

UO FasterFlight Financial Term Sheet Process

Negotiating a patent license can at times be confusing and frustrating to those not familiar with university licensing practice. Just as when purchasing a car, a lack of transparency in the process creates uncertainty for the buyer about whether the terms are fair. As a public university, UO wants everyone, regardless of previous experience, to fully explore their entrepreneurial interests. Our FasterFlight process provides UO research-founded startups with standard, sector-appropriate terms in the term sheet that represent our best understanding of what the final terms should be. We will also share the background information on how those terms are arrived at to allow the startup team to share any additional information that is relevant, and UO will ensure that information is fully considered in our term sheet offer. The process is data-driven to ensure all parties have the same information on which to make decisions.

The Seattle legal community and University of Washington created a community vetted license template that we have adjusted only for specific terms that are required for UO to meet Oregon state law. Investors in the Pacific Northwest can engage with certainty that whether they are working in the Puget Sound, Portland, or Eugene/Springfield, that UO's technology is available under PNW community vetted terms to meet their needs.

The FasterFlight process is simple and aimed at getting you up in the air quickly and confidently:

Mission Prep – UO has collected 3rd-party resources to help bring new startup participants up to speed:

[AUTM 9 Points of Licensing](#): Nationally-held university perspectives on key license terms to which UO is a signatory.

[AUTM Balancing Stakeholder Interests](#): High-level perspective on the multiple parties that are stakeholders during any technology commercialization journey.

[Bayh-Dole Act](#): The regulatory framework for licensing ***federally funded*** patentable innovations.

Additional, UO-specific documents to become familiar with prior to the Pre-Flight Briefing:

UO FasterFlight Webpage

UO FasterFlight Template License Agreement

UO FasterFlight Template Financial Term Sheet

1. ***Pre-Flight Briefing*** – UO Innovation Partnership Services (IPS) representatives and the Founder group will meet to walk through the Financial Term Sheet Template to introduce the motivations for the various terms, and to share the vision and plans for the company. This is the time to introduce special circumstances that would create major deviations from the established IP rights or consideration packages. Additional OVPRI staff will be available to address compliance issues and to introduce the conflict-of-interest and -commitment

processes that are required by state and federal law and policies, to allow full- or part-time UO employees to participate in for-profit companies via equity, employment or contracting or consulting.

2. *Pre-Flight Checklist* – Following that meeting and by correspondence, IPS will provide a customized term sheet for the opportunity, completed based on the takeaways from the Briefing and current national best practices. The startup Flight team will present any comparable deals from their sector or industry they would like UO to take into consideration.
3. *Engine Start* – By correspondence or in meetings, IPS and the Flight Team will complete discussions and agree on a revised term sheet that fairly reflects the data shared.
4. *Taxi to Runway* – IPS will incorporate the items in the Financial Term Sheet into the FasterFlight License Agreement template that was tailored for startup companies through the generous guidance and comments from an expert advisory committee comprised of top attorneys in the Seattle-area innovation ecosystem who pre-negotiated the language with the University of Washington with the goal of creating an agreement that requires only technology-specific customization.
5. *Take Off* – The startup and UO sign the deal!