

## **SAMPLE POLICY AND PROCEDURES RELATED TO CONSORTIUM/CONTRACTUAL AGREEMENTS**

### **1. Background**

When in-house expertise required for a project does not exist, the Company may have the need to enter into a consortium agreement or other contractual relationship(s) with another entity or entities in regard to scientific/research matters or otherwise. The policy and process for identifying need for such relationships (and the negotiation and execution thereof) are as follows:

### **2. Identification of Need and Responsible Officer**

Responsibility of selection of a consortium partner depends on the area of specialty involved. For scientific/research activities, the Vice President of Research shall identify possible entities and make the selection based on the qualifications of such entity. The President shall be responsible for negotiating consortium agreements in all other matters.

### **3. Terms and Conditions**

All consortium agreements shall be in writing, and shall, at a minimum, include the following terms and conditions:

- a. Describe the activity to be performed by the respective parties.
- b. Set the start and finish dates, including milestones as applicable.
- c. Amount of payment due and related schedule for submission of payment voucher.
- d. Require that the consortium certifies compliance with all federal regulations, policies, assurances and requirements pertinent to the project .
- e. Terms from the awarding agency that are pertinent to the consortium.
- f. Due date for progress report.

### **4. Legal Counsel**

In the event that legal counsel is required to negotiate any applicable consortium agreement terms, approval of the President is required before the Vice President of Research or any other Officer engages the assistance of counsel.

### **5. Review and Payment**

The principal investigator at the Company shall be responsible for reviewing the progress reports and the detailed payment voucher from the consortium. After review and approval of the report and voucher, the documents shall be sent to the bookkeeper for payment. Any discrepancies or problems identified by the principal investigator shall be immediately reported to the President.

### **6. Final Authority**

All consortium agreements or other similar contracts must be signed by the President or the designated company official in order to commit the Company and the contract must be countersigned by an authorized business official of the selected entity.