

GULF OF MEXICO RESEARCH INITIATIVE
MASTER RESEARCH AGREEMENT AMENDMENT NO. 1

Dated December 1, 2011

THIS AMENDMENT TO THE MASTER RESEARCH AGREEMENT (this “Amendment”) is made and entered into as of November __, 2011 (the “Effective Date”) 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 1141 Bayview Avenue, Biloxi, Mississippi 39530 (the “Party” or “Parties” shall mean BP and/or the Alliance).

RECITALS

WHEREAS, pursuant to the Grant Administration Agreement between BP, the Alliance and the Consortium for Ocean Leadership (“Ocean Leadership”), which delegates the rights and responsibilities of the Grant Unit to Ocean Leadership, BP and the Alliance have authorized certain deviations from the Master Research Agreement (“MRA”) entered into as of March 14, 2011 between BP and the Alliance;

WHEREAS, pursuant to the Grant Agreements that have been or will be entered into between the Grant Unit (including the Alliance acting as the Grant Unit) and the Lead Research Institutions of Research Consortia with respect to Approved Research Projects pursuant to Request for Proposals I and III, BP and the Alliance have authorized certain deviations from the MRA;

WHEREAS, the Parties wish the MRA to be consistent with the Grant Administration Agreement and any Grant Agreements;

WHEREAS, the Parties have agreed to amend and restate the MRA (the “Amended and Restated Agreement”) to reflect the amendments made pursuant to this Amendment;

NOW, THEREFORE, in consideration of the foregoing premises, the Parties, intending to be legally bound, agree to the following amendments to the Agreement in accordance with Section 21.3 of such Agreement, which are incorporated in the Amended and Restated Agreement attached hereto as Exhibit A:

1. All references in the MRA to “GRI” shall be amended to refer to “GoMRI.”
2. Section 1.2 shall be amended as follows:

1.2 Research Themes. The research conducted by the Research Consortia shall focus on one or more of the following 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 ~~GRI~~GoMRI shall ~~initially~~ focus on the following five Research Themes ~~(the “Original 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 the 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) Fundamental scientific research integrating results from the other four themes in the context of public health~~Impact of oil spills on public health.

1.2.2 ~~Subsequent~~Amended Research Themes. The Research Board may, in its sole discretion, review the ~~Original~~ Research Themes in the context of results from ~~GRI~~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 ~~Original~~ Research Themes or select alternate themes in addition to, or as a replacement for, the ~~Original~~ Research Themes currently set forth in Section 1.2.1 (such revised Research Themes the “Subsequent Research Themes”) ~~for grants awarded to the Research Consortia starting in Program Year 5 or earlier, if determined by the Research Board; provided, however, that such~~ amended~~Subsequent~~ Research Themes ~~are~~must be consistent with, and in fulfillment of, the ~~GRI~~GoMRI as set forth in this Agreement. In the event that the Research Themes are amended in accordance with Section 1.2.2, such amendments shall automatically be deemed incorporated into this Agreement.

3. Section 2.5 shall be amended as follows:

2.5 Payments to the Research Consortia Pursuant to Quarterly Approved Research Project Budget. The ~~GRI~~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 ~~quarter~~, according to the procedures set forth in this Section 2.5.

2.5.1 Quarterly Advancement of Approved ~~Quarterly~~ 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, as adjusted pursuant to Section 6.4, received from the GoMRI Grant Unit to a designated account or accounts of the ~~GR~~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 ~~GR~~GoMRI Grant Unit shall transfer the forecasted funds with respect to the budget for each Approved Research Project to the Lead Research Institution for each Research Consortium.

2.5.2. Research Consortium Invoice Submission. In accordance with standards established by the ~~GR~~GoMRI Administrative Unit and approved by BP and the Alliance, the Lead Research Institution shall submit, as costs are incurred no later than fifteen (15) calendar days after the close of each Program Year quarter, all invoices and supporting documentation for expenditures by its Research Consortium pursuant to the Approved Research Project budget for the Program Year ~~quarter~~ to the ~~accounting system administered by the~~ GRGoMRI Administrative Unit ~~described in Section 9.2.1.~~

2.5.3 GRGoMRI Administrative Unit Review and Verification Process. The GRGoMRI Administrative Unit shall then verify that the invoices submitted by each Lead Research Institution contain only verifiable research expenditures in accordance with and not in excess of the approved budget for the Program Year ~~quarter~~, and all Capital Expenditures have been approved as required by Section 2.8. As part of this review, the GRGoMRI Administrative Unit shall ensure that ~~overhead charges~~ 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 GRGoMRI Administrative Unit Invoice Submission. No later than twenty-five (25) business days after the close of each Program Year quarter, the GRGoMRI Administrative Unit shall provide BP with copies of all invoices received from each Lead Research Institution for that Program Year quarter. BP has 60 days after receipt of such invoices to provide any reasonable questions that it has regarding

such invoices to the ~~GRI~~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 that Program Year, or (b) if the funds remaining in 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 ~~and~~ BP shall have no obligation to distribute such disputed amount through the ~~GRI~~GoMRI system established pursuant to this Agreement. BP may then, in its sole discretion, either reinstate the removed funds in any future quarter as 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 ~~GRI~~GoMRI set forth in this Agreement.

4. Section 3.2.1 shall be amended as follows:

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 ~~GRI~~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 oversee any conflict of interest policy or procedure administered by the GoMRI Grant Unit; in the event that the GoMRI Grant Unit is unable to satisfactorily manage a conflict of interest pursuant to any such policy or procedure, the GoMRI Grant Unit shall submit such conflict or potential conflict to the Research Board, which shall determine how to proceed, including conducting such consultations with the Parties as may be required. 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.

5. Section 6.1 shall be amended as follows:

6.1 Generally. To receive ~~GRI~~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 6.1 (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 of a Program Year, and obtain approval to carry over funds not expended in a Program Year~~-quarter~~ as budgeted for in the Approved Research Project to a future ~~quarter~~Program Year.

6. Section 7.2 shall be amended as follows:

7.2 Content of Grant Agreements. The ~~GRIGoMRI~~ 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~~e~~) 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 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 ~~GRIGoMRI~~ Grant Unit shall provide all proposed Grant Agreements to the ~~GRIGoMRI~~ 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 ~~GRIGoMRI~~ Administrative Unit shall also 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. Section 7.3 shall be amended as follows:

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 ~~proposed~~-subgrant agreements

(the "Subgrant Agreements") to the ~~GRI~~GoMRI Grant Unit and ~~GRI Administrative Unit~~ within five (5) days of ~~for their review and approval prior to execution~~; copies of any Subgrant Agreement ~~approved by the GRI Administrative Unit~~ shall also be provided by the GoMRI Grant Unit to the Parties within thirty (30) days of ~~execution~~ receipt by the GoMRI Grant Unit.

8. The first paragraph of Section 12 shall read as follows:

~~The Alliance shall, and the GRI 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, 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 GRI~~GoMRI funding, including without limitation any Losses arising out of acts or omissions in connection with Approved Research Projects; ~~provided however that the Research Institution shall not be liable for any Losses~~except to the extent any such Losses arising 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 herein shall be interpreted as binding a state or state governmental entity beyond the extent permitted by applicable law.

9. Section 15.1 shall be amended as follows:

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 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 15.1.1 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 ~~first~~ to voluntary mediation for 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 (“CPR”) Rules for Non-Administered Arbitration as in effect on the date hereof as modified below (the “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 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 Rules. Before making any disclosure permitted by the 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 15.1, 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.

10. A new section 15.2 shall be added and shall read as follows:

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 or property of such party.

11. The Intellectual Property and Publications Policy, attached as Exhibit B hereto, shall replace the Intellectual Property and Publications Policy of the GoMRI, attached as Appendix 3 to the MRA.

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.

THE GULF OF MEXICO ALLIANCE


By: Michael Carron, Ph.D.

Its: Director, Gulf of Mexico Research Initiative (For the Gulf of Mexico Alliance)

Date: November 22, 2011

BP EXPLORATION & PRODUCTION INC.

By: Laura W. Folse *Laura W. Folse*

Its: Executive Vice President

Date: 12/1/11

Exhibit A

[TO BE ADDED]

Exhibit B

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 ensure that each such investigator complies with this Policy with respect to such Research Results.

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 satisfactory to BP 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 thirty (30) calendar days prior to disclosing such draft to any third party. BP shall have the right during such thirty (30) 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.

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, with the right to extend the license to its affiliated entities and each of its and their respective commercial or research collaborators, to use, reproduce, distribute, perform, display and prepare derivative works of such publications.

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 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. 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.

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 license, with the right to extend the license to its affiliated entities and each of its and their respective research collaborators, 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 eighteen (18) months following the Research Institution's filing of a patent application for such Invention. 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 containing mutually acceptable terms and conditions (the "Definitive License Agreement"). 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, the Research Institution shall not grant or offer to grant to any third party a license to such Invention on terms more favorable than the terms last offered to BP unless the Research Institution first offers such more favorable terms to BP.

In some instances, background intellectual property of the Research Institution or an individual researcher 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 commercial or research collaborators, of any background intellectual property is required, then Research Institution hereby covenants that Research Institution will not, and Research Institution will cause the applicable research not to, assert or enforce such background intellectual property against BP, such affiliate entities or such collaborators.

Agreements with Personnel

The Research Institution shall have in place valid and enforceable written agreements with all personnel involved in carrying out research using the Funding that give the Research Institution all rights and authority necessary to effectuate the provisions of this Policy.

Subcontractors

The Research Institution shall require any subcontractor that it engages to conduct research using the Funding to agree to be bound by this Policy to the same extent as the Research Institution is bound. The Research Institution shall provide a copy of this Policy to all such subcontractors.

Government Rights

Nothing in this Policy is intended to, or shall be construed to, conflict with Federal law, including any obligations that may arise with respect to Research Results arising out of research funded by both BP and the Federal Government. Federal law shall govern in the event of any inconsistency with this Policy.

Notices

Any notices or other written communication required or permitted to be provided to BP pursuant to this Policy shall be sent to the following address:

Vivek Pradhan
22.193 WL1
BP Exploration and Production Co.
501 Westlake Park Blvd.
Houston, TX 77079

Survival

This Policy shall survive and remain in effect after expiration or termination of the Funding and any Grant Agreement or other document or agreement relating thereto.