

UNIVERSITY OF MINNESOTA

INDUSTRIAL PARTNERSHIP FOR RESEARCH IN INTERFACIAL AND MATERIALS ENGINEERING

MEMBER PARTICIPATION AGREEMENT

This Member Participation Agreement (this “Agreement”) is effective as of _____ (the “Effective Date”), and is entered into by the Regents of the University of Minnesota (the “UNIVERSITY”), through its Industrial Partnership for Research in Interfacial and Materials Engineering (“IPRIME”), a collaborative enterprise between UNIVERSITY and participating member companies and

_____ (the “MEMBER”).
(name of participating organization)

PURPOSE

In collaboration with and partially funded by participating member companies, the UNIVERSITY operates IPRIME to implement a coordinated and integrated research program in interfacial engineering and materials research. Through IPRIME, the UNIVERSITY will implement a proactive program to expedite the aggressive transfer of promising technology to industry and to facilitate interaction between member companies and UNIVERSITY faculty. A full description of IPRIME and its programs is provided at www.iprime.umn.edu. This Agreement sets forth the rights attendant to membership in IPRIME. This Agreement does not govern proprietary directed research that may be desired by the MEMBER. The UNIVERSITY and the MEMBER may enter into a separate sponsored project agreement to govern such arrangements.

A. DESCRIPTION OF PARTICIPATION

1. Membership Privileges.

A membership is effective for one calendar year from the Effective Date and is renewed as provided below in section D. Membership includes notices of all meetings, reviews, symposia, and prepublications regarding selected Program Areas along with newsletters and notices of workshops and short courses and a right to reasonable technical discussion with faculty members in selected Program Areas. Upon the approval of IPRIME’S Planning and Policy Board, the UNIVERSITY may change the amount of the membership fees, the terms of membership or both.

2. Membership Levels.

There are three categories of membership in IPRIME: PARTNER, AFFILIATE and SMALL COMPANY:

- a. **PARTNER:** During the term of its membership, a PARTNER may participate in up to four (4) IPRIME Program Areas. A PARTNER may appoint one person to IPRIME’S Planning and Policy Board. A PARTNER may appoint one person to each Technical Advisory Committee of each Program Areas in which it participates.
- b. **AFFILIATE:** During the term of its membership, an AFFILIATE may participate in any one or two Program areas of IPRIME. An AFFILIATE may appoint one person to each Technical Advisory Committee of each Program Area in which it participates.
- c. **SMALL COMPANY MEMBER:** During the term of its membership, a SMALL COMPANY MEMBER may participate in one Program Area of IPRIME. A SMALL

COMPANY MEMBER may appoint one person to the Technical Advisory Committee of the Program Area in which it participates.

The MEMBER has chosen to join IPRIME as a:

- _____ PARTNER
- _____ AFFILIATE, or
- _____ SMALL COMPANY.

The MEMBER has chosen to participate in the following IPRIME Program Areas:

Upon prior written notice to the UNIVERSITY and effective as of the renewal date of this Agreement, the MEMBER, consistent with its membership level, may change the IPRIME Program Areas in which it participates.

B. RESIDENCY PROGRAM

In order to achieve more effective technology transfer, a PARTNER may elect to participate in a Residency (Industrial Fellow) Program where PARTNER supports an employee to do appropriate research at UNIVERSITY for at least one (1) and up to twelve (12) months in the twelve (12) months following the Effective Date. The PARTNER'S membership payment includes participation in the Residency Program.

An IPRIME Resident at the University will continue to receive his/her regular salary and/or remuneration in accordance with terms and conditions of his/her relationship with PARTNER. However, the UNIVERSITY will provide space and any normal expense incurred (e.g., materials, supplies) by an IPRIME Resident as part of the IPRIME research program.

C. INTELLECTUAL PROPERTY

1. Ownership of Intellectual Property.

The UNIVERSITY shall own all rights, titles and interests in any invention, work or other form of intellectual property (each, a "UNIVERSITY INVENTION") created, authored or conceived of solely by employees and students of the UNIVERSITY under any IPRIME program area. The MEMBER shall own all rights, titles and interests in any invention, work or other form of intellectual property created, authored or conceived of solely by employees of the MEMBER under any IPRIME program area. The UNIVERSITY and the MEMBER shall jointly own

(without a duty to account) all rights, titles and interests in any invention, work or other form of intellectual property (each, a "JOINT INVENTION") created, authored or conceived of solely and jointly by employees of the MEMBER and employees and students of the UNIVERSITY under any IPRIME program area. The parties agree that inventorship shall be determined pursuant to United States patent law and authorship under United States copyright law.

2. Rights in Intellectual Property.

For each UNIVERSITY INVENTION created during the term of this Agreement, the UNIVERSITY hereby grants the MEMBER an option on the terms set forth in this section to enter into a royalty-bearing, non-exclusive license. The option exercise period shall commence on the date on which the UNIVERSITY delivers to the MEMBER written notice of the creation of the UNIVERSITY INVENTION and shall end ninety (90) days thereafter. The MEMBER may exercise this option by delivering to the UNIVERSITY a written notice of exercise during the option exercise period. Upon such exercise, the MEMBER and the UNIVERSITY shall promptly enter into good faith negotiations with a view towards entering into a royalty-bearing, non-exclusive license. (If no other member of the IPRIME exercises a similar option to the UNIVERSITY INVENTION, the UNIVERSITY may offer to grant the MEMBER a royalty-bearing, exclusive license.) This section shall apply only to UNIVERSITY INVENTIONS (i) arising out of the Program Area in which the MEMBER participated, (ii) that were funded, in whole or part, by IPRIME funds, and (iii) are free of any rights granted by the UNIVERSITY to the United States of America or any other research sponsor.

3. Joint Inventions.

A party shall promptly notify the other party of the conception and reduction to practice of any patentable JOINT INVENTION. The parties shall cooperate in seeking patent protection for any joint inventions conceived of under an IPRIME Program Area. Unless the parties otherwise agree, the parties shall jointly decide whether to seek patent protection and in which countries. Upon the conception of a joint invention, the parties shall enter into good faith negotiations with a view towards reaching agreement on the prosecution of any such patents and the parties' respective rights to license and use the joint invention.

4. Publication.

- a. It is the policy of the UNIVERSITY to promote and safeguard free and open inquiry by faculty, students, and others and to protect its intellectual property. To further these policy goals, either party has the unconditional right to publish the results of the research done within IPRIME subject to the terms of this section 4.
- b. Each party shall take steps to ensure that publications give proper credit to the other party for the cooperative character of the investigation. No commercial brands or trade names shall appear in the publication of the results except as such brand or trade name is essential in the description of the research, nor shall the name of the UNIVERSITY be used by MEMBER in any way for advertising purposes.

D. TERM AND TERMINATION

1. Term and Renewal.

The term of the MEMBER'S membership under this Agreement shall commence on the Effective Date and, unless terminated earlier under this Agreement, shall expire on the first anniversary of the Effective Date. The term of this Agreement and the MEMBER'S membership automatically and without further action by a party shall extend for an additional one year period unless a party delivers to the other party a written notice of its intention not to renew this Agreement no less

than ninety (90) days prior to the last day of the term of this Agreement. In connection with any renewal of this Agreement, the UNIVERSITY may phase out use of this Agreement and the UNIVERSITY may decline to agree to renewals under the terms of this Agreement and may accept renewals only under the terms of a revised agreement.

2. Termination by the UNIVERSITY.

- a. In the event the MEMBER fails to perform an obligation under this Agreement or of its membership, the UNIVERSITY may deliver to the MEMBER a written notice of default. The University may terminate this Agreement and the MEMBER'S membership if the MEMBER fails to cure such breach and perform its obligations within thirty (30) days of the MEMBER'S receipt of the notice of default.
- b. Upon one year's prior written notice to the MEMBER, the UNIVERSITY may terminate this Agreement but only in connection with the termination of IPRIME.

3. Termination by the MEMBER.

At any time during the term of this Agreement, a MEMBER may terminate its membership hereunder by delivering to the UNIVERSITY a written notice of termination at least ninety (90) days prior to the Effective Date of termination. Early termination of this Agreement shall not entitle the MEMBER to a refund of any portion of its membership fee or relieve the MEMBER of any obligation incurred prior to the date of termination. Any license granted under this Agreement prior to termination shall survive the termination.

E. ASSIGNMENT

A party may assign its rights and obligations under this AGREEMENT only with the prior written consent of the other party. A party shall not have the right or power to assign this Agreement in violation of this section and any such assignment shall be void.

F. GOVERNING LAW

The internal laws of the state of Minnesota shall govern the validity, construction, and enforceability of this Agreement, without giving effect to the conflict of laws principles thereof.

G. SCOPE

This Agreement contains all agreements and covenants between the parties on the subject matter of this Agreement. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto, unless otherwise reduced to writing in a mutually acceptable Addendum (hereinafter "ADDENDUM") that has been signed by a duly authorized representative of each of the parties to Agreement.

H. INDEPENDENT CONTRACTOR

In entering into, and performing their duties under, this Agreement, the parties are acting as independent contractors and independent employers. No provision of this Agreement shall create or be construed as creating a partnership, joint venture, or agency relationship between the parties. No party shall have the authority to act for or bind the other party in any respect. The

parties' respective employees shall not be entitled to any benefits applicable to employees of the other party.

I. LIABILITIES AND WARRANTIES

Each party shall be responsible for the acts and omissions of its employees and agents to the extent permitted by law. **This Agreement contains no promise of indemnification, express or implied, between the parties. Neither party makes any express or implied warranties as to any matter, including the condition, originality or accuracy of the research or ownership, merchantability or fitness for a particular purpose of the research or any invention arising therefrom.**

Even if advised of the possibility of such damages, in no event shall either party be liable for personal injury or loss, work stoppage, lost data, or any other reliance or expectancy damages, direct or indirect, or for special or consequential damages of any kind.

J. NOTICES

All notices, requests and other communications that a party is required or elects to deliver shall be in writing and shall be delivered personally, or by facsimile or electronic mail (provided that such delivery is confirmed), or by a recognized overnight courier service or by United States mail, first-class, certified, or registered, postage pre-paid, return receipt requested, to the other party at its address set forth below or to such other address as such party may designate by notice given pursuant to this section.

If to MEMBER:

Name of Member

Name of Contact Person

Title and Address of Contact Person

Telephone Number of Contact Person

Fax Number of Contact Person

E-mail Address of Contact Person

If to UNIVERSITY:

IPRIME
Director of Technology Transfer
151 Amundson Hall
421 Washington Ave SE
Minneapolis, MN 55455
Telephone: (612) 625 1269
Fax: (612) 626 1686
E-Mail: iprime@umn.edu

IN WITNESS WHEREOF, by their duly authorized representatives, the parties hereto have duly executed and delivered this Agreement as of the Effective Date.

Regents of the University of Minnesota

Name of Sponsor

Name of Authorized Signer

Title

Signature

Date of Signature

Name of Authorized Signer

Title

Signature

Date of Signature