

## MASTER COOPERATIVE & RESEARCH AGREEMENT

No. \_\_\_\_\_

This Cooperative and Research Agreement (the “Agreement”) is made this DATE , 2011 by and between The Board of Trustees of the University of Alabama, for and on behalf of The University of Alabama in Huntsville (“UAHUNTSVILLE”) and XYZ, a corporation with offices at \_\_\_\_\_, (“hereinafter referred to as XYZ”)

### WITNESSES THAT:

WHEREAS, UAHUNTSVILLE is a comprehensive, publicly supported institution of higher education with a tripartite mission of education, research, and outreach. UAHUNTSVILLE executes these missions by support of technology transfer and economic development in Alabama, the region, and the nation. UAHUNTSVILLE educates students in science, engineering, and business for future infusion into a globally-competitive workforce, has expertise in fast-paced research and development, possesses research laboratories, has created an environment for innovation, and has established an entrepreneurial curriculum for capitalizing intellectual property. As a part of its technology transfer program UAHUNTSVILLE allows short-term access to research partners who may occupy office space, research laboratories, and other facilities in the conduct of mutually beneficial research and technology development activities. The interaction with external research organizations that are technology based and use advanced technology, logistics, and strategic business investments is important for a broad educational experience for UAHUNTSVILLE’s undergraduate and graduate students.

WHEREAS, XYZ is a high technology company based in Huntsville that aims to produce prototype micro and nanoscale devices for test and evaluation prior to production.

WHEREAS, XYZ and UAHUNTSVILLE (each singularly referred to as a “Party” and collectively as the “Parties”) share the goals of maximizing the value of applied research and development, and performing high-risk high-payoff research and development, in pursuit of solutions to some of our industries’ most difficult challenges;

WHEREAS UAHUNTSVILLE and XYZ desire to enter into this Agreement so that the Parties may jointly engage in mutually beneficial cooperative and collaborative research activities, and facility usage designed to inspire, leverage, and optimize the research, education, innovation leadership strengths, and strategic missions of each Party (hereinafter, the “Mission”);

WHEREAS UAHUNTSVILLE and XYZ desire to enter into one agreement that would govern all terms and conditions of any future projects for the stipulated period;

WHEREAS, UAHUNTSVILLE wishes to enter into this Agreement to allow for such interactions take place and accomplish its Mission.

NOW THEREFORE, in consideration of the mutual covenants and premises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

#### Article 1 - Definitions

As used herein, the following terms will have the following meanings:

1.1 "Project" means the plan and costs and/or rates described in Appendix A, and other that would be appended from time to time, attached hereto and made a part hereof, under the direction of Professor John Williams, as Principal Investigator.

1.2 "Project Period" means June 8, 2011 through October 31, 2012 \_\_\_\_\_.

#### Article 2 - Research Work

2.1 UAHUNTSVILLE will use reasonable efforts to perform described in the plan substantially in accordance with the Project. XYZ and UAHUNTSVILLE may at any time amend Project by mutual written agreement.

#### Article 3 - Reports and Conferences

3.1 A final report, including research deliverables developed on Project as delineated in Appendix A, will be submitted by UAHUNTSVILLE, through the Principal Investigator for Project, within sixty (60) days of the conclusion of the Project.

3.2 During the term of this Agreement, representatives of UAHUNTSVILLE may meet with representatives of XYZ at times and places mutually agreed upon by the Principal Investigator and XYZ to discuss the progress and results, as well as ongoing plans, or changes therein, of Project to be performed hereunder.

3.3 Research deliverables including the final report will be the property of XYZ, which may duplicate and/or use the same in XYZ's normal business operations, provided however, that any deliverables protectable under patent or copyright laws will be subject to Article 7 (Intellectual Property).

#### Article 4 - Task Orders

4.1 UAHuntsville will prepare and submit to XYZ a cost proposal and statement of work (SOW) in response to each individual Statement of Work.

4.2 Upon receipt and approval of the cost proposal and SOW, XYZ will issue an authorization to proceed letter (XYZ format) to the contract administrator named in the cover letter of the cost proposal.

4.3 Authorization to Proceed Letter will note deliverable, to include, but not limited to written reports and delivery (due) period frequency.

4.4 UAHUNTSVILLE will not be obligated to spend any funds on this Project other than those provided by XYZ under this Article 4.

4.5 UAHUNTSVILLE may also be allowed to subcontract parts of the Project to a third party under the SOW.

#### Article 5 - Use of Name

5.1 Neither party will use the name of the other, nor of any member of the Party's Project staff, in any publicity, advertising, or news release without the prior written approval of an authorized representative of the party. XYZ will not under any circumstances advertise or otherwise state or imply that UAHUNTSVILLE has tested or approved any product or process.

#### Article 6 – Publications

6.1 UAHuntsville shall have the right, at its discretion, to release information or to publish any material resulting from the research, except XYZ's confidential information while under the obligation of confidentiality. UAHuntsville shall furnish XYZ with a copy of any proposed publication thirty (30) days in advance of the proposed publication date. For review and protection of the potential patentability of any intellectual property described therein, and for the deletion of any inadvertently included XYZ confidential information, XYZ may request an additional thirty (30) days' delay. Such delay shall not, however, be imposed on the filing of any student thesis or dissertation.

#### Article 7 - Intellectual Property

7.1 "XYZ Intellectual Property" will mean all products and processes of inventions, improvements and discoveries, whether or not patentable, relating to Project made solely by employees of XYZ and/or all products and processes of inventions, improvements and discoveries, whether or not patentable, relating to the project made solely by employees of UAHUNTSVILLE and/or jointly by employees of UAHUNTSVILLE and XYZ, and which read upon claims of patent(s) owned by XYZ or assigned to XYZ, or which are developed as a result of XYZ's Confidential Information, which was clearly identified in writing as confidential. XYZ Intellectual Property will belong to XYZ and will not be subject to the terms and conditions of this Agreement. However, UAHUNTSVILLE at all times will have an irrevocable, royalty-free, non-exclusive and non-assignable license to XYZ Intellectual Property that is solely developed by UAHUNTSVILLE employees, or jointly developed by UAHUNTSVILLE employees and employees of XYZ, for non-commercial purposes.

7.2 “UAHUNTSVILLE Intellectual Property” will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice by one or more employees of UAHUNTSVILLE and first developed directly pursuant to Project and not covered under Article 7.1. All rights and title to UAHUNTSVILLE Intellectual Property will belong to UAHUNTSVILLE and will be subject to the terms and conditions of this Agreement.

7.3 “Joint Intellectual Property” will mean all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice by one or more employees of UAHUNTSVILLE and one or more employees of XYZ, and first developed pursuant to project and not covered under Article 7.1. Such Joint Intellectual Property will be assigned to both UAHUNTSVILLE and XYZ and will be subject to the terms and conditions of this Agreement.

7.4 UAHUNTSVILLE will promptly furnish XYZ a disclosure of any UAHUNTSVILLE Intellectual Property or Joint Intellectual Property conceived and/or reduced to practice during the Project Period under the Project. XYZ will notify UAHUNTSVILLE in writing within thirty (30) days whether or not XYZ wishes to exploit UAHUNTSVILLE Intellectual Property or Joint Intellectual Property. If XYZ wishes to exploit said Intellectual Property, at the sole discretion of XYZ, XYZ will or XYZ will direct UAHUNTSVILLE (Filing Party) to prepare a patent application or other application for protection of such UAHUNTSVILLE Intellectual Property or Joint Intellectual Property. Filing Party will promptly prepare, file and prosecute such U.S. and foreign counterparts (in countries selected by XYZ) in UAHUNTSVILLE’s name for UAHUNTSVILLE Intellectual Property or in XYZ’s and UAHUNTSVILLE’s name for Joint Intellectual Property. XYZ will bear all costs incurred in connection with such preparation, filing, prosecution and maintenance of U.S. and foreign counterparts directed to said UAHUNTSVILLE Intellectual Property or Joint Intellectual Property. Non-Filing Party will cooperate with Filing Party to assure that such application(s) will cover, to the best of both’s knowledge, all items of commercial interest and importance. While Filing Party will be responsible for making decisions regarding scope and content of application(s) to be filed and prosecution thereof, Non-Filing Party will be given an opportunity to review and provide input thereto. Filing party will keep Non-Filing Party advised as to all developments with respect to such application(s) and will promptly supply to Non-Filing Party copies of all papers received and filed in connection with the prosecution thereof in sufficient time for Non-Filing Party to comment thereon.

7.5 If XYZ elects not to exercise its option as set forth in Section 8.1 (Grant of Rights) hereof or decides to discontinue the financial support of prosecution or maintenance of patent or copyright protection of UAHUNTSVILLE Intellectual Property or Joint Intellectual Property, UAHUNTSVILLE will be free to file or continue prosecution or maintain any such application(s), and to maintain any protection issuing thereon in the U.S. and in any foreign country at UAHUNTSVILLE’s sole expense, and XYZ will have no further rights to said technology. UAHUNTSVILLE also reserves the right to file applications in countries not selected by XYZ.

## Article 8 – Grant of Rights

8.1 UAHUNTSVILLE grants XYZ the first option to obtain either:

8.1.1 A non-exclusive, paid-up, royalty-free license to make, have made, use, and sell any UAHUNTSVILLE Intellectual Property, with a right to grant a sublicense of the same scope to any of XYZ's affiliates, but not to sublicense to any other third party. For the purpose of this sublicensing agreement, affiliates will mean a corporation, partnership, or venture at least 50% of the voting stock or ownership of which is controlled by XYZ.

The paid-up fee will be the cost of preparing, filing, prosecuting and maintenance of patent as outlined in Article 7.4, or

8.1.2 An exclusive, royalty-bearing license to make, have made, use and sell any UAHUNTSVILLE Intellectual Property or UAHUNTSVILLE's share of any Joint Intellectual Property with the right to sublicense on mutually acceptable terms and conditions.

8.1.3 If XYZ wishes to exercise either option (Article 8.1.1 or 8.1.2), XYZ will direct UAHUNTSVILLE or XYZ will file a patent application within 3 months of receipt of disclosure as outlined in Article 7.4. Furthermore, UAHUNTSVILLE and XYZ will negotiate a license agreement within 6 months from date XYZ notifies UAHUNTSVILLE it wishes to exploit the technology.

8.2 If XYZ exercises its right under Article 8.1.3 to obtain an exclusive license, UAHUNTSVILLE at all times will have an irrevocable, royalty-free, non-exclusive and non-assignable license to use all patentable or patented products, materials, processes, and all other UAHUNTSVILLE Intellectual Property and Joint Intellectual Property, for research and educational purposes, but not for commercial purposes.

Article 9 – Confidential Information:

9.1 Either party (Discloser) may disclose information to the other party (Receiver) under this Agreement that it identifies as confidential at the time of disclosure (Confidential Information) and that is required for the conduct of the research, according to the following provisions:

9.1.1 Confidential Information disclosed in a tangible form shall be clearly labeled by the Discloser as "confidential" or "proprietary" or with a similar marking, and if disclosed initially in any other form, it must be identified as confidential by the Discloser at the time of disclosure and confirmed in writing as confidential within ten (10) business days of the initial disclosure.

9.1.2 Confidential Information shall not include any information that: i) is already in the possession of Receiver; ii) becomes publicly available through no fault of Receiver; iii) is independently developed by Receiver without reliance on the Confidential Information of Discloser; iv) is received without the obligation of confidentiality from a third party with no

known duty of confidentiality to Discloser; or v) is required to be disclosed by a government authority or a court, provided, however, that Receiver shall promptly notify Discloser of such request or order and shall cooperate with Discloser to limit the disclosure of Confidential Information hereunder.

9.1.3 Receiver shall maintain the strict confidentiality of the Confidential Information with the same degree of care it uses to protect its own confidential information and shall not disclose it to third parties without the written approval of Discloser. Receiver shall use reasonable care in the selection of individuals with access to the Confidential Information and remind them of their obligations to protect the confidentiality of the Confidential Information.

9.1.4 Neither UAHuntsville nor XYZ is obligated to supply any Confidential Information under this Agreement. Receiver acquires no rights to manufacture, license, or otherwise to use or disclose the Confidential Information except as expressly granted hereunder.

9.1.5 The obligation to protect Confidential Information pursuant to Paragraphs 9.1.1 – 9.1.4 shall continue in effect for one (1) year after the expiration date of this Agreement or after its termination for any reason. Receiver shall return any and all Confidential Information (including all copies in whole or in part) to Discloser upon request at time of expiration.

#### Article 10 - Term and Termination

10.1 This Agreement will become effective June 8, 2011, and shall terminate October 31, 2012, unless otherwise extended in writing. The parties hereto may extend the term of this Agreement for additional periods as desired on mutually acceptable terms and conditions.

10.2 Either party may terminate this Agreement without cause if written notice of termination is given to the other party at least sixty (60) days prior to the proposed termination date. All costs associated with termination shall be allowable including non-cancelable commitments incurred prior to receipt of termination notice and all expenses, which have not been reimbursed to UAHuntsville by XYZ. Any costs and commitments incurred in excess of funds provided shall be invoiced to XYZ and shall be payable within thirty (30) days.

10.3 Termination of this Agreement by either party for any reason will not affect the rights and obligations of the parties accrued prior to the effective date of termination. No termination of this Agreement will affect XYZ's rights and duties under Article 7 (Intellectual Property) hereof, or release the parties hereto from their rights and obligations under Articles 3 (Reports and Conferences), 4 (Task Order), 5 (Use of Name), 6 (Publications), 8 (Grant of Rights), 9 (Confidential Information), 11 (Independent Contractor), 12 (Insurance), and 13 (Product Liability Indemnity).

#### Article 11 - Independent Contractor

11.1 In the performance of all services hereunder:

11.1.1 UAHUNTSVILLE will be deemed to be and will be an independent contractor and, as such, no employees or staff of UAHUNTSVILLE will be entitled to any benefits applicable to employees of XYZ;

11.1.2 Neither party is authorized or empowered to act as agent for the other for any purpose and will not on behalf of the other enter into any contract, warranty, or representation as to any matter. Neither party will be bound by the acts or conduct of the other party.

#### Article 12 - Insurance

12.1 Each party hereby assumes any and all risks of personal injury to its personnel and of property damage that occurs on its premises. XYZ further assumes any and all risks of personal injury to UAHUNTSVILLE personnel while on XYZ's premises to perform Project work. Notwithstanding the foregoing, however, XYZ will be responsible for any damage caused by its equipment furnished to UAHUNTSVILLE for use on Project if researchers use the equipment according to XYZ's written instructions.

#### Article 13 - Product Liability Indemnity

13.1 XYZ shall indemnify and hold UAHuntsville and its trustees, officers and employees (Indemnitees) harmless from and against any claim, demand, liability, damage, loss, or expense (including reasonable attorneys' fees and expenses, whether incurred as the result of a third party claim or a claim to enforce this provision) incurred by or imposed upon any Indemnitee(s) in connection with any third party claims, suits, or judgments arising out of any theory of liability (including tort, warranty, strict liability, or other theory) and regardless whether or not such suit or claim has a factual basis, directly or indirectly arising or resulting from this Agreement, including without limitation, XYZ's breach of any obligation hereunder, its acts or omissions, and the use of the research or its findings.

#### Article 14 - Governing Law

14.1 Any provisions of the Agreement, present or future, to the contrary notwithstanding, the parties stipulate that the law of the State of Alabama, without regard to its conflicts of laws provisions, shall exclusively apply to the this Agreement, and any dispute between the parties. The parties do not agree to venue or jurisdiction of any state or court other than Alabama. Instead, the parties agree that all claims not barred by immunity, nor required to be filed before the Alabama State Board of Adjustment, shall be filed exclusively in the Circuit Court of Madison County, Alabama, or the United States District Court for the Northern District of Alabama, Northeastern Division. Any provisions of the Agreement, present or future, to the contrary notwithstanding, UAHuntsville does not agree to binding arbitration. Accordingly, contrary provisions are stricken and rendered null and void.

#### Article 15 - Assignment

15.1 This Agreement will not be assigned by either party without the prior written consent of the other party hereto, provided however, that XYZ may assign this agreement to any division of XYZ or any subsidiary of XYZ in which over fifty (50) percent of the outstanding stock is owned by XYZ.

Article 16 - Notices

16.1 Notices and communications will be addressed to the party to receive such notice or communications at the address given below, or such other address as may hereafter be designated by notice in writing:

If to XYZ: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to UAHUNTSVILLE  
For Contractual Matters: Gloria Greene, Director  
Office of Sponsored Programs  
University of Alabama Huntsville  
VBRH E-50  
Huntsville, AL 35899

If to UAHUNTSVILLE  
For Technical  
Matters: Dr. John Williams, Associate Director, NMDC  
406 Optics Building\_  
University of Alabama Huntsville  
Huntsville, AL 35899

Article 17 - General

17.1 This instrument contains the entire agreement between the parties with respect to the subject matter hereof, and any representation, promise or condition in connection therewith not incorporated herein will not be binding on either party. If any term of this Agreement is held invalid or unenforceable, such term will be considered omitted from this Agreement and will not affect the validity or enforceability of the rest of this Agreement. No modification to the terms of this Agreement will be valid unless made in writing and signed by authorized representatives of the parties. If work is initiated by a Purchase Order, terms of this Agreement supersede terms of Purchase Order.

17.2 All provisions as to confidentiality shall be construed consistently with, and subject to, any applicable open records acts or freedom of information statutes that govern conduct of UAHuntsville, but only to the extent that such acts or statutes mandate disclosure. UAHuntsville shall not be required to obtain approval or permission of XYZ prior to complying with any such acts.

17.3 This contract may be cancelled by UAHuntsville at any time with 30 days written notice should funds not be available to continue this contract as a result of state legislative action.

17.4 UAHuntsville makes no warranty, express, implied, statutory, or otherwise, as to any matter whatsoever, including, without limitation, infringement and the design, use, originality, fitness for a particular purpose, merchantability, or accuracy of the research or any idea, invention(s) or product(s), whether tangible or intangible, conceived, discovered, or developed under or in connection with this agreement.

17.5 UAHuntsville shall not be liable for any indirect, special, incidental, consequential, punitive, or other damage, loss or expense incurred or suffered by XYZ or any third party regardless of the nature of the claim therefore and even if advised of the possibility of such loss or damage. UAHuntsville's maximum liability to XYZ related to this Agreement shall not exceed the amounts paid by XYX for the project.

17.6 Both parties agree that no technology or technical data received under this Agreement shall be exported or disclosed to any foreign national, firm or country, including foreign nationals employed by or associated with either party, without first complying with the requirements of the International Traffic in Arms Regulation (ITAR), the Export Administration Regulation (EAR), and all other applicable export control regulations of the United States of America, including obtaining an export license or technical assistance agreement, if applicable. Before the research commences or before the effective date of this Agreement, whichever is sooner, XYZ will inform UAHuntsville in writing of the US Department of Commerce Export Control Classification Number and/or the US Department of State Munitions List Categorization (if any) of any technology or technical data that XYZ discloses to UAHuntsville or permits UAHuntsville to utilize under this Agreement. If XYZ learns of an export classification by the US or another government during the course of the research, XYZ shall inform UAHuntsville of such promptly.

17.7 While confidentiality shall be maintained as specified in this Agreement, in all cases this Agreement's existence, the project name, sponsoring organization's name, funding amount, project duration, and identities of UAHuntsville project personnel shall be made available to the UAHuntsville community. UAHuntsville faculty, staff, and students who are working on a sponsored program are informed of such sponsorship and any unique contractual requirements.

17.8 UAHuntsville shall not be liable for any failure to perform as required by this Agreement, to the extent such failure to perform is caused by any reason beyond UAHuntsville's control, or by reason of any of the following occurrences: labor disturbances or disputes of any kind, accident, failure of any governmental approval required for full performance, civil disorder or commotion, act of aggression, terrorism or threat thereof, flood, fire, earthquake, act of God, explosion, shortage or failure of utilities, mechanical breakdown, material shortage, disease, or other similar occurrence.

IN WITNESS WHEREOF, this Agreement has been executed in duplicate by the parties as of the day and year first above written.

"XYZ"

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

"UAHUNTSVILLE"

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX A

### PROJECT

1. **Scope of Work**. The **University** agrees to provide the personnel, services, facilities, supplies and other resources necessary to accomplish the following describe work:

The company will pursue research at the Nano and Micro Devices Center (NMDC) located on the first floor of the Optics Building at the

UAHuntsville campus. The NMDC will provide training, operational aid, and consulting on an as needed basis. The adequacy of a user's training will be determined by the NMDC at its sole discretion. Individual representatives of the company will have user status at the facility. NMDC users are persons that have signed a work agreement with and agreed to by the staff of the NMDC to perform individual or corporate related research tasks within the cleanroom facility. This work agreement allows individuals to enter the cleanroom, obtain training, operate equipment, perform processing for their perspective research project, and store a small number of appropriate documents, substrates, and chemicals within prespecified work areas inside the NMDC. Users are allowed to perform these tasks provided that they do not deviate from the operating plan or safety requirements of the NMDC. Any additional chemicals required by a user for work in the NMDC must be approved and purchased by NMDC staff and will be billed directly to the user's account in the montly statement. Due to the nature of corporate work, the company will have the additional right to provide, store, and maintain a small safe to protect their proprietary interests inside the cleanroom. Saftey protocols prevent chemical storage within the safe. Individual consultations and research projects underdaken by NMDC staff will be charged on an hourly basis.

2. **Rates.** In consideration of the **University's** performance of this Contract, the **Company** shall pay the University as follows:

The 2011/2012 commercial user rate of **\$135.38/hr** which includes common chemicals, deposition materials, facility resources, staff training, and consultation.

This allows the user to operate equipment, fabricate structures, and test devices within the NMDC. Users will be provided general lab training and specific training on each tool used in the laboratory. Users will be restricted to use based on UAHuntsville NMDC safety and operational guidelines.

3. **Hours.** Unless otherwise provided, all work required hereunder shall be provided within the following period of time, which shall constitute the term of this Contract:

**8:00 AM – 5:00 PM during normal operating hours of the University. The NMDC will be closed for use outside of normal business hours and on University holidays.**

4. **Priorities.**

- a. Students and Faculty have priority of facility usage for UAHuntsville.

- b. NMDC staff has priority and right of refusal on any and all equipment in the case of training, misuse, maintenance, repair, or booking conflicts.
- c. Corporate users will be granted access to the facility daily by NMDC staff.
- d. The University is not obligated to repair or replace equipment that fails due to reasonable wear and tear.
- e. Failure due to negligence or misuse by a company employee or representative will be repaired or replaced at the expense of the company.
- f. The company is required to provide proof of insurance in advance for all individual corporate users at the facility.

APPENDIX B

The XYZ agrees to pay the cost of Project described in Appendix A in the amount of \$135.38/hour of laboratory use, in accordance with the payment schedule set forth below. The invoices for the payment of Project will be sent to:

Company \_\_\_\_\_  
Address \_\_\_\_\_  
Phone No. \_\_\_\_\_

Payments will be made to UAHUNTSVILLE and mailed to:

Director  
Office of Sponsored Programs  
University of Alabama Huntsville  
VBRH E-50  
Huntsville, AL 35899

The payment schedule is as follows:

Monthly billing statements provided by UAHuntsville to the company to be paid in full within 30 days of receipt.

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