remaining the budget for the Approved Research Project are less than the disputed amounts, instruct the GoMRI Administrative Unit to seek reimbursement from the Lead Research Institution; provided that, if BP elects either of the foregoing options, then BP shall have no obligation to distribute such disputed amount through the GoMRI system established pursuant to this Agreement. BP shall then, in consultation with the Research Board, either reinstate the removed funds in any future quarter with distribution to be determined by the Research Board pursuant to the procedures described in Sections 5 and 6, or develop an alternative management process to ensure timely and effective use of the funds in fulfillment of the goals of the GoMRI set forth in this Agreement.

2.6 Payment of Costs other than Research Program Costs. BP shall pay for GoMRI expenditures set forth in Section 2.3, other than those Research Program Costs. In accordance with the following procedures:

2.6.1 GoMRI Administrative Costs: BP shall pay all reasonable GoMRI Administrative Costs on an as-incurred basis, subject to the receipt of invoices and supporting documentation for such expenditures from the GoMRI Administrative Unit. BP has sixty (60) days after receipt of such invoices to provide any reasonable questions that it has regarding such invoices to the GoMRI Administrative Unit. The GoMRI Administrative Unit shall provide reasonable written responses to any such BP questions within thirty (30) days after receipt of such questions from BP. Unless BP receives reasonable responses to such questions, BP may, in its sole discretion, submit the resolution of such disputed amounts to the dispute resolution procedures described in Section 15.

2.6.2 GoMRI Grant Unit Costs: BP shall pay the GoMRI Grant Unit Costs to the GoMRI Grant Unit as described in the GoMRI Grant Administration Agreement.

2.6.3 Research Board Administrative Costs: The Research Board Administrative Costs shall be paid pursuant to the Research Board Administrative Services Agreement described in Section 3.10.

2.7 Funds Removed from Cycle. The Research Board is expected to authorize annual Research Program Costs equal to the maximum allocated to the Program Year under

Sections 2.2 and 2.3. However, if the Research Board does not approve or cannot reach agreement on the distribution of all or any part of the annual Research Program Costs, those funds that are not authorized for distribution to the Research Consortia during that Program Year shall be removed from the GoMRI budget for that Program Year, and BP shall have no obligation to distribute such excess amount through the GoMRI system established pursuant to this Agreement. BP may then, in consultation with the Research Board, either reinstate the removed funds in a subsequent Program Year to be distributed pursuant to the procedures described in Sections 5 and 6, or develop an alternative management process to ensure timely and effective use of the funds in fulfillment of the goals of the GoMRI.

2.8 Eligible Research Program Expenses. Funds shall be made available by BP for Research Program expenses only to fund items included in a budget for an Approved Research Project approved by the Research Board in accordance with Section 5 and 6. Absent approval as set forth in this section, funds distributed to any Research Consortium under the GoMRI shall only be used to support the active conduct of research, not Capital Expenditures. Where a Research Consortium requires Capital Expenditures for any Approved Research Project activity, the Research Consortium should, whenever possible, obtain access to such capital equipment through Research institutions that are members of the Research Consortium, or through other collaborations or partnerships. GoMRI funds may only be used for Capital Expenditures to the extent that the Research Consortium was not able to obtain access to the required capital equipment, as described in the preceding sentence, and such expenditures were included in an initial budget for the Approved Research Project or a budget included in a Continuation Funding Authorization approved by the Research Board, provided that such approved budget must contain a line item and justification for each Capital Expenditure in excess of \$10,000.

2.9 Restricted Funding⁴. ~~Without the prior written consent of the Parties as set forth in a Grant Agreement described in Section 7 and authorization by the Research Board pursuant to an Approved Research Project, no Research Consortium or Research Institution that is a member of a Research Consortium will accept funding, directly or indirectly, in whole or in part, from any third party, including the U.S. Government, for any Approved Research Project funded by the GoMRI.~~ No Research Consortium or Research Institution that is a member of a Research Consortium will accept funding, directly or indirectly, in whole or in part, from any third party, including the U.S. Government, for an Approved Research Project funded by GoMRI where such third party funding (a) subjects the Research Consortium, any Research Institution or Research Investigator, or the conduct of an Approved Research Project, to any requirements inconsistent with those set forth in the Agreement or the applicable Grant Agreement, or (b) duplicates the funding provided pursuant to the budget included in the Approved Research Project.

2.10 Source of BP Payments. BP shall have the right to provide GoMRI funding, in whole or in part, directly form an Affiliate of BP.

3. RESEARCH BOARD

3.1 Generally. The role of the Research Board shall be to ensure the intellectual quality, research effectiveness and academic independence of the GoMRI programs, select the Research Consortia that shall receive GoMRI funds for Approved Research Projects pursuant to merit review by peer evaluation as described in the NSB Peer Evaluation Process, and perform an annual review and approval for funding of research programs conducted at such Research Consortia. Except as otherwise herein provided or delegated, the Research Board shall serve as

⁴ Changes to Section 2.9 made by agreement of the Parties to this document on Feb. 24, 2014. See BP letter dated Feb 22, 2014.

the decision-making and oversight body regarding the research conducted pursuant to the GoMRI. The Research Board's operations shall be supported by the Research Board Administrative Entity as described in Section 3.10 and by the GoMRI Administrative Unit, as set forth in this Agreement.

3.2 Responsibilities. The Research Board has the responsibility and authority, consistent with the purposes of the GoMRI and this Agreement, to conduct the following activities, in addition to such other activities as are set forth in this Agreement:

3.2.1 General Oversight. The Research Board shall oversee the conduct of Approved Research Projects at the Research Consortia necessary to ensure the intellectual quality, research effectiveness and academic independence of the GoMRI programs, including, but not limited to, review of the financial statements and reports submitted by the Research Consortia pursuant to Sections 10.1 and 10.2, and the conduct of audits pursuant to Section 10.3, as well as review of such other information as the Research Board may request from the Research Consortia from time to time. As part of these oversight responsibilities, the Research Board shall establish a conflict of interest policy and procedure to identify and manage, in a consistent and transparent manner, any potential or actual conflicts of interest involving Research Consortia and Research Investigators. The GoMRI Grant Unit shall make periodic reports to the Research Board regarding such conflicts of interests and how such conflicts were managed, pursuant to such policy or procedure established by the Research Board. In the event that the GoMRI Grant Unit is unable to manage satisfactorily any conflict of interest pursuant to the Research Board's policy or procedure, the GoMRI Grant Unit shall submit such conflict to the Research Board, which shall make a final determination regarding such conflict. Should the research Board determine that the research conducted by the Research Consortia does not demonstrate appropriate progress or quality, the research undertaken by the Research Consortia fails to conform to the intent of the RFP, or if there is any misappropriation of funds by the Research Consortia, the Research Board shall promptly provide the Parties and the relevant Research Consortia with written notice.

3.2.2 Review of Research Themes. The Research Board may, in its sole discretion, amend the Original Research Themes or adopt Subsequent Research Themes for Approved Research Projects, in accordance with Section 1.2.2. Changes in Themes will only apply to RFPs released after the date of change. Refer to the current RFP for the current Themes.⁵

3.2.3 RFP Development and Distribution. Subject to the requirements of Sections 5.1 and 5.2, and with the support of the GoMRI Administrative Unit, the Research Board shall participate in the development of RFPs and distribute such RFPs to solicit Proposals from potential Research Consortia to receive funding from, and conduct research under, the GoMRI.

3.2.4 Review of Proposals in Response to RFPs. Subject to the requirements of Sections 5.3 and 5.4 and with the support of the GoMRI Administrative Unit, the Research Board shall review Proposals from potential Research Consortia to receive funding from, and conduct research under, the GoMRI in response to RFPs, pursuant to merit review by peer evaluation as described in NSB Peer Evaluation Process. The GoMRI Administrative Unit shall verify that all Proposals submitted to the Research Board for review meet the minimum requirements set forth in Section 5.3.

3.2.5 Selection of Proposals as Approved Research Projects. In advance of

⁵ Language added for clarification.

Proposal selection, the GoMRI Administrative Unit shall notify the Research Board of the maximum amount of Research Project Costs allocated to that Program Year. Subject to the requirements of Section 5.5 and with the support of the GoMRI Administrative Unit, the Research Board shall then review and select Proposals as Approved Research Projects, that together with any authorized Continuation Funding Requests or amendments to Approved Research Project Costs allocated to that Program Year. The Research Board shall then direct the GoMRI Administrative Unit to (a) notify the Research Consortia and the Parties as to which Proposals have been selected as Approved Research Projects, and (b) direct the GoMRI Grant Unit to enter into Grant Agreements with the Research Consortia for the Approved Research Projects, as described in Section 7, provided that the Research Board must approve the appointment of any Research Project Director prior to execution of the Grant Agreement, as set forth in Section 4.5.

3.2.6 Authorize Continuation Funding or Amendments to Approved Research Projects. In advance of the review of Continuation Funding Requests for Approved Research Projects, the GoMRI Administrative Unit shall notify the Research Board of the maximum amount of Research Project Costs allocated to that Program Year. Subject to the requirements of Sections 6.1, 6.2 and 6.3 and with the support of the GoMRI Administrative Unit, the Research Board shall then review and authorize Continuation Funding Requests, that together with any Approved Research Projects or amendments to Approved Research Projects described in Section 3.2.5 and 6.4, do not exceed the maximum amount of Research Project Costs allocated to that Program Year. The Research Board shall then direct the GoMRI Administrative Unit to (a) notify the Research Consortia and the Parties as to which Continuation Funding Requests have been authorized, and (b) direct the GoMRI Grant Unit to enter into amended Grant Agreements with the Research Consortia based on the Continuation Funding Requests, as described in Sections 6.3.3 and 7. On an as-received basis and with the support of the GoMRI Administrative Unit, the Research Board shall review and authorize amendments to Approved Research Projects as described in Section 6.4; provided, however, that any funds authorized pursuant to amendments to Approved Research Projects must not cause the Research Project Costs to exceed the Research Project Costs allocated to that Program Year.

3.2.7 Research Database. In consultation with the Directors of the Research Consortia and GoMRI Administrative Unit, the Research Board shall develop policies concerning the appropriate formats and procedures for the Research Database to be created and managed by the GoMRI Administrative Unit, as described in Section 9.2.4.

3.2.8 Reports. For each Program Year, the Research Board shall provide the specifications for the Research Reports described in Section 10.2 to the GoMRI Administrative Unit no later than the date the Research Program Costs for that Program Year are distributed to the Research Consortia. The Research Board may request that the GoMRI Administrative Unit assist in the development of such reporting specifications.

3.2.9 Timeline. The Research Board shall, in conjunction with BP and the GoMRI Administrative Unit, establish a timeline (the "Timeline") for the conduct of Research Board activities necessary to meet the requirements of this Agreement, including, but not limited to, those activities described in this Section 3.2. The Research Board shall utilize its best efforts to adhere to this Timeline. Any changes to this Timeline by the Research Board shall be subject to the approval of BP and the GoMRI Administrative Unit. The Parties will evaluate the success

of their individual appointees to the Research Board based on the ability of the Research Board to fulfill the tasks as set forth on the Timeline.

3.3 Bylaws. The Research Board shall establish bylaws (the “Bylaws”) that will govern its internal operations, supplementing what is set forth in this Agreement, which shall be made publicly available on the GoMRI website. The Bylaws, which shall be adopted or amended in accordance with Section 3.7.2, shall be consistent with this Agreement, and, should any inconsistencies arise, this Agreement shall apply notwithstanding and shall take precedence over any inconsistent terms or conditions that may be specified in such Bylaws or an amendment thereto. Such Bylaws, at a minimum, shall contain provisions governing the following:

(a) Election and term of the Research Board Chairman.

(b) Standards for acceptable Research Board member attendance and participation in Research Board activities, including provisions requiring that, if these standards are not met, (i) the Research Board recommend to the member that he or she resign pursuant to 3.5.2, or (ii) the Research Board recommend to the Party that appointed such member that the member be removed pursuant to Section 3.5.1

(c) Creation of an operational structure to conduct its activities pursuant to the timeline described in Section 3.2.9, including the redirection of Research Board tasks should a Research Board member be unable to complete his or her work in a timely fashion.

(d) Ensure that Research Board meetings, discussions and reports are handled in accordance with NSF standards, as described in Section 3.8.

(e) Procedural matters not inconsistent with or otherwise determined by Section 3 of this Agreement.

3.4 Composition. The Research Board shall have twenty (20) members, consisting of (a) ten (10) members appointed by BP and (b) ten (10) members appointed by the Alliance. All Research Board appointees shall (a) have peer-recognized research credentials and be from academic institutions, or been associated for long periods with academic institutions, or from other nationally-recognized research entities such as a national laboratory, research institute, or other peer-recognized research entity; and (b) agree to comply with the terms of this Agreement, including the Research Board responsibilities described herein. The appointees shall not include political appointees, BP employees, or State personnel outside of academic or research institutions. BP or the Alliance may, by written notice to the other and the Chairman of the Research Board, object to the appointment of any Research Board member based on the qualifications set forth in this Section 3.4, provided that such notice is given within ninety (90) days after the appointment of such Research Board member. If one of the Parties lodges such an objection, the Parties shall exercise their best efforts to resolve the matter by consensus. However, in the event that consensus cannot be achieved, the matter shall be resolved pursuant to the dispute resolution procedures described in Section 15.

3.5 Removal or Resignation; Vacancies.

3.5.1 Removal. BP or the Alliance may each at any time, by written notice to the other and to the Chairman, remove (with or without cause) any Research Board member who the removing Party had appointed. A Research Board member may not be removed except at the written direction of the Party that appointed such Research Board member; provided, however, the appointing Party shall be provided with notice by the Chairman of a Research Board member's failure to satisfy the requirements for Board member participation and attendance set forth in the Bylaws, as described in Section 3.3.

3.5.2 Resignation. A Research Board member may resign at any time, by written notice to the Party that appointed him or her, and to the Chairman; provided, however, that the Research Board may recommend that a member resign for member's failure to satisfy the requirements for Board member participation and attendance set forth in the Bylaws, as described in Section 3.3.

3.5.3 Vacancies. If a vacancy occurs on the Research Board for any reason, the vacancy shall be filled by appointment of a new Research Board member by the Party entitled to appoint the Board member creating the vacancy.

3.6 Chairman

3.6.1 Qualification and Election. The Chairman shall be a member of the Research Board. The first Chairman of the Research Board shall be Dr. Rita Colwell, former Director of the NSF. The term and election of the Chairman shall be as set forth in Bylaws adopted by the Research Board pursuant to Section 3.3.

3.6.2 Responsibilities. The Chairman has the responsibility and authority, consistent with the purposes of the GoMRI and this Agreement, to undertake the following activities:

(a) Preside over meetings of the Research Board.

(b) Appoint a Vice Chairman from among the Research Board members, who, in the absence of the Chairman or the inability of the Chairman to perform the functions required by the Timeline described in Section 3.2.9, shall preside at meetings of the Research Board and perform such other duties as would otherwise be required of the Chairman.

(c) Confer with the Research Board Administrative Entity regarding the meeting schedule described in Sections 3.7.1 and 3.10.1, and the calling of any special meetings pursuant to those Sections.

(d) Exercise such oversight functions as are detailed in the research Board Conflict of Interest Policy and Confidentiality Statement.

(e) Prepare and distribute meeting agendas, reports and meeting summaries, as set forth in Section 3.7.4.

(f) Serve as the official source of communication from the Research Board to any third party, including any communication with the Parties, the GoMRI Administrative Unit, the Research Board Administrative Entity or the Research Consortia.

(g) Exercise such responsibilities as are set forth in resolutions or Bylaws adopted by the Research Board, or as required by the Parties.

3.7 Procedural Matters.

3.7.1 Notice; Quorum. Regular meetings of the Research Board shall be held in accordance with a schedule of meetings, as set forth in Section 3.10.1(a); no notice of any such regular meeting shall be required unless required by resolution of the Research Board. Unless otherwise provided by resolution of or Bylaws adopted by the Research Board, special meetings of the Research Board may be called by the Chairman of the Research Board upon not less than five (5) Business Days' prior written notice to all Research Board members stating the purpose or purposes thereof; provided that any Research Board member may waive such notice prior to, at or after the meeting. Two-thirds of the Research Board members in office shall constitute a quorum for the transaction of business at any meeting of the Research Board.

3.7.2 Voting. Each member of the Research Board shall be entitled to cast one vote on each matter considered by the Research Board. The Research Board shall exercise its best efforts to make all decisions by consensus. However, in the event that consensus cannot be achieved, all decisions, including the enactment or amendment of Bylaws described in Section 3.3, shall require the approval of two-thirds of all members in office (which will be increased to the next higher integer of the members currently in office).

3.7.3 Telephonic Meetings; Written Consents.

(a) Any meeting of the Research Board may be attended by conference telephone or similar communication equipment so long as all Research Board members participating in the meeting can hear one another, and all Research Board members participating by telephone or similar communication equipment shall be deemed to be present in person at the meeting. No Research Board member may appoint a proxy to serve on his or her behalf at any meeting of the Research Board, whether in person or by conference telephone or similar communication equipment.

(b) Any action to be taken at a meeting of the Research Board may be taken without such meeting by the written consent of such of the Research Board members as would be required to take such action at a meeting. Any such written consent may be executed and given by telecopy, email or similar electronic means to the Chairman of the Research Board or her or his designee, and shall be filed with the meeting summaries describing the proceedings of the Research Board. If any action is so taken by the Research Board by the written consent of less than all of the Research Board members, prompt notice of the taking of such action shall be furnished to each Research Board member who did not execute such written consent (provided that the effectiveness of such action shall not be impaired by any good faith delay or failure to furnish such notice).

3.7.4 Research Board Agenda; Meeting Summaries. The Chairman shall be responsible for providing an agenda for each meeting to the members of the Research Board no later than the close of business (Eastern time) on the Business Day prior to of such meeting. The Chairman shall be responsible for the preparation of draft summaries of all meetings in reasonable detail and distribution of such draft summaries to all members of the Research Board within fifteen (15) Business Days after the relevant meeting. The Chairman shall be responsible for the incorporation of timely received comments and distribution of revised meeting summaries to all members of the Research Board for final review and approval at the following regularly scheduled meeting. The Research Board shall provide copies of any draft or final meeting summaries to the Parties, excluding only confidential matters, within three (3) Business Days of distribution to the members of the Research Board. All meeting summaries shall include a record of the Research Board member in attendance, whether in person or by conference telephone or similar communication equipment. Where necessary to insure confidentiality, such meeting summaries shall not attribute remarks to individual Research Board members.

3.8 Standards of Conduct. The Research Board shall conduct all meetings, discussions and reports in accordance with applicable NSF standards, including adherence to the following requirements, in all aspects of its operations:

3.8.1 Decision procedures shall follow the practice of merit review by peer evaluation as described in the 2005 Report to the National Science Board (NSB-05-119), or any update thereto.

3.8.2 Conflicts of interests issues shall be managed in compliance with NSF practices, including the practices specified in Form 1230P (2/04) "Conflict of Interests and Confidentiality Statement for NSF Panelists." This requirement has been implemented in the form of the Research Board Conflict of Interest Policy and Confidentiality Statement (a copy of the Policy is attached as Appendix 2); the Research Board may amend this policy form time-to-time, provided that any such amendments shall comply with any applicable NSF practices.

(a) In compliance with the Research Board Conflict of Interest Policy and Confidentiality Statement, a Research Board member cannot (i) submit or be involved in any aspect, whether in fact or in appearance, of a Proposal to the GoMRI; (ii) be involved in any aspect, whether in fact or in appearance, of activities conducted pursuant to an Approved Research Project; or (iii) be in a position to benefit financially from any Research Board decision. However, the Research Board may award funding to the home academic or research institutions or research collaborators of Research Board members, provided that such decisions follow the standards set forth in the Research Board Conflict of Interest Policy and Confidentiality Statement.

3.9 Chief Scientific Officer. The Chief Scientific Officer ("Chief Scientific Officer" or "CSO") shall perform such duties as directed by the Research Board in fulfillment of its responsibility and authority pursuant to this Agreement. The CSO shall be selected by a committee comprised of Research Board members and the director of the GoMRI Administrative Unit, subject to approval by the Chairman of the Research Board. The CSO will administratively report to the director of the GoMRI Administrative Unit and functionally report to the Chairman of the Research Board.

3.10 Administrative Support. The Research Board Administrative Entity shall, pursuant to the Research Board administrative Services Agreement, provide such administrative support for Research Board activities, as is reasonable requested by the Research Board consistent with this Agreement. The CSO shall serve as the manager of, and contact person for, the Research Board administrative Services Agreement on behalf of the Research Board. Such activities requested by the Research Board may include, but are not limited to or required to include, the following.

3.10.1 Meetings. The Research Board Administrative Entity may provide administrative support for the scheduling, conduct and other tasks associated with Research Board meetings, including the following:

(a) Establish and maintain a schedule of regular meetings of the Research Board, with an 18 month advance schedule. When establishing this schedule, Research Board members will be consulted as to avoid major conflict where possible, but no member of the Research Board, including the Chairman, shall have veto power over the date of a meeting. Provided, however, that the Research Board Administrative Entity shall not schedule a meeting where attendance will not satisfy the quorum requirements set forth in Section 3.7.1. Such meeting schedule shall be provided to the Parties and to the GoMRI Administrative Unit.

(b) Arrange for special meetings of the Research Board upon request of the Chairman, as set forth in Section 3.7.1. Notice of any special meetings shall be provided to the Parties and to the GoMRI Administrative Unit.

(c) Provide the Chairman with staff support for preparing and distributing meeting agendas, reports and meeting summaries, as set forth in Section 3.7.4.

(d) Provide the Research Board with staff support to conduct any debriefing of the Parties as described in Section 3.11.

3.10.2 Finances. The Research Board Administrative Entity may handle the payment of all Research Board expenditures, such as annual compensation, administrative charges, and ordinary and customary travel and entertainment expenses. These charges shall be allocated to the budget for Research Board Administrative Costs.

3.10.3 Compliance with NSF Standards. Assist the Research Board with ensuring that all meetings, discussions and reports are handled in accordance with NSF standards, as described in Section 3.8.

3.10.4 Coordinate activities with GoMRI Administrative Unit. The Research Board Administrative Entity shall coordinate its activities with GoMRI Administrative Unit to ensure that the Research Board is fulfilling its obligations pursuant to this Agreement. Any dispute between the Research Board Administrative Entity and GoMRI Administrative Unit shall be resolved by decision of the Chairman.

3.11 Debriefing. BP and the Alliance shall retain the right to receive a detailed briefing of Research Board meetings, deliberations and decisions, excluding only confidential matters, with such briefing occurring within ten (10) Business Days of receipt of a request by a

Party (provided that such a request must be made no later than ten (10) Business Days after receiving a final summary of such meetings, deliberations and decisions pursuant to Section 3.7.4, and lasting up to two (2) Business Days in duration, as necessary.

3.12 Research Board Indemnity. Each Party acknowledges its express intent, and agrees for the mutual benefit of all Parties, that, except to the extent provided in the Research Board Conflict of Interest Policy and Confidentiality Statement, no Research Board member shall owe any fiduciary duty of care or loyalty, under this Agreement, or otherwise at law or in equity, to the GoMRI, any Party, any Research Consortia, any Director of a Research Consortium, any Research Institution, any Research Investigator, any other Research Board member or any third party in connection with the granting or withholding of any approval of the Research Board. Each Party hereby releases and forever discharges any Research Board member from all liabilities and claims, whether known or not known and presently existing or arising in the future, arising in contract, tort, or under any statute, regulation or rule, at law or in equity, whether asserted by any Research Consortia, any Director of a Research Consortium, any Research Institution, any Research Investigator, any other Research Board member or any third party, on account of the conduct of any activities pursuant to an Approved Research Project, or any decision to grant or withhold approval of the Research Board on any matter whatsoever, except to the extent that a member of the Research Board acts in violation of the RB conflict of Interest Policy and Confidentiality Statement.

3.13 Certification. The Research Board shall annually certify in writing to BP and the Alliance that the research conducted in a Program Year pursuant to each Approved Research Project remains within the intent of the RFP described in Section 5 and the scope of the Approved Research Project. Such annual certifications shall be submitted to BP and the Alliance no later than thirty (30) days after the close of such Program Year.

3.14 Matters Reserved to the Parties. The Parties acknowledge that certain matters that may impact the GoMRI are matters over which the Research Board has no authority or power, but are matters reserved to one or both Parties pursuant to this Agreement.

4. RESEARCH CONSORTIA

4.1 Generally. The Research Consortia shall conduct independent research in accordance with and subject to the terms of this Agreement and Grant Agreements for the Approved Research Projects, as provided in Section 7.

4.2 Eligibility. In general, the Research Consortia shall consist of Research Institutions in the Gulf Coast States, provided that Research Institutions outside of the Gulf Coast States may be members of or participate in partnerships with such Research Consortia, to the extent required to ensure the delivery of high-quality scientific studies in fulfillment of the objectives of the GoMRI. Although research pursuant to the GoMRI shall primarily be undertaken by Research Consortia, Research Investigators or small groups of Research Investigators shall also be eligible to receive funding (such individual Research Investigators or groups of Research Investigators are included in the category of "Research Consortia" throughout this Agreement, and shall have the responsibilities of such Research Consortia as set forth in this Agreement).

4.3 Responsibilities. To be eligible to receive GoMRI funding, a Research Consortium has the responsibility, consistent with the purposes of the GoMRI and this Agreement, to conduct the following activities, in addition to such other activities as set forth in this Agreement: (a) perform research that conforms to the intent of the RFP and is conducted in accordance with the Grant Agreement for the Approved Research Project; (b) perform or cause to be performed all research in good scientific manner and in compliance in all material respects with all applicable federal, state and local laws, regulations and best practices, including but not limited to, laws, regulations and practices pertaining to good laboratory practices and research practices, privacy standards, medical research, experimentation on animals, visas and regulatory compliance for foreign workers, non-discrimination in employment, conflicts of interest, and fiscal management; (c) comply with GoMRI Administrative Unit instruction regarding such applicable laws, regulations and best practices, as described in Section 9.2.3; (d) pursue the objectives of the Approved Research Project, including all research milestones, efficiently and expeditiously by allocating sufficient time, effort, equipment and skilled personnel to complete such activities successfully and promptly; (e) expend funds on a timely basis in accordance with the governing Grant Agreement; (f) ensure that no Research Institution or Research Investigator conducting research pursuant to the Approved Research Project has been debarred or is subject to debarment or has otherwise been disqualified or suspended from performing scientific or clinical investigations or otherwise subjected to any restrictions or sanctions by any governmental or regulatory authority or professional body with respect to the performance of scientific or clinical investigations; (g) ensure that all Research Investigators conducting research activities as part of an Approved Research Project comply with the professional standards set forth in the National Academy of Sciences Publication, entitled *On Being a Scientist: Responsible Conduct in Research* (2009); (h) submit reports regarding research and expenditures to the GoMRI Administrative Unit, at such frequency and in accordance with the standards set by the Research Board; (i) publish completed scientific studies and associated data in a timely manner; (j) adhere to the Intellectual Property and Publications Policy (a copy of this Policy is attached as Appendix 3); and (k) submit data to the Research Database, pursuant to Research Board policies as set forth in Section 9.2.4.

4.4 Lead Research Institution. The Lead Research Institution shall undertake various responsibilities on behalf of each Research Consortium including, but not limited to (a) executing the Grant Agreement with the GoMRI Grant Unit on behalf of the Research Consortium, to include a requirement that all such Grant Agreement shall incorporate by reference all applicable terms contained in this Agreement; (b) entering into Subgrant Agreements with the other Research Institution members of the Research Consortium, to include a requirement that all such Subgrant Agreements shall incorporate by reference all applicable terms contained both in this Agreement and in the Grant Agreement; (c) receiving and distributing funds transferred from the GoMRI Grant Unit to other member Research Institutions in the Research Consortium; (d) managing the implementation of the Approved Research Project pursuant to the Grant Agreement; and (e) submitting Continuation Funding Requests. While it is anticipated that the Lead Research Institution for each Research Consortium shall be located in a Gulf Coast State, the Research Board shall select the Research Institution that best satisfies the RFP criteria, regardless of location.

4.5 Research Project Director. The work conducted pursuant to an Approved Research Project shall be under the direction of a director resident at the Lead Research Institution

(the “Research Project Director”). The Research Project Director shall, pursuant to the requirements of the Grant Agreement for the Approved Research Project: (a) coordinate and supervise the conduct of the research activities; (b) coordinate and supervise the submission of research and financial reports to the GoMRI Administrative Unit; (c) coordinate and supervise the submission of Continuation Funding Requests to the Research Board; (d) ensure the completed scientific studies and all associated data are published in a timely manner; (e) serve as the primary contact with the Research Board and the Parties on all matters related to all activities under the Approved Research Project; and (e) undertake such other responsibilities as described in this Agreement and the Grant Agreement for the Approved Research Project. The Research Project Director shall be appointed in the Grant Agreement corresponding to the Approved Research Project, with such appointment subject to approval by the Research Board. If it becomes necessary to substitute the named Research Project Director under an Approved Research Project, then the Lead Research Institution shall provide prompt written notification of the proposed change to the Research Board and a determination shall be made by the Research Board pursuant to the terms of this Agreement whether to continue to terminate the Approved Research Project under the new Research Project Director.

5. FUNDING PROPOSALS

5.1 Generally. The Research Board shall solicit Proposals for project funding from Research Consortia via RFPs, and all elements of such Proposal solicitation and selection process must comply with this Agreement. It is expected that funding provided to a Research Consortium pursuant to an Approved Research Project shall have a minimum duration of three (3) years; however, actual duration of each Approved Research Project shall vary in accordance with the content of the Proposal submitted by the Research Consortium, the research progress demonstrated by the Research Consortium in accordance with the Grant Agreement for Approved Research Project, and any Continuation Funding Authorization for such Approved Research Project. The timing of distribution for RFPs shall be determined by the Research Board; provided, however, that if the Research Board does not distribute the minimum Research Program funds allocated to a Program Year, BP may distribute such funds pursuant to Section 2.7.

5.2 Development, Content and Distribution of Requests for Proposals.

5.2.1 The Research Board shall manage the development process for the RFPs distributed in Program Year 2. For RFPs distributed in subsequent Program Years, the GoMRI Administrative Unit, subject to instruction from and oversight by the Research Board, shall initiate planning for the RFP development process and associated selection process, with all such activities appropriately scheduled to ensure that the funding for Approved Research Projects may be distributed at the beginning of the next designated Program Year.

5.2.2 The Research Board shall develop each RFP; provided, however, that the form and content of RFP shall be subject to the approval of both BP and the Alliance prior to public distribution. The RFP shall clearly state the criteria the Research Board shall use to select the Research Consortia to conduct Approved Research Projects.

5.2.3 The Research Board shall be responsible for appropriately advertising and distributing the Initial RFP, but shall direct the GoMRI Administrative Unit to conduct such activities for and Subsequent RFP, with such advertisement and distribution coordinated with the Parties, where necessary.

5.3 Proposal Content. To be eligible for consideration for GoMRI funding, a Proposal must (a) be in such form and contain such information as specified in the relevant RFP; (b) demonstrate how the proposed research shall further understanding of one or more of the Research Themes; and (c) provide a concrete budget for the disposition of funds among specific research activities and among Research Institutions participating in the Research Consortium, as well as a justification for any Capital Expenditures, as described in Section 2.8. A Proposal may also include any additional information considered relevant by the Research Consortium. Only Proposals received prior to the proposal deadline contained in the relevant RFP may be considered for funding.

5.4 Review of Proposals. Subject to instruction and oversight by the Research Board, the GoMRI Administrative Unit shall provide administrative support for the Research Board review of Proposals submitted by Research Consortia in response to RFPs. GoMRI Administrative Unit activities in this capacity shall include (a) receiving and responding letters of intent and Proposals; (b) arranging for and managing the timely peer review of the Proposals pursuant to the NSB Peer Evaluation Process, including the recruitment of highly-qualified technical reviewers to perform such review; (c) sorting and compiling the peer review results into formats requested by the Research Board; (d) providing the Research Board with any additional information requested by the Research Board during the review process. Discretionary decisions regarding funding contained in Proposals shall be made under the peer review process described in this Section 5.4, and (e) performing any functions required pursuant to the conflict of interest policy described in 3.2.1. These review activities shall be conducted in accordance with applicable NSF standards, and the GoMRI Administrative Unit shall ensure that all Proposals and associated reviews and discussions of such Proposals are handled on a strictly confidential basis, in satisfaction of all applicable legal requirements.

5.5 Selection of Proposals as Approved Research Projects. The Research Board has the sole, independent authority to select the Proposals for funding as Approved Research Projects under the GoMRI, provided that both the Proposal and the process of selection adhere to both this Agreement and the RFP approved by the Parties; such selection by the Research Board is not subject to consultation with or approval by the Parties. While the Research Board has discretion to determine both the Research Consortia and Research Themes to be explored at each Research Consortium, the Proposals selected must (a) constitute innovative programs of research combining state of the art research techniques with deep technical knowledge of the Gulf of Mexico; and (b) utilize Research Investigators recruited from multiple institutions chosen to provide complementary research capabilities with the greatest strength. Each such approved Proposal, including any discretionary decisions regarding funding made during the course of the peer review process, constitutes an Approved Research Project. The GoMRI Administrative Unit shall provide the Research Board with such administrative support for the selection process as is directed by the Research Board. Provided, however, that in no event may the amounts awarded by the Research Board be in excess of the amounts permissible under Sections 2.2 and 2.3.

6. CONTINUATION OR AMENDED FUNDING FOR APPROVED RESEARCH PROJECTS

6.1 Generally. To receive GoMRI funding for an Approved Research Project for any Program Year after the Initial Program Year for which funding was approved, a Research Consortium must submit a request for continuation funding (each a “Continuation Funding Request”) to, and have such Continuation Funding Request approved by, the Research Board in accordance with this Section 6 (each approved request a “Continuation Funding Authorization”). Moreover, Research Consortia must obtain Research Board approval for any significant changes in the research direction or allocation of resources for an Approved Research Project which occur during the course or a Program Year, and obtain approval to carry over funds not expended in a Program Year as budgeted for in the Approved Research Project to a future Program Year.

6.2 Eligibility for Continuation Funding. To be eligible to receive Continuation Funding from the GoMRI, Research Consortia must fulfill the following requirements for each Program Year.

6.2.1 Compliance with this Agreement and the Grant Agreement for the Approved Research Project.

6.2.2 Achievement of satisfactory progress on the Approved Research Project, as determined by the Research Board, utilizing reports filed pursuant to Section 10.2 and such other information deemed relevant by the Research Board.

6.2.3 Expenditure of GoMRI funds as provided in a budget approved by the Research Board for the Approved Research Project, including any amendments relating to allocation of resources or expenditure rates, as described in Section 6.4, as determined utilizing financial reports filed pursuant to section 10.1 and such other information deemed relevant by the Research Board.

6.2.4 Research Board has provided, or will provide, the certification described in Section 3.13 with respect to such Approved Research Project.

6.2.5 No misappropriation of GoMRI funds, conduct of illegal, corrupt, fraudulent, collusive or coercive practices in connection with the use of GoMRI funds.

6.2.6 Any other requirements established by the Research Board.

6.3 Process for Continuation Funding Authorization.

6.3.1 The Research Consortia shall submit a Continuation Funding Request to the Research Board, pursuant to specifications established by the Research Board which shall include, but are not limited to (a) demonstration of eligibility pursuant to section 6.2; (b) and update of the research plan for the Approved Research Project for the Program Year, including a description of any significant changes to the research direction of the Approved Research Project; and (c) a revised budget for the Program Year, including a description of any significant changes to the disposition of funds among specific research activities and among Research Institutions participating the Research Consortium, as well as a justification for any Capital Expenditures, as

Described in Section 2.8. The GoMRI Administrative Unit shall assist the Research Board in this annual review and approval process, including by coordinating with the Research Consortia to submit Continuation Funding Requests.

6.3.2 The Research Board has the sole, independent authority to approve the Continuation Funding Request, provided that the process for approval must adhere to this Agreement; such selection by the Research Board is not subject to consultation with or approval by the Parties. The amounts awarded by the Research Board may not be in excess of the amounts permissible under Sections 2.2 and 2.3.

6.3.3 The GoMRI Grant Unit shall, as necessary, enter into amendments to the Grant Agreement with each Research Consortium's Lead Research Institution to reflect the terms of the Research Consortium's Continuation Funding Authorization.

6.4 Amendments to Approved Research Projects During Program Year. A Research Consortium must obtain Research Board approval to (a) affect any significant changes in the research direction or allocation of resources for an Approved Research Project which occur during the course of a Program Year, and (b) obtain approval to carry funds not expended in a Program Year as budgeted for in the Approved Research Project to the subsequent Program Year. The GoMRI Grant Unit shall, as necessary, enter into amendments to the Grant Agreement with Research Consortium's Lead Research Institution to reflect the terms of any such changes approved by the Research Board.

7. GRANT AGREEMENTS

7.1 Generally. For each Approved Research Project which has been approved by the Research Board pursuant to Section 5, the GoMRI Grant Unit shall enter into Grant Agreement with the Research Consortium's Lead Research Institution, which shall be amended from time to time as required by Sections 6.3.3 and 6.4. The Lead Research Institution shall then enter into Subgrant Agreements with each of the Research Institutions that are members of the Research Consortium or shall conduct research using GoMRI funds.

7.2 Content of Grant Agreements. The GoMRI Grant Unit shall require that the Lead Research Institution shall, pursuant to the Grant Agreement be subject to all applicable terms of this Agreement, including but not limited to (a) satisfaction of the requirements of section 6 to receive funding for any Program Year after the initial Program Year for which funding was approved, including but not limited to the requirement that the Grant Agreement be amended from time to time as required by Sections 6.3.3 and 6.4; (b) adherence to any policy or procedure regarding conflicts of interest as is established by the GoMRI Grant Unit, subject to oversight by the Research Board as set forth in Section 3.2.1; (c) adherence to the Intellectual Property and Publications Policy; and (d) that the Lead Institution shall require, via a Subgrant Agreement, that all Research Institutions that receive funding, directly or indirectly, in whole or in part, from funds the Lead Research Institution has received under the Gulf of Mexico Research Initiative, be subject to this terms of this Agreement and any Grant Agreement for the Approved Research Project. Further, the Lead Research Institution shall represent and warrant in the Grant Agreement, on behalf of the Research Consortium, that the research to be conducted pursuant to the Approved Research Project will, in all instances, be under the direction of the Research Project

Director, that the Research Consortium has adhered to any policy or procedure regarding conflicts of interest as is established by the Research Board and administered by the GoMRI Grant Unit (including submission of all disclosures required pursuant to any such policy or procedure), and that all legal responsibilities for compliance with health and safety regulations, environmental regulations, animal experimentation regulations and any other applicable local, state or federal regulations will be the sole responsibility of the Research Institution which employs or contracts with the Research Project Director. The GoMRI Grant Unit shall provide all proposed Grant Agreements to the GoMRI Administrative Unit for its review and approval prior to execution, including review of whether approval by either or both of the Parties is required pursuant to Section 2.9 prior to execution; copies of any Grant Agreement approved by the GoMRI Administrative Unit shall also be provided to the Parties within thirty (30) days of execution, provided that copies shall be provided prior to execution where approval by either or both of the Parties is required pursuant to Section 2.9.

7.3 Content of Subgrant Agreements. The Lead Institution shall require, via a Subgrant Agreement, that all Research Institutions that receive funding, directly or indirectly, in whole or in part, from funds that the Lead Research Institution has received under the Gulf of Mexico Research Initiative, shall be subject to this terms of this Agreement and any Grant Agreement for the Approved Research Project. The Lead Research Institution shall provide copies of all Subgrant Agreements to the GoMRI Grant Unit within five (5) Business Days of execution; copies of any Subgrant Agreement shall also be provided by the GoMRI Grant Unit to the Parties within thirty (30) days of receipt by the GoMRI Grant Unit.

8. GRANT UNIT

8.1 Generally. Pursuant to this Agreement and the GoMRI Grant Administration Agreement with the Alliance and BP, the GoMRI Grant Unit will enter into Grant Agreements with Research Consortia for Approved Research Projects and distribute funds received from BP to the Research Consortia for Approved Research Projects.

8.2 Responsibilities. The GoMRI Grant Unit will perform tasks related to the distribution of funds and Grant Agreements, as set forth in this Agreement which shall include, but shall not be limited to:

8.2.1 Grant Agreements. For each Approved Research Project which has been approved by the Research Board pursuant to Section 5, enter into a Grant Agreement with the Research Consortium's Lead Research Institution, pursuant to the requirements described in Section 7, which shall be amended from time to time as required by Sections 6.3.3 and 6.4.

8.2.2 Payments to the Research Consortia. Receive funds from BP into an account designated for Approved Research Projects, and transfer such funds to the Lead Research Institution of the Research Consortium, as described in Section 2.5.1.

8.3 Content of Grant Agreements. Pursuant to the GoMRI Grant Administration Agreement, the GoMRI Grant Unit shall agree that the Grant Agreement with Lead Research Institution for the Approved Research Project(s) to be conducted by the Research Consortium shall subject each Research Institution to all applicable terms of this Agreement and require that

The Lead Research Institution shall enter into Subgrant Agreements with all subgrantees receiving GoMRI funds that also subjects such subgrantees to the terms of this Agreement.

9. ADMINISTRATIVE UNIT

9.1 Generally. The GoMRI Administrative Unit, an internal department of the Alliance, shall be responsible for the administration and management of the research programs at the Research Consortia, in addition to other administrative and management tasks, as described in this Agreement. As the GoMRI Administrative Unit is a department of the Alliance and not a separate legal entity, any responsibilities ascribed to the GoMRI Administrative Unit herein are, ultimately, responsibilities of the Alliance.

9.2 Responsibilities. The GoMRI Administrative Unit shall perform a wide variety of administrative and management activities for the Gulf of Mexico Research Initiative as set forth in this Agreement which shall include, but not be limited to:

9.2.1 Accounting System. Operate an accounting system that meets the standards for auditable federal grants, such as NSF awards, which shall be used to (a) process invoices and supporting documentation received from the Research Consortia, as described in Section 2.5.1; (b) prepare invoices for submission to BP, as described in Section 2.5.3, 2.5.4 and 2.6; and (c) prepare quarterly financial updates and an annual report of expenditures, as described in 10.1.

9.2.2 Funding Proposals. Assist the Research Board in the RFP planning and preparation process, as requested by the Research Board, as well as the review and selection of Proposals and Continuation Funding Requests, as described in Sections 5 and 6.

9.2.3 Research Consortia Operations. Through the administration of the Grant Agreements, ensure that the Consortia comply with all applicable federal, state and local laws, regulations and best practices, concerning research implementation and administration of research personnel including but not limited to good laboratory practices and research practices, privacy standards, medical research, experimentation on animals, visas and regulatory compliance for foreign workers, non-discrimination in employment, conflicts of interest, and fiscal management.

9.2.4 Operation of Research Database. Manage (either directly or by means of a subcontract to a third party) the Research Database and shall ensure that all data shall be fully accessible and posted thereto with minimum time delay. The Research Consortia shall then be required to adhere to all resulting GoMRI data policies, as approved by the Research Board.

9.2.5 Reporting and Recordkeeping. Prepare comprehensive financial statements regarding GoMRI expenditures on both a quarterly and annual basis, as described in Section 10.1, and coordinate and oversee the preparation and submission of Research Consortia Research Reports, as described in Section 10.2. Maintain full records of all personnel, publications, presentations, reports and activities of the Research Consortia and make those available to the Research Board and the Parties upon request.

9.2.6 Assistance with Research Board Operations. Coordinate its activities with the Research Board Administrative Entity, as described in Section 3.9, and provide the Research Board with assistance with its activities as described in this Agreement, including Section 3, and as the Research Board deems necessary.

9.2.7 CSO Oversight and Support. Exercise administrative oversight over the CSO, and, in conjunction with the Chairman of the Research Board, provide for the payment of CSO expenditures (such as compensation, ordinary and customary travel expenses, and overhead) and associated administrative services.

9.3 Agreement with Third Party Regarding GoMRI Administrative Unit Responsibilities. The Alliance shall enter into an agreement with a third-party not-for-profit entity to undertake such responsibilities as are assigned to the GoMRI Administrative Unit pursuant to this Agreement for which the Alliance does not have sufficient expertise or capacity (such an agreement a “GoMRI Administrative Services Agreement”), provided that any such GoMRI Administrative Services Agreement shall be subject to approval by BP.

10. FINANCIAL STATEMENTS, REPORTS, AUDITING, AND RECORDS

10.1 Financial Statements. The GoMRI Administrative Unit shall maintain, and all Research Consortia receiving funds pursuant to Grant Agreements for Approved Research Projects shall maintain and provide to the GoMRI Administrative Unit, such detailed financial records and books of account as meet the standards for auditable federal grants (such as NSF awards) and are suitable under generally recognized accounting standards for the purposes of this Agreement, including financial statements and research records. Utilizing the Research Consortia invoices and supporting documentation processed pursuant to section 2.5.2, as well as other financial information obtained from the Research Consortia pursuant to this Section 10.1, the GoMRI Administrative Unit shall prepare comprehensive financial statements on both a quarterly and annual basis for submission to the Parties and the Research Board, upon such schedule as is specified by the Research Board.

10.2 Research Reports. The GoMRI Administrative Unit shall provide, and the all Research Consortia receiving funds pursuant to Grant Agreements for Approved Research Projects shall provide, a Research Report to the Research Board, the GoMRI Administrative Unit and the Parties for each Program Year by such date as may be specified in the Grant Agreement for the Approved Research Project or otherwise by the Research Board. Such Research Reports shall adhere to standards established by the Research Board and shall include, but shall not be limited to, a comprehensive summary of all work done and research results or other accomplishments achieved as is appropriate to adequately and substantially report the Research Consortium’s progress pursuant to an Approved Research Project during the Program Year. The Research Board shall provide the specifications for such Research Reports to the GoMRI Administrative Unit; the GoMRI Administrative Unit shall then coordinate and oversee Research Consortia reporting activities to ensure that the Research Reports fulfill the reporting requirements specified by the Research Board.

10.3 Audits. The GoMRI Administrative Unit agrees, and all Research Consortia receiving funds pursuant to Grant Agreements for Approved Research Projects shall agree

pursuant to the terms of the Grant Agreements, that both the Parties and the Research Board shall have the right, at their own expense and upon reasonable notice, to examine at reasonable intervals and during the regular business hours all research documentation and any other books, records and data relating to this Agreement or any Approved Research Projects. Research Consortia or Research Institutions that are members of any Research Consortia shall provide the GoMRI Administrative Unit and the Parties with copies of any audits they have conducted on research administration pertaining to Approved Research Projects. The GoMRI Administrative Unit and the Research Consortia shall promptly inform the Parties and Research Board of any inspections by, and any correspondence received from, authorities that may affect or relate to the research activities pursuant to an Approved Research Project, and shall provide the Parties and the Research Board with a copy of any reports from such inspections and any such correspondence to the extent permissible by law. The GoMRI Administrative Unit and the Research Consortia shall permit the Parties and the Research Board or its authorized representatives to participate in any inspection by a regulatory authority to the extent that it may affect or relate to the research activities conducted pursuant to an Approved Research Project, and shall permit the Parties and the Research Board sufficient time to comment on any correspondence that the GoMRI Administrative Unit or Research Consortia proposes to send to any regulatory authority that may affect or relate to the research activities pursuant to an Approved Research Project before the GOMRI Administrative Unit or the Research Consortia submits such correspondence to any regulatory authority.

10.4 Record Retention. The GoMRI Administrative Unit and all Research Consortia receiving funds pursuant to Grant Agreements for Approved Research Projects shall retain all detailed financial records and books of account described in Section 10.1 during the Retention Period. In addition, the GoMRI Administrative Unit and the Research Consortia shall prepare and maintain complete, current, accurate, organized and legible records of all documentation pertaining to an Approved Research Project in a manner acceptable to the Research Board and in full compliance with all applicable law, and shall retain all such documentation during the Retention Period. The GoMRI Administrative Unit and the Research Consortia shall make all such research documentation available at reasonable times upon reasonable notice for review and audit pursuant to Section 10.3.

11. TITLE TO EQUIPMENT

A Research Consortium, or Research Institution in its role as a member of a Research Consortium pursuant to an Approved Research Project, shall only purchase Capital Equipment in accordance with the procedures described in Section 2.8. If a Research Consortium, or a Research Institution in its role as a member of a Research Consortium pursuant to an Approved Research Project, purchase Capital Equipment using GoMRI funds. Title to such Capital Equipment shall vest with the purchaser upon acquisition; provided that such assets shall remain dedicated to the Approved Research Project during the term of the Grant Agreement for the Approved Research Project for which the assets were purchased.

12. INDEMNITIES

To the extent permitted by applicable law, the Alliance shall release, indemnify, defend and hold harmless BP, its Affiliates, and its and their respective officers, directors, employees,

equityholders, agents, successors and assigns from and against all claims, suits, causes of action, regulatory, legislative or judicial proceedings or investigations, assessments, levies, fines, penalties, losses, damages, liabilities, costs and expenses (including reasonable attorneys', accountants', investigators' and experts' fees) (collectively "Losses") arising from or relating to the Research Consortia's receipt or use of the GoMRI funding, including without limitation any Losses arising out of acts or omissions in connection with Approved Research Projects, except to the extent any such Losses arise from or are attributable to BP's negligence or willful misconduct. The GoMRI Grant Unit shall, via Grant Agreements for Approved Research Projects, cause the Research Consortia, including all Research Institutions that are members of such Research Consortia, to be solely responsible for all liability arising from the acts and omissions of its or their owners, trustees, students, officers, employees, contractors, agents, and any others performing on such Research Consortium or Research Institution's behalf pursuant to or in connection with a Grant Agreement under this Agreement, whether arising in tort, breach of contract or otherwise; provided that this shall not be construed to constitute a waiver of sovereign immunity under applicable law. If the Research Institution is a duly authorized state governmental entity, the indemnity required by this Section 12 shall be the maximum permissible under applicable law. Nothing in this Section 12 shall be interpreted as binding a state or state governmental entity beyond the extent permitted by applicable law.

The GoMRI Grant Unit shall, via Grant Agreements for Approved Research Projects, require each Research Consortium to certify that (a) the Approved Research Project was developed by Research Investigators and other employees of member Research Institutions, independent of any specific request, suggestion, recommendation or other input from BP regarding the Approved Research Project's scope, direction, approach, or timing; and (b) the research work to be conducted will in all instances be under the direction of the Research Consortium's Research Project Director utilizing Research Consortium procedures, methodology, systems and processes, and that no BP representatives or processes, including Health, Safety and Environmental systems, will be employed in any way in the direction of the research to be undertaken, the supervision of the work, or the methodology used in the acquisition of samples, data analysis, or any other element of the Approved Research Project.

13. USE OF NAMES AND TRADEMARKS⁶

Neither Party shall use the name of the other Party or its employees, in any advertisement, press release or publicity with reference to this agreement or any product or service resulting from this Agreement, without prior written consent of the other Party. Neither Party shall include in any commercial media any name, seal, picture, landmark building, or trademark of the other without the express, prior written consent of the owner thereof. Either party may develop trademarks specifically relating to the GoMRI, and any such trademarks shall be owned by the Party undertaking and funding their development; provided, that neither Party shall use any trademark for the GoMRI in any manner during the term hereof, or thereafter, without the prior written consent of the other Party. Either Party may at any time withdraw consent to the use of any trademarks that it has previously granted to the other Party upon providing the other Party with ten (10) days' written notice of such withdrawal if such Party becomes dissatisfied with the manner in which such trademark is being used. Research Consortia and individuals should not use the BP or Alliance logo without permission. Normally, there is no need to use these logos.

⁶ Language added for clarification.

The Research Consortia and individual researchers are welcome to and encouraged to use the GoMRI logo.

14. NOTICES⁷

14.1 Whenever any notice is to be given hereunder, it shall be in writing and sent to the following addresses by registered mail, overnight courier, or confirmed facsimile:

Alliance: Gulf of Mexico Research Initiative
c/o Gulf of Mexico Alliance
1151 Robinson St.
Ocean Springs, MS 39564
(228) 215-1246

BP: Mr. Michael Robertson
Director of Finance
Gulf Coast Restoration Organization
737 North Eldridge Parkway
Three Eldridge Place 6.191D
Houston, TX 77079
(281) 366-2081

14.2 Changes. Either Party may be written notice to the other change the address to which future notices or other communications shall be sent.

15. DISPUTES

15.1 Disputes between the Parties. In the event of any dispute, controversy or claim arising out of or relating to this Agreement, including the breach, termination or validity thereof:

15.1.1 Executive Negotiation. Each Party shall notify the other Party of the dispute. The Parties shall use good faith efforts to resolve such dispute within thirty (30) days after delivery of such notice, which good faith efforts shall include at least on in-person meeting between representatives of each party having decision-making authority (subject only to Board of Directors' or equivalent approval, if required). All discussions under this Section 15.1.1 shall be confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

15.1.2 Arbitration and Court Action. If the designated representatives are unable to resolve the dispute within the period specified in Section 15.1.1, the dispute shall be submitted to voluntary mediation for sixty (60) days, and, if mediation is not successful within such time period, then to final binding arbitration (both mediation and arbitration to be held in Houston, Texas), conducted in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration as in effect on the date thereof as modified below (the "CPR Rules"). The arbitrator shall have no power to award (a) punitive or exemplary damages or any other damages not measured by the prevailing Party's actual damages or (b) any indirect, incidental, consequential or special damages (even if that Party has been advised of the possibility of such damages) (collectively, "disclaimed damages"); provided in

⁷ Alliance and BP contact information changed April 2013.

each such case in clause (a) and (b) above that each Party shall remain liable to the other Party to the extent any disclaimed damages are claimed by a third party and are subject to indemnification as set forth herein; and the Parties expressly waive their right to obtain such damages in arbitration or in any other forum. Except with respect to the interpretation and enforcement of these arbitration procedures (which shall be governed by the Federal Arbitration Act), the arbitrators shall apply the laws of the state designated as governing this Agreement. The result of the arbitration shall be binding on the Parties and judgment on any arbitration award may be entered in any court having jurisdiction. No potential mediator or arbitrator may be appointed unless he or she has confirmed in writing that he or she shall enforce the terms of this Agreement, including this dispute resolution provision. All aspects of the arbitration shall be treated as confidential, as provided in the CPR Rules. Before making any disclosure permitted by CPR Rules, a Party shall give written notice to the other Party and afford such Party a reasonable opportunity to protect its interests. Notwithstanding the other provisions of this Section 15, either Party shall have the right, without waiving any right or remedy available to such Party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any injunctive, interim or provisional relief that is necessary or desirable to protect the rights or property of such Party.

15.2 Research Consortia Disputes. The GoMRI Grant Unit shall, via Grant Agreements for Approved Research Projects, cause the Research Consortia, including all Research Institutions that are members of such Research Consortia, if a dispute arises between the parties to a Grant Agreement or Subgrant Agreement relating to the existence, negotiation, validity, formation, interpretation, breach, performance or application of such Grant Agreement or Subgrant Agreement, the parties shall use the following non-binding procedure in good faith prior to either party pursuing judicial remedies.

15.2.1 Executive Negotiation. Each party shall notify the other party of the dispute. The parties shall use good faith efforts to resolve such dispute within thirty (30) days after delivery of such notice, which good faith efforts shall include at least one in-person meeting between representatives of each party having decision-making authority (subject only to Board of Directors' or equivalent approval, if required). All discussions under this Section 15.2.1 shall be confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

15.2.2 Mediation. If the designated representatives are unable to resolve the dispute within the period specified in Section 15.2.1, either party may provide the other party with notice requesting mediation. If the parties are not able to agree to a mediator within thirty (30) days after the notice requesting mediation, the GoMRI Grant Unit shall select a mediator. The mediator may not testify for either party in any later proceeding relating to the dispute. No formal recording or transcript shall be made of the mediation proceeding. Each party shall bear its own costs of mediation.

15.2.3 Litigation. The parties shall endeavor to resolve the dispute by mediation. If the parties are unable to resolve the dispute in accordance with Section 15.2.2, either party may initiate litigation upon thirty (30) days' notice to the other party, provided that such notice is no sooner than sixty (60) days of having received notice requesting mediation. Notwithstanding this Section 15.2, either party shall have the right, without waiving any right or remedy available to such party under this Agreement or otherwise, to seek and obtain at any time from any court of competent jurisdiction any injunctive, interim or provisional relief that is necessary or desirable to protect the rights of property of such party.

16. TERM AND TERMINATION

16.1 Term. The term of this Agreement is from March 14, 2011 to December 31, 2019, or until all GoMRI funding distributed to the Research Consortia has been expended and all research, reporting and other activities pursuant to the Grant Agreement for Approved Research Projects have been completed, whichever is later.

16.2 Termination by BP. The commitment by BP to distribute the remaining \$450 million in GoMRI funding through the GoMRI structure established pursuant to this Agreement is contingent on responsible annual expenditures by the Research Consortia pursuant to Approved Research Projects. If the research conducted by the Research Consortia does not demonstrate appropriate progress or quality as judged by the Research Board, the research undertaken by the Research Consortia fails to conform to the intent of the RFP, or if there is any misappropriation of funds by the Alliance or the Research Consortia, BP shall notify the Alliance in writing of its concerns. If these concerns are not resolved to BP's satisfaction within ninety (90) days, BP may, in its sole discretion, cease to provide GoMRI funds to the Alliance or grants to the GoMRI Grant Unit that are earmarked for distribution to the Research Consortia and may terminate all agreements with the Alliance, including, but not limited to, this Agreement and the GoMRI Grant Administration Agreement. BP may then, at its sole discretion, develop a new management process for the distribution of the remaining research funds from the original \$500 million program.

16.3 Effect of Termination

16.3.1 Financial Commitments. Upon any termination of this Agreement, the Alliance, the GoMRI Grant Unit and the Research Consortia shall terminate (to the maximum extent permitted by law) any outstanding financial commitments they have incurred, and BP shall continue to provide GoMRI funds for all remaining and unavoidable costs incurred either (a) prior to the time of the delivery of a notice of termination, or (b) reasonably incurred within the budget of any Approved Research Project during the period following receipt of the notice to terminate and prior to termination of the Agreement.

16.3.2 Final Financial Report and Return of Funds. Promptly after expiration or termination of this Agreement, the Alliance and the GoMRI Grant Unit shall provide to BP a final report of expenditures and commitments related to the GoMRI, and return to BP any unexpended and uncommitted funds that have been previously provided by BP.

16.3.3 Survival. Following any termination of this Agreement, Sections 10, 11, 12, 13, 14, 15, 17 and 19 and any other Sections in this Agreement expressly so providing, shall survive and continue to bind the Parties. Termination of this Agreement shall not affect rights and obligations of either Party that have accrued prior to termination.

17. GOVERNING LAW

This Agreement shall be governed and construed by the laws of the State of Delaware without regard to the conflict of laws provisions thereof.⁸

18. EXPORT CONTROL

The rights and obligation of the Parties under this Agreement shall be subject in all respects to United States laws and regulations as shall from time to time govern embargoes and the license and delivery of technology and products abroad, including International Traffic in Arms Regulation and the Export Administration Regulation, as they may be amended from time to time, and any other applicable regulations issued by the United States Department of State, Department of Commerce and Department of Treasury. If BP intends to transmit confidential information to Research Institutions that are members of a Research Consortium that BP determines to be export controlled, BP must inform the Research Project Director of the relevant Approved Research Project. Research Institutions that are members of a Research Consortium reserve the right to elect not to receive export controlled information and a plan for receipt, use, and dissemination of such export controlled confidential information must be developed and agreed to by a business officer of each Research Institution prior to such disclosure.

19. INTERPRETATION

All pronouns shall be deemed to refer to the masculine, feminine, or neuter, singular or plural, as the context in which they are used may require. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the interpretation of any provision of this Agreement. Numbered or lettered articles, sections and subsections herein contained refer to articles, sections and subsections of this Agreement unless otherwise expressly stated.

20. REPRESENTATIONS AND WARRANTIES

20.1 BP Representations. BP represents and warrants to the Alliance, as of the date of this Agreement, as follows:

20.1.1 Corporate Organization. BP is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

20.1.2 Authorization. BP has requisite corporate power and authority to execute and deliver this Agreement and the GoMRI Grant Administration Agreement, to which it shall be a party, and perform its obligations hereunder and thereunder. This Agreement and the GoMRI Grant Administration Agreement, have been or will be duly executed and delivered by BP, and constitute legal, valid and binding obligations of BP, enforceable against BP in accordance with their respective terms and conditions.

20.1.3 No Violation. Neither the execution and delivery by BP of this Agreement and the GoMRI Grant Administration Agreement, to which it shall be a party, nor the

⁸ This section pertains to the Parties of this document, BP and the Alliance. The governing law of individual grant agreements will be determined by the parties to those agreements, the GoMRI Grants Unit (GU) and the lead institution.

performance by BP of its obligations hereunder and thereunder shall:

(a) conflict with any provision of the Articles of Incorporation or By-Laws of BP;

(b) result in a breach or default of any material agreement of BP or require the consent, authorization or approval of any third party;

(c) require the consent, authorization or approval of, or require any filing or registration with any governmental authority to which BP is subject.

20.2 Alliance Representations. The Alliance makes the following agreements with and representation and warranties to BP, as follows:

20.2.1 Corporate Organization. The Alliance is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of Mississippi. The Alliance is recognized as an organization exempt from taxation under section 501(a) of the Code, as an organization described in section 501(c)(3) of the Code and a public charity described in sections 170(b)(1)(vi) and 509(a)(1) of the Code, and shall comply with all requirements applicable to a public charity under the Code.

20.2.2 Authorization. The Alliance has requisite corporate power and authority to execute and deliver this Agreement, as well as the GoMRI Grant Administration Agreement, the GoMRI Administrative Services Agreement and the Research Board Administrative Services Agreement, to which it shall be a party, and perform its obligations hereunder and thereunder. This Agreement, the GoMRI Grant Administration Agreement, the GoMRI Administrative Services Agreement and the Research Board Administrative Services Agreement have been or shall be duly executed and delivered by the Alliance, and constitute legal, valid and binding obligations of the Alliance, enforceable against the Alliance in accordance with their respective terms and conditions.

20.2.3 No Violation. Neither the execution and delivery by the Alliance of this Agreement, or the GoMRI Grant Administration Agreement, the GoMRI Administrative Services Agreement or the Research Board Administrative Services agreement, to which it shall be a party, not the performance by the Alliance of its obligations hereunder and thereunder shall:

(a) conflict with any provision of the Articles of Incorporation or By-Laws of the Alliance;

(b) result in a breach or default of any material agreement of the Alliance or require the consent, authorization or approval of any third party;

(c) require the consent, authorization or approval of, or require any filing or registration with any governmental authority; or

(d) violate any statute of law or any judgment, decree, order, regulation or rule of any court or governmental authority to which the Alliance is subject.

20.2.4 No Application of Open Meetings or Records Laws. No open meetings or records laws of any state shall be applicable to any meetings conducted or documents produced pursuant to this Agreement by virtue of the Alliance's participation in the GoMRI or this Agreement, or the process for appointment by Alliance members to the Research Board.

20.2.5 Annual Certifications. The Alliance shall annually certify to BP that the expenditures and research pursuant to Approved Research Projects remains within the intent of and adheres to the terms of this Agreement, as well as any applicable succeeding documents.

21. MISCELLANEOUS

21.1 Relationship to the Natural Resources Damages Assessment Process. The GoMRI is an independent scientific research program and is separate from the Natural Resources Damages Assessment process, and BP agrees that the participation of the Alliance in this Agreement shall not result in a credit against or defense to any claims for natural resource damages or assessment costs. BP also agrees to exercise its rights under this Agreement without attempting to influence the substance, performance, results or reporting of GoMRI-funded research being conducted by Research Investigators who are also serving as Natural Resource Damage Assessment investigators.

21.2 Integration. This Agreement, together with the Definitions Appendix (Appendix 1) and the Intellectual Property and Publications Policy (Appendix 3), constitute the entire agreement between the Parties as of the Effective Date in respect to the subject matter of this Agreement and supersedes any previous written or oral representations, statements, negotiations, or agreements.

21.3 Amendment. No change, modifications, extension, termination, or waiver of this Agreement or any of the provisions contained herein, shall be valid unless made in writing and duly executed by an authorized representative of the Parties.

21.4 Assignment. BP may at any time assign its rights and obligations under this Agreement, in whole or in part, to any BP Affiliate, provided it has delivered prior written notice to the Alliance of the assignment. Except for an assignment by BP to a BP Affiliate, neither Party may assign or transfer this Agreement, without the prior written consent of the other Party. Any attempted assignment of this Agreement in violation of this Section shall be null and void.

21.5 Provisions Held Invalid. If any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal or unenforceable for any reason, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such provision had never been contained herein.

21.6 Limitation. No provisions of this Agreement are intended or shall be construed to confer upon or give any person or entity other than the Alliance and BP any rights, remedies, or other benefits under, or by reason of, this Agreement.

21.7 Relationship of the Parties. Nothing contained herein shall in any way constitute any association, partnership, or joint venture between the Parties hereto, or be construed to evidence the intention of the Parties to establish any such relationship. Neither Party shall have

the power to bind the other Party or incur obligations on the other Party's behalf without the other Party's prior written consent.

21.8 Force Majeure. The Parties shall not be responsible for any failure to perform due to the occurrence of any events beyond their reasonable control which render their performance impossible, including, but not limited to: accidents (environmental, toxic spill, etc.); acts of God; biological or nuclear incidents; casualties; earthquakes; fires; floods; governmental acts, orders or restrictions; inability to obtain suitable an sufficient labor, transportation, fuel and materials; local, national, or state emergency; power failure and power outages; acts of terrorism; strike; and war. A Party whose performance is affected by any such event shall give written notice thereof to the other Party as soon as possible after the occurrence of such event. Such notice will identify the obligations of such Party that are affected and the expected duration of the inability to perform. The affected obligations of such Party will be suspended during the actual period of inability to perform. The affected Party will use reasonable efforts to remove the cause of its inability to perform as soon as practicable, and will resume performance whenever such cause is removed. The failure for any reason to have sufficient funds shall not be considered a force majeure with respect to any payment obligation.

21.9 Counterparts. The parties may execute this Agreement in any manner of counterparts, each of which is an original, but all of which together constitute one and the same instrument. The parties may deliver their signatures to this Agreement by facsimile transmission or email in portable document format or other electronic imaging, and such delivery shall have the same effect as delivery of original signatures.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

THE GULF OF MEXICO ALLIANCE

By: *[Signature]*

Its: *Chair, Alliance Management Team*

Date: *July 11, 2012*

BP EXPLORATION & PRODUCTION INC.

By: *Laura R. John*

Its: *Executive Vice President*

Date: *July 3, 2012*

**GULF OF MEXICO RESEARCH INITIATIVE
DEFINITIONS APPENDIX**

Capitalized terms in the Gulf of Mexico Research Initiative Master Research Agreement shall have the meaning set forth herein. All section references are to the Master Research Agreement, unless otherwise indicated.

1. “Affiliate” means a company, entity or person controlling, controlled by or under common control with BP and for the purpose of this definition, the word “control” means the right to exercise, directly or indirectly, fifty percent (50%) or more of the voting rights or other ownership interests attributable to the controlling company.
2. “Agreement” has the meaning set forth in the preamble to the Agreement.
3. “Alliance” has the meaning set forth in the preamble to the Agreement.
4. “Approved Research Project” means a Research Consortium Proposal approved by the Research Board for funding from the GoMRI, as described in Section 5 and 6.
5. “BP” has the meaning set forth in the preamble to the Agreement.
6. “Bylaws” has meaning given in Section 3.3.
7. “Business Day” means any day other than a Saturday, Sunday or a federal holiday.
8. “Capital Expenditures” means expenditures for the acquisition or construction of infrastructure (including, but not limited to ships, autonomous underwater vehicles or laboratories).
9. “Chief Scientific Officer” has the meaning given in Section 3.9.
10. “Code” has the meaning given in the Recitals to the Agreement.
11. “Continuation Funding Request” has the meaning given in Section 6.1.
12. “Continuation Funding Authorization” has the meaning given in Section 6.1.
13. “CPR Rules” has the meaning given in Section 15.1.2.
14. “CSO” has the meaning given in Section 3.9.
15. “Day” means a calendar day, and is not capitalized in the Agreement.
16. “Effective Date” has the meaning given in the Recitals to the Agreement.

17. "GoMRI" has the meaning given in the Recitals to the Agreement.
18. "GoMRI Administrative Costs" means the costs of the operation of the GoMRI Administrative Unit for the activities described in the Agreement, including, but not limited to, expenditures described in Section 9.
19. "GoMRI Administrative Services Agreement" has the meaning given in Section 9.3.
20. "GoMRI Administrative Unit" has the meaning given in the Recitals to the Agreement.
21. "GoMRI Grant Administration Agreement" has the meaning given in the Recitals to the Agreement.
22. "GoMRI Grant Unit" has the meaning given in the Recitals to the Agreement.
23. "GoMRI Grant Unit Costs" means the costs of the operation of the GoMRI Grant Unit for the activities described in the Agreement, including, but not limited to, those described in Section 8.
24. "Grant Agreement" means the grant agreement for an Approved Research Project between the GoMRI Grant Unit and a Research Consortium's Lead Research Institution.
25. "Gulf Coast State" has the meaning given in the Recitals to the Agreement.
26. "Gulf of Mexico Research Initiative" has the meaning given in the Recitals to the Agreement.
27. "Lead Research Institution" means the lead Research Institution which submits a Proposal on behalf of a Research Consortium and undertakes such responsibilities as are set forth in Section 4.4.
28. "Losses" has the meaning given in Section 12.
29. "NSB Peer Evaluation Process" has the meaning given in the Recitals to the Agreement.
30. "NSF" means the National Science Foundation.
31. "Party" and "Parties" have the meaning set forth in the Preamble to the Agreement.
32. "Program Year" has the meaning given in Section 2.1.
33. "Proposal" shall mean a Proposal submitted by a Research Consortium for GoMRI funding in response to an RFP.
34. "Research Board" has the meaning given in the Recitals to the Agreement.

35. “Research Board Administrative Costs” means the costs associated with the operation of the Research Board, as described in Section 3.10.2.
36. “Research Board Administrative Entity” is the third-party, not-for-profit entity which provides administrative support to the Research Board, as described in Section 3.10.
37. “Research Board Administrative Services Agreement” is the Agreement between the Research Board Administrative Entity and the Alliance (on behalf of the GoMRI Administrative Unit), pursuant to which the Research Board Administrative Entity provides such services to the Research Board as are described in Section 3.10.
38. “Research Consortium” has the meaning given in the Recitals to the Agreement, and further clarified in Section 4.2.
39. “Research Database” means the database of GoMRI research results and ancillary information, such as metadata.
40. “Research Institution” has the meaning given in the Recitals to the Agreement.
41. “Research Investigator” has the meaning given in the Recitals to the Agreement.
42. “Research Program Costs” means the total expenditures authorized under Approved Research Projects for a Program Year pursuant to Sections 5 and 6.
43. “Research Project Director” has the meaning given in Section 4.5.
44. “Research Report” means a written research report provided by the GoMRI Administrative Unit or a Research Consortium, as described in Section 10.2.
45. “Research Themes” has the meaning given in Section 1.2
46. “Retention Period” means the later of (a) the sixth (6th) anniversary of the date of the expiration or termination of the Grant Agreement for an Approved Research Project; or (b) such date as may be required by applicable law.
47. “RFP” means a request issued by the Research Board for Proposals to receive funding from, and conduct research under, the GoMRI.
48. “Subgrant Agreement” means a subgrant agreement for an Approved Research Project between a Research Consortium’s Lead Research Institution and other Research Institution members of the Research Consortium.
49. “Timeline” has the meaning given in Section 3.2.9.

GULF OF MEXICO RESEARCH INITIATIVE

Research Board Conflict of Interest Policy and Confidentiality Statement

1. Your Potential Conflicts of Interests.

Your designation as a Research Board member requires that you be aware of actual or potential conflict -of-interest situations that may arise. Please read carefully the examples of potentially biasing affiliations or relationships listed on the second page or back of this form. As a Research Board member, you will be asked to review applicant grant proposals. You might have a conflict with one or more. Should any conflict or potential conflict arise during your term, you must bring the matter to the attention of the Chair or Vice Chair of the Research Board. This official will determine how the matter should be handled and will tell you what further steps, if any, to take.

2. No Use of "Insider" Information.

If your service as a Research Board member gives you access to information not generally available to the public, you must not use that information for your personal benefit or make it available for the personal benefit of any other individual or organization.

3. Your Obligation to Maintain the Confidentiality of Proposals and Applicants.

The Research Board will receive proposals in confidence and will need to protect the confidentiality of their contents. For this reason, you must not copy, quote, or otherwise use or disclose to anyone, including your graduate students or post-doctoral or research associates, any material from any proposal you are asked to review. If you believe a colleague can make a substantial contribution to the review, please obtain permission from the Research Board Chair or Vice Chair before disclosing either the contents of the proposal or the name of any applicant or principal investigator.

4. Confidentiality of the Review Process and Reviewer Names.

The Research Board keeps reviews of specific proposals confidential to the maximum extent possible, except that we routinely send to principal investigators (PI's) reviews of their own proposals. Please respect the confidentiality of all principal investigators. Do not disclose their identities, the relative assessments or rankings of proposals by, or other details about the proposals.

Unauthorized disclosure of any confidential information could lead to your removal as a Research Board member.

YOUR CERTIFICATION

Your Potential Conflicts.

I have read the list of affiliations and relationships (on the back of this form) that could prevent my participation in matters involving such individuals or institutions. To the best of my knowledge, I have no affiliation or relationship that would prevent me from performing my duties as a Research Board member. I understand that I must contact the Chair or Vice Chair of the Research Board if an actual or potential conflict exists or arises during my service. I further understand that I must sign and return this Conflict Statement before I may serve.

Maintaining the Confidentiality of Others.

I will not divulge or use any confidential information, described above, that I may become aware of during my service.

Member's Name (Please Print) _____

Member's Signature _____ DATE _____

Conflict-of-Interests

PLEASE REVIEW THESE EXAMPLES OF POSSIBLE CONFLICTS
PERIODICALLY DURING YOUR TENURE.

1. YOUR AFFILIATIONS WITH AN APPLICANT INSTITUTION.

You may have a conflict if you have/hold/are:

- *Current employment at the institution as a professor, adjunct professor, visiting professor, or similar position.*
- *Other current employment with the institution (such as consulting or an advisory arrangement).*
- *Previous employment with the institution within the last 12 months.*
- *Being considered for employment at the institution.*
- *Formal or informal reemployment arrangement with the institution.*
- *Ownership of securities of firms involved in the proposal or application.*
- *Current membership on a visiting committee or similar body at the institution. (This is a conflict only for proposals or applications that originate from the department, school, or facility that the visiting committee or similar body advises.)*
- *Any office, governing board membership, or relevant committee chairpersonship in the institution. (Ordinary membership in a professional society or association is not considered an office.)*
- *Current enrollment as a student. (Only a conflict for proposals or applications that originate from the department or school in which one is a student.)*
- *Received and retained an honorarium or award from the institution within the last 12 months.*

2. YOUR RELATIONSHIP WITH AN INVESTIGATOR, PROJECT DIRECTOR, OR OTHER PERSON WHO HAS A PERSONAL INTEREST IN THE PROPOSAL OR OTHER APPLICATION.

- *Known family relationship as spouse, child, sibling, or parent.*
- *Business or professional partnership.*
- *Past or present association as thesis advisor or thesis student.*
- *Collaboration on a project or on a book, article, report, or paper within the last 48 months.*
- *Co-editing of a journal, compendium, or conference proceedings within the last 24 months.*

3. YOUR OTHER AFFILIATIONS OR RELATIONSHIPS.

- *Interests of the following persons are to be treated as if they were yours: Any affiliation or relationship of your spouse, of your minor child, of a relative living in your immediate household or of anyone who is legally your partner that you are aware of, that would be covered by any italicized items above.*
- *Other relationship, such as close personal friendship, that you think might tend to affect your judgment or be seen as doing so by a reasonable person familiar with the relationship*

Intellectual Property and Publications Policy of the Gulf of Mexico Research Initiative, a research funding initiative of BP and the Gulf of Mexico Alliance

Application of Policy

This policy (the “Policy”) is an Appendix to the Gulf of Mexico Research Initiative Master Research Agreement between BP Exploration & Production Inc. (“BP”) and the Gulf of Mexico Alliance (the “Master Research Agreement”). This Policy applies to all research institutions and individual researchers (each a “Research Institution”) that receive funding, directly or indirectly, in whole or in part, under the Gulf of Mexico Research Initiative (the “Funding”), a research funding initiative of BP and the Gulf of Mexico Alliance. By accepting Funding, the Research Institution agrees to be bound by all terms and conditions of this Policy. The terms “Grant Agreement” and “Approved Research Project” shall have the meanings given in the Master Research Agreement.

Research Institution’s Ownership of Results

The Research Institution shall own all right, title and interest, including to the extent applicable all patent, copyright, trademark, and other legal rights, in and to all Inventions (as defined below), all software, all data, and all other information generated by or on behalf of the Research Institution in connection with research conducted using the Funding (such Inventions, software, data, and other information are referred to collectively herein as the “Research Results”), subject to the provisions of this Policy. The Research Institution will disclose all Research Results to BP in accordance with the applicable Grant Agreement for each Approved Research Project.

To the extent that the Research Institution’s own policies permit individual investigators to own any right, title or interest in or to any Research Results, the Research Institution shall take reasonable efforts to ensure that each such investigator complies with this Policy with respect to such Research Results.

To the extent that the Research Institution has the right to do so under any copyright privileges that it may have in any publications of any Research Results, the Research Institution hereby grants to BP an irrevocable, non-exclusive, worldwide, fully paid-up, royalty-free, perpetual license which is not sublicenseable by BP. This license is to use, reproduce, distribute, perform, display and prepare derivative works of such publications for internal research purposes.

Publications

Subject to this Policy, all data generated by or on behalf of the Research Institution in connection with research conducted using the Funding will be directed towards advancing scientific understanding through publication in peer-reviewed journals. In each publication or presentation of the Research Results, the Research Institution shall cause one of the following attribution statements to be included, as applicable depending on whether there were other funding sources for the research: “This research was made possible by a grant from BP/The Gulf of Mexico

Research Initiative,” or “This research was made possible in part by a grant from BP/The Gulf of Mexico Research Initiative, and in part by [list other sources].”

BP recognizes and desires to honor the traditional freedom of scientists and academicians to publish and present the results of their work. Generally, pre-publication review will not be required for any proposed publication or presentation of the Research Results, except in the following circumstance. Where the Research Institution requests that BP provide it with any confidential or proprietary information, then prior to and as a condition of disclosure of such information, the Research Institution shall sign a non-disclosure agreement mutually satisfactory to BP and the Research Institution to protect the confidentiality of such BP information. The Research Institution shall provide BP with a draft of any proposed publication or presentation of Research Results that relate to or involved the use of any proprietary or confidential information of BP at least sixty (60) days prior to disclosing such draft to any third party. BP shall have the right during such sixty (60) day period to request that any BP proprietary or confidential information be deleted from the draft, and in such event the Research Institution shall delete the requested portion of such draft. In the event BP does not respond within the sixty (60) day period, BP will be deemed to have accepted and be satisfied with the content and/or text of the Research Results to be published or publicly disclosed by the Research Institution.

Disclosure; Patent Protection; Payment of Costs

Although patent protection is not a primary driver for the Gulf of Mexico Research Initiative, the Research Institution may develop Inventions that have potential public health, scientific, environmental, business, or commercial application or value. BP may elect to pay the Research Institution’s direct costs for filing and prosecuting patent applications for any Inventions. “Invention” means any new or improved technology, methodology, machine, process, composition of matter, article of manufacture, formula, ornamental design, variety of plant, invention, or discovery, whether or not patentable, that is conceived or reduced to practice in connection with research conducted using the Funding. Ownership of Inventions will follow inventorship as determined according to U.S. patent law.

The Research Institution will disclose all Research Results to BP in accordance with the applicable Grant Agreement for each Approved Research Project to identify the subject matter of the licenses granted herein. In addition to the disclosure requirements under such Grant Agreement, the Research Institution will promptly, after the conception or reduction to practice thereof, disclose Research Results to BP in order for BP to identify Inventions having potentially patentable subject matter. The Research Institution and BP shall hold all invention disclosures provided by the Research Institution as confidential for the period of time specified in this paragraph. Within thirty (30) calendar days from disclosure by the Research Institution, BP may identify Inventions having potentially patentable subject matter for which it wishes the Research Institution to file a patent application. In such an event, BP will pay the Research Institution’s direct costs for filing and prosecuting the patent applications for Inventions identified by BP, so long as costs are limited to those approved in advance by BP.

If applicable and at BP’s request, the Research Institution shall keep confidential and delay public disclosure of an Invention for up to sixty (60) calendar days, solely for the Research

Institution to prepare and file a patent application covering such Invention. The actual period for any delay will be the earlier of sixty (60) calendar days or the Research Institution's act of filing a patent application covering such Invention.

In the event that the Research Institution elects not to pursue patent protection for any Invention, or elects to discontinue prosecution or maintenance of any patent application or patent claiming an Invention, the Research Institution shall notify BP promptly and with sufficient advance notice to permit BP to protect the intellectual property rights in such Invention. If requested by BP, the Research Institution shall promptly assign to BP or to a third party designated by BP, to the extent permitted by law, all rights in Inventions that the Research Institution elects not to pursue. In the event Research Institution assigns such rights in Inventions, the Research Institution shall retain an irrevocable, non-exclusive, worldwide, fully paid-up, royalty-free, perpetual license, to use for internal education and research purposes.

Non-Exclusive License

In consideration of the Funding provided by BP, the Research Institution hereby grants to BP an irrevocable, non-exclusive, worldwide, fully paid-up, royalty-free, perpetual non-sublicenseable except to BP's affiliated entities license, to use and have used the Research Results (as applicable depending on the nature of the Research Results) solely for research purposes.

Right of Negotiation

The Research Institution hereby grants to BP the exclusive option to negotiate a royalty bearing, worldwide license with respect to each Invention. BP may exercise such option with respect to a particular Invention, and elect to negotiate either an exclusive or non-exclusive license, by giving written notice to the Research Institution within sixty (60) calendar days following the Research Institution's disclosure of such Invention to BP. If BP reasonably believes that it is not feasible for BP to make an informed evaluation and decision as to whether or not to exercise its rights within that sixty (60) day period, and BP informs the Research Institution in writing to this effect within the sixty (60) day period, then BP's time to exercise its rights may be extended for an additional sixty (60) days. If BP exercises this option with respect to any Invention within such time period, the Research Institution and BP shall negotiate in good faith for a period not to exceed six (6) months (the "Exclusive Negotiation Period") a royalty bearing license agreement. All exclusive license agreements (the "Definitive License Agreement") shall be on the terms and conditions in a form of license agreement as mutually agreed by the Parties, and among other things, will require agreed, reimbursement by BP of all reasonable costs incurred by the Research Institution to prepare, file, prosecute and maintain the licensed or optioned rights, diligence requirements, and indemnification of the Research Institution for agreed upon claims arising out of BP's practice of license agreements. The Definitive License Agreement shall include commercially reasonable royalty to be paid by BP to the Research Institution. The length of the Exclusive Negotiation Period may be extended by the mutual written agreement of the Research Institution and BP.

In the event that BP and the Research Institution have not entered into a Definitive License Agreement prior to the expiration of the Exclusive Negotiation Period, including any extensions

thereof, the Research Institution shall be free to negotiate a license with any third party, subject to the non-exclusive license granted herein, with respect to the Invention that was the subject of the exclusive negotiations; provided, however, that during the one (1) year period following the expiration of the Exclusive Negotiation Period, notwithstanding any failure of the parties to agree on license terms, Research Institution shall not grant any license with respect to an Invention to any third party on any terms less favorable to the Research Institution than those last offered by BP for a period of one (1) year following the termination of such negotiations.

In some instances, background intellectual property of the Research Institution may be required for BP to use or practice an Invention. In the event that the use or practice by BP, or any of its affiliated entities or any of its or their respective research collaborators, of any background intellectual property is required, then Research Institution will include in its negotiation of the Definitive License Agreement the use of the required background intellectual property, to the extent it is known at such time, provide a list of non-confidential background intellectual property that such use of the background intellectual property does not conflict with existing agreements or obligations to third parties. The researcher at the Research Institution upon acceptance of the Grant Agreement shall, to the extent it is known at such time, provide a list of non-confidential background intellectual property that the researcher believes BP will need rights to, in order to practice new inventions that a researcher believes could reasonably result from the Approved Research Project.