

GIFT AGREEMENT

This gift agreement (this "Agreement") is made effective on 3/26, 2019, (the "Effective Date") between the **University of Florida Foundation, Inc.** a Florida nonprofit corporation (the "Foundation"), on behalf and for the benefit of the **University of Florida** (the "University"), an instrumentality of the state of Florida, and the **Charles Koch Foundation**, a Kansas nonprofit corporation (the "Donor"). This Agreement is for the benefit of the Digital Markets Initiative (the "Initiative"), which will be newly created and housed in the Public Utility Research Center ("PURC") at the Warrington College of Business (the "College") at the University. The Foundation and the Donor are sometimes referred to in this Agreement individually as a "Party" and collectively as the "Parties." The Parties agree as follows:

1. **Promoting Academic Freedom.** Consistent with the Donor's principles of supporting open inquiry and a diversity of ideas in higher education, the Donor's gift is intended to help promote a republic of science at the University, which is an environment where ideas can be exchanged freely and useful knowledge will benefit the well-being of individuals and society. Thus, the Parties agree that the academic freedom of the University, PURC, and their faculty, students, and staff is critical to the success of the Initiative's research, scholarship, teaching, and service.

2. **The Proposal.** The Parties enter into this Agreement based on the proposal, which is hereby incorporated into and made part of this Agreement, and attached as Attachment A (the "Proposal"). The Proposal reflects the vision of and relies on the leadership of Dr. Mark Jamison, who was selected by the University, according to its normal procedures, to be the director of PURC (the "PURC Director") and to lead the Initiative ("Initiative Director"). As stated in the Proposal and consistent with the Initiative Director's vision, the mission of the Initiative is to examine the business and regulatory implications of growing digital markets through rigorous and relevant research, public engagement, and student mentorship (collectively, the "Initiative's Mission").

3. **The Initiative Programs.**

a. **Generally.** To support the Initiative, the University desires to create positions and activities to affiliate with the Initiative and PURC, collectively referred to as the "Initiative Programs." The Initiative Programs are described more fully in the Proposal and include two "Tenured-track Professorships," the "Initiative Director Stipend," three "Graduate and Postdoctoral Fellowships," "Visiting Scholars and Faculty Grants," "Outreach Activities," and "Initiative Support." The Foundation and the University shall each use any funds received under this Agreement to support the Initiative Programs in accordance with the terms of this Agreement. According to the University's normal procedures, the Initiative Director is responsible for directing the Initiative Programs, which includes allocating and administering the Initiative budget, supervising staff, mentorship, and other duties to advance the Initiative's Mission as deemed appropriate by the Initiative Director.

b. Selection According to the University's Normal Procedures. The Parties mutually agree that the selection of the foregoing positions and fellowships by the University will follow the University's normal procedures for selecting such positions and fellows for the applicable academic units. As a matter of academic freedom for academic units at the University, individuals who hold positions with or are affiliated with the Initiative must be approved by the Initiative Director, in accordance with the College's and University's normal procedures.

4. The University's Support for the Initiative. The University shall support the Initiative Programs to advance the University's mission. As part of this support, the University shall ensure that the faculty, students, and staff working with Initiative have adequate space to achieve the Initiative's Mission. Therefore, The University shall provide the Initiative with sufficient office space including shared conference and meeting spaces.

5. The Donor's Support for the Initiative's Programs.

a. Contributed Amount. Subject to the terms of this Agreement, the Donor will contribute funds to the Foundation solely to support the Initiative Programs to advance the Initiative's Mission (all or part of such funds are referred to as the "Contributed Amount(s)"). The maximum Contributed Amount, totaling \$6,000,000, for each Initiative Program is as follows:

Center Programs	Contributed Amount
Salary and fringe benefits for the two Tenure-track Professorships	Up to \$3,883,879
Costs and expenses for the PURC Director Stipend	Up to \$704,420
Costs and expenses for Graduate and Postdoctoral Fellowships	Up to \$305,362
Costs and expenses for Visiting Scholars and Faculty Grants	Up to \$103,935
Costs and expenses for Outreach Activities	Up to \$185,412
Costs and expenses for Initiative Support	Up to \$816,992

b. Other Support. If the University and Donor mutually agree, the Donor may also contribute in-kind services to the University to help promote the work of the University, the Initiative, or the University faculty, students, and staff.

6. Gift Process and Administration.

a. The Foundation Gift Request. The Foundation shall submit an annual written request according to the schedule below to the Donor for the Donor's consideration (the "Foundation Gift Request"). If the Donor approves the Foundation Gift Request, the Donor shall make a contribution up to the amount listed in the below schedule to the Foundation, and the Foundation shall accept such

Contributed Amount on behalf of the University. If the Donor does not approve the Foundation Gift Request, the Donor is under no obligation to contribute any funds to the Foundation or the University.

b. The Foundation Gift Request and Proposed Gift Award Schedule.

Foundation Grant Request Date	Donor Response and Proposed Contribution Date	Contributed Amount
Submitted as the Proposal	Within sixty (60) days of the Parties signing this Agreement	Up to \$ 1,379,625
June 1, 2019	On or about July 1, 2019	Up to \$ 1,364,555
June 1, 2020	On or about July 1, 2020	Up to \$ 1,117,268
June 1, 2021	On or about July 1, 2021	Up to \$ 1,070,392
June 1, 2022	On or about July 1, 2022	Up to \$ 1,068,160
Total Maximum Aggregate Contributed Amount:		\$6,000,000

c. The Fund. The Foundation shall place all of the Contributed Amount in a segregated and restricted fund on its books and records called the "DMI-CKF Fund" (the "Fund"). The Foundation and the University shall solely use the Fund to support the Initiative Programs as stated in this Agreement. The Foundation shall make the Fund available for contributions from other donors, including by listing it on-line for on-line donations. If another donor makes a contribution to the Fund, the Foundation shall promptly notify the Donor of the amount donated and, if permitted by the other donor, the name of the other donor.

7. Contributed Amount Used Solely for Charitable Purposes for the Initiative Programs.

a. Tax Status. According to IRS records, the Foundation is an organization described within the meaning of Internal Revenue Code (the "Code") sections 501(c)(3) and 509(a)(1). The Foundation shall immediately notify the Donor if its tax status changes. According to IRS records, the University is an organization described within the meaning of Code section 170(c)(1). The University shall immediately notify the Donor if its tax status changes.

b. Charitable Purpose. The Foundation and the University shall use the Contributed Amount solely for the Initiative's Programs, which is a charitable purpose described in section 170(c)(2)(B) of the Code. The Foundation and the University shall not use the Contributed Amount to influence legislation as described in section 4945(d)(1) of the Code, to influence the outcome of any election, for a political campaign or intervention, to carry on any voter registration drive, or any other purpose that would jeopardize the Donor's tax-exempt status or subject the Donor to penalties under Chapter 42 of the Code.

c. Initiative Programs. The Foundation and the University shall return to the Donor any Contributed Amount not spent for the Initiative Programs.

8. General Terms.

a. Term. The term of this Agreement is from the Effective Date to the later of June 30, 2024, or until the Foundation and the University have spent all of the Contributed Amount, unless earlier terminated pursuant to this Agreement.

b. Termination. The Donor has the right to terminate this Agreement if: (i) the Foundation or the University breaches any term of this Agreement; (ii) the Initiative Programs are not advancing the Initiative's Mission; or (iii) such action is necessary to comply with any law applicable to the Foundation, the University, or the Donor. Such termination is effective upon the expiration of thirty days from the date notice was provided by the Donor to the Foundation or the University. If the Agreement is terminated, the Foundation and the University shall return all unspent Contributed Amounts to the Donor within thirty days of the Donor's request.

c. Publicity. The Parties shall give each other a reasonable opportunity to review any publicity related to the Agreement in any form, including website listings. The Parties shall not use each other's logos without the applicable Party's express written consent.

d. Public Records. Any Party receiving records requests for this Agreement or related information shall promptly inform the other parties, but is free to respond to the request within the time frame required by law.

e. Entire Agreement. The terms contained in this Agreement supersede all prior oral or written agreements and understandings between the Parties related to the matters contained in this Agreement and constitute the entire agreement between the Parties with respect to the matters contained in this Agreement.

f. Order of Precedence. If there is a conflict between the terms of this Agreement and the terms in the Proposal, this Agreement controls.

g. Amendments. No amendment to this Agreement will be effective unless it is in writing and signed by the Parties.

h. Severability. The terms of this Agreement are severable. If any court of competent jurisdiction construes any term of this Agreement to be illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining terms of this Agreement will not be affected.

i. No Waiver. No delay or failure by any Party to enforce any right or claim under this Agreement is a waiver of such right or claim. Any waiver by any Party of any term of this Agreement is not a further or continuing waiver of such term.

j. Third Party Rights. This Agreement does not confer any rights or remedies upon any third party other than the permitted assigns of the Parties.

k. No Assignment. The Foundation and the University shall not transfer or assign their respective interests in the Agreement or any amount to be contributed pursuant to this Agreement without the express written consent of the Donor.

l. Notice. All notices in connection with this Agreement must be in writing and are effective when delivered personally by hand or one business day after the day sent by overnight courier at the address below, or to another address provided by a Party to the other Parties.

If to the Foundation:

University of Florida Foundation
1938 W. University Avenue
Gainesville, FL 32601
Attn: Thomas J. Mitchell, Executive Vice
President

If to the University:

University of Florida
PO Box 117150
Gainesville, FL 32611-7150
Attn: John Kraft, Dean

If to the Donor:


Charles Koch Foundation
1320 N. Courthouse Road, Suite 500
Arlington, VA 22201
Attn: Grant Administrator
Cc: General Counsel's Office

m. Counterparts. This Agreement may be executed in several counterparts, each of which constitutes an original and all of which, when taken together, constitute one agreement or direction. Copies of signatures (whether facsimile or other electronic transmission) to this Agreement are deemed to be originals and may be relied upon to the same extent as the originals.

[Signature Page Follows]

The Parties have hereby executed this Agreement as dated below, but agree that this Agreement is effective as of the Effective Date.

CHARLES KOCH FOUNDATION

By: 

Name: Ryan Stowers

Title: Executive Vice President

Date: 3 / 20 / 19

UNIVERSITY OF FLORIDA

By: 

Name: W. Kent Fuchs

Title: President

Date: 3-15-19

By: 

Name: Joseph Glover

Title: Provost

Date: _____

By: 

Name: John Kraft

Title: Dean, Warrington College of Business

Date: 3/14/19

UNIVERSITY OF FLORIDA FOUNDATION, INC.

By: Thomas J. Mitchell

Name: Thomas J. Mitchell

Title: Executive Vice President

Date: 3.9.19

ATTACHMENT A

University of Florida Foundation and University of Florida Proposal to Support the Digital Markets Initiative

Mission

The mission of Digital Markets Initiative, which is housed in PURC in the Warrington College of Business at the University is as follows: the Digital Markets Initiative will examine the business and regulatory implications of growing digital markets through rigorous and relevant research, public engagement, and student mentorship.

Initiative Programs

Tenured-track Professorships

Based on the Contributed Amount, the University intends to select two individuals for the Tenure-track Professorships by the fall 2019 semester. The individuals holding the Tenure-track Professorships will engage in research, teaching, and community outreach related to the Initiative's Mission. This work will include devoting a significant amount of time and resources to work related to the Initiative.

Initiative Director Stipend

The Initiative Director Stipend for Dr. Mark Jamison, will allow him to devote a significant amount of his time and resources to work related to the Initiative.

Graduate and Postdoctoral Fellowships

The University will select Graduate and Postdoctoral Fellows to help advance the Initiative's Mission. The Graduate and Postdoctoral Fellows will engage in research and teaching that advances the Initiative. The tenure of the individuals holding each Graduate or Postdoctoral Fellowship will be two years.

Visiting Scholars and Faculty Grants

The Initiative will host visiting scholars whose research and responsibilities will advance the Initiative. The Initiative will also provide grants to University faculty who conduct research related to the Initiative.

Outreach Activities

The Initiative will host research workshops, conferences, and lectures that improve and disseminate the Initiative's research, as well as contribute to the academic and national conversation as it relates to the Initiative. Five symposia, two lectures in a Digital Markets speaker series, and two years of student reading groups are included in the Proposal.

Center Support

The University will provide the Initiative with office space, furniture, information technology, and administrative support for its operational needs.