

**Open Source Software Startup Good-Standing Agreement between
PRESIDENT AND FELLOWS OF HARVARD COLLEGE and
[Company].**

This agreement (“**AGREEMENT**”) is entered into on the date that **AGREEMENT** is fully executive by both parties (“**EFFECTIVE DATE**”), by and between PRESIDENT AND FELLOWS OF HARVARD COLLEGE, a (“**HARVARD**”), and [Company, Inc.] (“**COMPANY**”), a [State] corporation, having a principal place of business at [Company Address].

The parties agree as follows:

1. OVERVIEW

- 1.1 HARVARD employees (“**HARVARD SOFTWARE BASE AUTHORS**”) co-authored software and model weights as described in Exhibit 1 that either (a) used funding via HARVARD, (b) used material HARVARD resources, or (c) was part of a HARVARD SOFTWARE AUTHOR’s scope of employment with HARVARD (collectively, “**SOFTWARE BASE**”); and accordingly, HARVARD has an ownership interest in SOFTWARE BASE, and the copyright existing in SOFTWARE BASE.
- 1.2 HARVARD SOFTWARE BASE AUTHORS and additional HARVARD employees (“**HARVARD SOFTWARE DERIVATIVE WORKS AUTHORS**”) have or may continue to author software and model weights described in future Exhibits amended to this AGREEMENT that:
 - 1.2a Are improvements, derivative works, modifications, enhancements, or updates to SOFTWARE BASE; and
 - 1.2b Either (i) have or may use funding via HARVARD, (ii) have or may use material HARVARD resources, or (iii) are or will be part of a scope of employment with HARVARD (collectively, “**SOFTWARE UNIVERSITY DERIVATIVE WORKS**”); and accordingly, HARVARD has an ownership interest in SOFTWARE UNIVERSITY DERIVATIVE WORKS, and the copyright existing in SOFTWARE UNIVERSITY DERIVATIVE WORKS.SOFTWARE BASE and any SOFTWARE UNIVERSITY DERIVATIVE WORKS are collectively, “**SOFTWARE PROJECT**”.

HARVARD SOFTWARE BASE AUTHORS and any HARVARD SOFTWARE DERIVATIVE WORKS AUTHORS are collectively, “**HARVARD SOFTWARE PROJECT AUTHORS**”.
- 1.3 To maximize the benefits to the public of SOFTWARE PROJECT, HARVARD agrees that HARVARD SOFTWARE PROJECT AUTHORS may publicly post SOFTWARE PROJECT and release SOFTWARE PROJECT under the following open source software licenses (“**OPEN SOURCE LICENSES**”): (a) any open source software licenses that do not include express patent grants; (b) Educational Community License, Version 2.0 (ECL2) for code in SOFTWARE PROJECT, and/or (c) the MIT License for model weights in SOFTWARE PROJECT. Besides ECL2, licenses that include express patent grants, such as GPL 3.0, are excluded.
- 1.4 COMPANY is pursuing commercial offerings that leverage SOFTWARE PROJECT in accordance with OPEN SOURCE LICENSES to benefit the public (“**COMMERCIAL OFFERINGS**”).

Accordingly, authors on behalf of COMPANY have or may author software and model weights that are improvements, derivative works, modifications, enhancements, or updates to the SOFTWARE PROJECT (“**SOFTWARE COMPANY DERIVATIVE WORKS**”) for which COMPANY has an ownership interest. This AGREEMENT does not obligate COMPANY to publicly post or release SOFTWARE COMPANY DERIVATIVE WORKS under an open source license.
- 1.5 COMPANY’s ability to successfully develop COMMERCIAL OFFERINGS would benefit from a statement in writing by HARVARD that assures COMPANY’s investors, partners, customers, and hires of the following: HARVARD agreed to post publicly and release SOFTWARE PROJECT under OPEN

SOURCE LICENSES, and accordingly, COMPANY's leveraging of SOFTWARE PROJECT under OPEN SOURCE LICENSES is consistent with the mission of HARVARD; however, HARVARD does not endorse any commercial offering or company ("**GOOD-STANDING**").

- 1.6 HARVARD would like to provide the aforementioned benefit to COMPANY with an asset arising from HARVARD's statement in writing via Section 2 of this AGREEMENT.
- 1.7 COMPANY would like to provide HARVARD with stock equity and investment purchase rights in COMPANY in acknowledgment of the following:
 - 1.7a HARVARD's role in fostering the development of SOFTWARE PROJECT;
 - 1.7b HARVARD's willingness to post and open source license SOFTWARE PROJECT; and
 - 1.7c HARVARD's statement in writing of COMPANY's **GOOD-STANDING**.
- 1.8 HARVARD would like to acknowledge COMPANY's interest in supporting HARVARD's research and education activities by accepting stock equity and investment purchase rights in COMPANY.

2. REPRESENTATION

- 2.1 HARVARD hereby represents and confirms that it granted the HARVARD SOFTWARE AUTHORS permission to post and release SOFTWARE PROJECT under OPEN SOURCE LICENSES, and COMPANY is in **GOOD-STANDING** as of **EFFECTIVE DATE**.
- 2.2 COMPANY hereby acknowledges this AGREEMENT as valuable consideration.

3. EQUITY

- 3.1 **Initial Equity Grant:** COMPANY pursuant to a stock issuance agreement entered into by the Parties on or about the Effective Date, substantially in the form of the "Subscription Agreement for Common Stock" found [here](#), COMPANY shall issue to HARVARD a number of shares of COMPANY's common stock representing one percent (1%) of COMPANY's capital stock on a Fully Diluted Basis after giving effect to such issuance (the "**Shares**"). The Shares shall have the rights and obligations set forth in the then-effective Certificate of Incorporation and Bylaws of COMPANY, which such documents shall be in the same form, without modification, amendment or supplement, as those provided to HARVARD and as certified by COMPANY prior to the Effective Date. Upon (i) the date of issuance of the Shares and, if applicable, any Anti-Dilution Shares, (ii) any Liquidation Event, (iii) closing of any round or tranche of dilutive funding (including equity or convertible securities) or other dilutive event, or (iv) at the request of HARVARD (which request may be made only once every calendar year), COMPANY shall provide to HARVARD a capitalization table (a "**Cap Table**") which shall include the number of shares of capital stock of COMPANY issued and outstanding, and the related ownership percentage, on a Fully Diluted Basis, of each of the owners of record of capital stock of COMPANY, and the amount of investment made by each owner of record in exchange for such stock.
- 3.2 **Anti-Dilution Right:** If, at any time until immediately after the achievement of the Anti-Dilution Threshold (as defined below), COMPANY issues Additional Securities that would cause HARVARD's shareholdings in COMPANY to drop below one percent (1%) on a Fully-Diluted Basis, concurrently with the issuance of such Additional Securities, COMPANY shall issue to HARVARD for no additional consideration such additional number of shares of common stock of COMPANY (the "**Anti-Dilution Shares**") such that HARVARD's shareholdings in COMPANY shall equal one percent (1%) of the capital stock of COMPANY on a Fully Diluted Basis, as calculated after giving effect to the anti-dilutive issuance and the issuance of such Additional Securities through the Anti-Dilution Threshold, but not any issuances in consideration for investment amounts in excess of the Anti-Dilution Threshold. Such issuances shall continue only up to, and until such time as COMPANY has achieved, the Anti-Dilution Threshold. Thereafter, no additional shares shall be due to HARVARD pursuant to this Section 3.2. For avoidance of doubt, in the event that COMPANY issues Additional Securities in exchange for a new investment which, together with other previous investments in COMPANY, exceeds the Anti-Dilution Threshold, then the Anti-Dilution Shares in connection with such issuance

will be calculated only with respect to the Additional Securities that would have been issued if the new investment, together with other previous investments in COMPANY, equaled the Anti-Dilution Threshold exactly (with the number of Anti-Dilution Shares being rounded up to the nearest whole share). Solely for purposes of this Section 4.2, convertible debt instruments issued by COMPANY in consideration for cash shall be deemed Additional Securities immediately upon conversion of such convertible debt instruments into equity securities. Upon request, but no more frequently than once per Calendar Quarter, COMPANY will deliver to HARVARD a statement of the capital stock of COMPANY on a Fully Diluted Basis in sufficient detail as to permit Harvard to calculate its percentage equity ownership in COMPANY on a Fully Diluted Basis.

3.3 Surviving Rights. Any termination or expiration of this AGREEMENT will not affect the rights and obligations set forth in this Article 3 of this AGREEMENT.

3.4 Definitions.

3.4a **“Additional Securities”** means shares of capital stock, convertible securities, warrants, options or other rights to subscribe for, purchase or acquire from COMPANY any capital stock of COMPANY.

3.4b **“Anti-Dilution Threshold”** means an aggregate total investment of One Million U.S. Dollars (\$1,000,000) in cash, in one or a series of related or unrelated transactions, in each case, in exchange for COMPANY’s capital stock.

3.4b **“Fully Diluted Basis”** means, as of a specified date, the number of shares of common stock of COMPANY then-outstanding (assuming conversion of all outstanding stock other than common stock into common stock), plus the number of shares of common stock of COMPANY issuable upon exercise or conversion of then-outstanding convertible securities, options, rights or warrants of COMPANY (which shall be determined without regard to whether such securities are then vested, exercisable or convertible), plus the number of shares of common stock of COMPANY that would be outstanding or acquirable, directly or indirectly, upon the issuance (and exercise, conversion or exchange, if applicable) of all securities reserved or otherwise intended for future issuance under any stock purchase, stock option or other compensatory benefit plan or arrangement of COMPANY.

4. GENERAL TERMS AND CONDITIONS

4.1 Warranty and Liability. HARVARD WILL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR OTHER SPECIAL DAMAGES SUFFERED BY COMPANY ARISING OUT OF OR RELATED TO THIS AGREEMENT FOR ALL CAUSES OF ACTION OF ANY KIND (INCLUDING TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY AND BREACH OF WARRANTY) EVEN IF HARVARD HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

4.2 Use of Names and Trademarks.

4.2a Obligations: Except as specified in Paragraphs 4.2 and 4.3 below, nothing contained in this AGREEMENT will be construed as conferring any right to either party to use in advertising, publicity, or other promotional activities any name, trade name, trademark, or other designation of the other party (including a contraction, abbreviation or simulation of any of the foregoing). Except as specified in Paragraphs 4.2b below, COMPANY is expressly prohibited from using the name “Harvard” or any logos, seals, insignia or other words, names, symbols or devices that identify HARVARD, including any school, unit, division or affiliate of HARVARD (**“Harvard Names”**), for any marketing, publicity or promotional purpose except with the prior written approval of, and in accordance with any restrictions required by, HARVARD’s Trademark Program. Any such requests for use of any Harvard Names shall be submitted to trademark_useofname@harvard.edu..

4.2b Company Exceptions: Notwithstanding the foregoing: (i) HARVARD grants the right, in accordance with Section 1.5 above, for COMPANY to make public-facing statements on its

website and in other media statements substantially similar to: “Harvard University publicly shares certain software and model weights under an open-source license and accordingly [Company]’s leveraging of such software and model weights is consistent with the mission of Harvard. Harvard does not endorse [Company] or any commercial offering by [Company].”; and (ii) COMPANY can provide a copy of this AGREEMENT to actual and potential investors, key hires, corporate partners, and strategic early customers to the extent allowed by law, and COMPANY may make the statement of fact that it has this AGREEMENT with HARVARD, and accordingly, granted stock equity to HARVARD.

4.2c University Exceptions: Notwithstanding the foregoing, HARVARD can publicly identify COMPANY’s corporate name and contact information as an entity with which HARVARD has an agreement that involves stock equity.

4.3 No Obligations. Nothing in this AGREEMENT is or will be construed as an obligation to: (a) bring or prosecute actions or suits against third parties for patent, copyright, or other intellectual property infringement; (b) confer by implication, estoppel, or otherwise any license or rights under any patents or other rights of HARVARD; or (c) furnish any new developments, know-how, technology, or technological information.

4.4 Governing Laws; Venue. This Agreement will be governed by, and construed in accordance with, the substantive laws of the Commonwealth of Massachusetts, without giving effect to any choice or conflict of law provision, except that questions affecting the construction and effect of any patent shall be determined by the law of the country in which the patent shall have been granted. Any action, suit or other proceeding arising under or relating to this Agreement (a “Suit”) shall be brought in a court of competent jurisdiction in the Commonwealth of Massachusetts, and the Parties hereby consent to the sole jurisdiction of the state and federal courts sitting in the Commonwealth of Massachusetts. Each Party agrees not to raise any objection at any time to the laying or maintaining of the venue of any Suit in any of the specified courts, irrevocably waives any claim that Suit has been brought in any inconvenient forum and further irrevocably waives the right to object, with respect to any Suit, that such court does not have any jurisdiction over such Party.

4.5 Miscellaneous.

4.5a Severability: If any of the provisions contained in this AGREEMENT are held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provisions hereof, and this AGREEMENT will be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

4.5b Scope: This AGREEMENT embodies the entire understanding of the parties and supersedes all previous communications, representations, or understandings, whether oral or written, between the parties relating to the subject matter hereof.

4.5c Independence: In performing their respective duties under this Agreement, each party will operate as an independent contractor. Nothing contained herein will 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 will 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.

HARVARD and COMPANY have executed this AGREEMENT by their respective duly authorized officers in duplicate originals on the following date.

President and Fellows of Harvard College

[Company Name]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

SAMPLE

Exhibit 1: Software

The SOFTWARE PROJECT covered under this AGREEMENT will include the following SOFTWARE BASE developed by the HARVARD SOFTWARE PROJECT AUTHORS:

- Description 1
- Description 2
- Description N

The parties anticipate that from time to time, the above SOFTWARE PROJECT may be updated with SOFTWARE UNIVERSITY DERIVATIVE WORKS. To the extent that it is able to do so, UNIVERSITY anticipates agreeing with COMPANY to amend this Exhibit 1 to clarify that such SOFTWARE UNIVERSITY DERIVATIVE WORKS are within the scope of this AGREEMENT in writing, under which email is acceptable to expedite and simplify such amendments.