

**Collaboration Agreement**  
University Maine  
Orono, Maine

THIS AGREEMENT, effective this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, is by and between The University of Maine System, a body politic and corporate and an instrumentality and agency of the State of Maine acting through the University of Maine (hereinafter referred to as "UMAINE") and [Company] (hereinafter referred to as "COMPANY").

**Recitals**

1. The research program contemplated by this agreement is of mutual interest and benefit to UMAINE and COMPANY, will further the multiple missions of UMAINE (Instruction, Research, and Public Service) in a manner consistent with its status as a non-profit, tax-exempt, educational institution, and may derive benefits for the COMPANY, UMAINE, and society by the advancement of science and engineering through discovery;
2. COMPANY has expressed a desire to engage UMAINE to create or enhance technologies that will assist in COMPANY's development and commercialization of new products and/or processes;
3. UMAINE's research and development capabilities reflect a substantial public investment which UMAINE, as a part of its mission as a State of Maine University, wishes to utilize in a cooperative and collaborative research effort with COMPANY in order to meet the above stated needs;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth below, the parties hereto agree to the following:

**Article 1 - Definitions**

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

1.1 "WORK PLAN" shall mean the description of the project as described in Appendix A hereof, under the direction of \_\_\_\_\_ as Principal Investigator.

1.2 "Contract Period" is \_\_\_\_\_ through \_\_\_\_\_.

1.3 Background Intellectual Property

(a) "Background Intellectual Property" means the legal rights relating to inventions discoveries, improvements, trade secrets, formulas, techniques, processes, know-how and show-how, whether or not patented, as well as patent applications (divisions, continuations, or substitutions of such applications and all reissues thereof), patents, copyrights, trademarks, and computer programs, first made or generated by the Parties prior to signing of this agreement.

(b) In the event any or all Parties own or otherwise control Background Intellectual Property that is necessary for the commercialization of the results of this WORK PLAN, the Parties agree that to the extent they have the right to do so, each will extend to the other an opportunity to negotiate, in good faith and on terms that are fair and reasonable, license rights to Background Intellectual Property to the extent such background license rights are necessary to the commercialization of WORK PLAN results.

In the case of Background Intellectual Property of UMAINE, this paragraph shall apply only to that intellectual property, which has been developed, in whole or in part, by UMAINE's Principal Investigator(s) and other UMAINE faculty, graduate students and staff participating in this WORK PLAN. Background Intellectual Property of UMAINE includes but is not limited to the U.S. Patent Application titled " \_\_\_\_\_ " filed on behalf of the University of Maine System's Board of Trustees.

#### 1.4 Project Intellectual Property.

(a) "Project Intellectual Property" means the legal rights relating to certain inventions and discoveries (including Subject Inventions as defined in 37 CFR 401 conceived and/or made in performance of this WORK PLAN and resulting patent applications (divisions, continuations, or substitutions of such applications and all reissues thereof), patents, copyrights, trademarks, mask works, and computer software, first made or generated under the terms of this Agreement.

(b) The rights of the Parties to subject inventions made by their employees in the performance of this WORK PLAN shall be as set forth in the Patent rights clause of 37 CFR 401.14. Unless otherwise agreed in writing, Project Intellectual Property shall be owned by the party whose employees make or generate the Project Intellectual Property. If the sole inventor of the Project Intellectual Property is a UMAINE employee or agent, it shall be considered "UMAINE Project Intellectual Property." Jointly made or generated Project Intellectual Property shall be jointly owned by the Parties unless otherwise agreed in writing and considered "Shared Project Intellectual Property". Employees of UMAINE, whether serving as advisors or consultants to COMPANY or serving COMPANY in any other capacity, shall be considered employees of UMAINE for the purpose of determining ownership of Project Intellectual Property.

1.5 "Proprietary Information" means any written information and data marked proprietary or non-written information and data disclosed which is identified at the time of disclosure as proprietary and is reduced to writing and transmitted to the other party within sixty (60) days of such non-written disclosure.

#### **Article 2 - Work**

UMAINE shall commence the performance of WORK PLAN on the first day of contract period and shall use reasonable best efforts to perform such WORK PLAN substantially in accordance with the terms and conditions of this Agreement. Anything in this Agreement to the contrary notwithstanding, COMPANY and UMAINE may at any time amend WORK PLAN by mutual written agreement.

#### **Article 3 - Reports**

The Principal Investigator(s) shall furnish COMPANY quarterly letter reports summarizing progress on the project. The Principal Investigator(s) shall prepare and submit, on behalf of UMAINE, a final report to the COMPANY within sixty (60) days of conclusion of the Contract Period.

**Article 4 - Fiscal Considerations** (may be modified to be dependant on pursuit of funding, internal funding, third party sponsored funding)

4.1 It is agreed to and understood by the parties hereto that total costs to COMPANY hereunder shall be the fixed sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_). Payment shall be made upon receipt of quarterly invoices for equal amounts, commencing thirty (30) days after the execution of this Agreement. Payment shall be made by COMPANY within thirty (30) days of receipt of invoice.

4.2 UMAINE shall retain title to any equipment purchased with funds provided by COMPANY under this Agreement.

4.3 In the event of early termination of this Agreement pursuant to Article 9 hereof, COMPANY shall pay all reasonable costs and non-cancelable obligations incurred by UMAINE as of the date of termination.

#### **Article 5 - Publicity**

Neither party will use the name of the other party, nor of any member of the other party's employees, in any publicity, advertising, or news release without the prior written approval of an authorized representative of that party.

## **Article 6 - Publication**

- 6.1 It is the purpose of this clause, in conjunction with Article 7 - Confidentiality, to balance the COMPANY's need to protect commercially feasible technologies, products, or processes with the UMAINE's public responsibility to freely disseminate scientific findings for the advancement of knowledge. UMAINE recognizes that the public dissemination of information based upon the research performed under this agreement cannot contain Proprietary Information nor should it jeopardize COMPANY's ability to commercialize Project Intellectual Property developed hereunder. Further, UMAINE acknowledges that commercially sensitive information related to the design or composition of specified products or processes is not of general interest, while its confidentiality may be critical to the commercialization of said products or processes. Similarly, COMPANY recognizes that the scientific results of UMAINE Research must be publishable and, subject to the confidentiality provisions of the agreement, may be presented at symposium, national or regional professional meetings or be published in journals, theses, or dissertations.
- 6.2 UMAINE agrees not to publish or otherwise disclose Proprietary Information. COMPANY agrees that UMAINE, subject to review by COMPANY, shall have the right to publish results of the WORK PLAN which are not proprietary to the design or composition of specified products or processes derived from the WORK PLAN. COMPANY shall be furnished copies of any proposed publication or presentation at least 60 days before submission of such proposed publication or presentation. During that time, COMPANY shall have the right to review the material for Proprietary Information provided by the COMPANY and to assess the patentability of any invention described in the material. If the COMPANY decides that a patent application should be filed, the publication or presentation shall be delayed an additional seventy-five (75) days or until a patent application is filed, whichever is sooner. At COMPANY's request, Proprietary Information provided by COMPANY shall be deleted.

## **Article 7 - Confidentiality**

- 7.1 During the Contract Period, the parties may be disclosing Proprietary Information to each other. Prior to disclosure by COMPANY, COMPANY shall notify UMAINE's Principal Investigator(s) of its intent to disclose proprietary information; and UMAINE Principal Investigator(s) shall have the right to decline receipt of said information. Said Proprietary Information shall be sent only to the Principal Investigator(s). Each party agrees to treat Proprietary Information received from the other with the same degree of secrecy with which it treats its own Proprietary Information and further agrees not to disclose such Proprietary Information to a third party without prior written consent from the disclosing party.
- 7.2 The foregoing obligations of non-disclosure do not apply to Proprietary Information which:
- (a) was known to the recipient prior to the disclosure hereunder;
  - (b) was received from a third party not under an obligation of confidence to recipient;
  - (c) is in the public domain at the time of disclosure hereunder or subsequently entered the public domain without the fault of the recipient;
  - (d) has been independently developed by an employee of recipient that has not had access directly or indirectly to such Proprietary Information, and recipient can substantiate any claim of independent development by written evidence; or
  - (e) is required to be disclosed by law.
- 7.3 Unless otherwise agreed to in writing, neither party shall have any obligation of secrecy under this Agreement after the fifth anniversary of the Termination date.

## Article 8 - Intellectual Property

- 8.1 The purpose of this clause is to balance COMPANY's ability to reasonably exploit, with due competitive advantage, the commercial viability of technologies, products, or processes with UMAINE's responsibility to ensure the broadest public benefit from the results of UMAINE Research. UMAINE recognizes that one of the prime reasons COMPANY has entered this Collaboration Agreement is an effort to secure, through the creation or enhancement of technologies, a market position with regard to its products or processes. At the same time, COMPANY recognizes that UMAINE has an obligation to utilize the knowledge and technology generated by UMAINE Research in a manner which maximizes societal benefit and economic development and which provides for the education of graduate and undergraduate students.
- 8.2 UMAINE will promptly disclose to COMPANY in writing any Intellectual Property made during the Research performed hereunder. Such disclosure shall be sufficiently detailed for COMPANY to access the commercial viability of the technology and shall be provided and maintained by COMPANY in confidence pursuant to the terms of Article 7. COMPANY shall have up to ninety (90) days from the receipt of the disclosure to inform UMAINE whether it elects to have UMAINE file a patent application thereon pursuant to the procedures set forth below.
- 8.3 All rights and title to UMAINE Project Intellectual Property shall be subject to COMPANY's licensing terms below and belong to UMAINE. UMAINE hereby grants COMPANY the first option to negotiate a license to UMAINE Project Intellectual Property. Such license shall be non-exclusive or upon COMPANY's election (and to the extent UMAINE may be free to do so under federal law) exclusive within the COMPANY's field of commercial interest. Terms and conditions of such license, including specification of sub-licensing rights and royalties, are to be negotiated in good faith and agreed upon between UMAINE and COMPANY. This option shall extend until termination of the Agreement or upon filing of a patent application. COMPANY shall have upon election ninety (90) days to negotiate a license, which period can be extended by mutual agreement. In the event the parties fail to reach a mutually acceptable license agreement within the above specified time period, UMAINE shall be entitled to negotiate in good faith with one or more third parties a license under any UMAINE Project Intellectual Property, upon terms no more favorable to the third party than offered to COMPANY by UMAINE.
- 8.4 UMAINE shall promptly file and prosecute patent applications related to UMAINE Project Intellectual Property, using counsel of UMAINE's choice after due consultation with COMPANY. UMAINE shall keep COMPANY advised as to all developments with respect to application(s) and shall promptly supply copies of all papers received and filed in connection with the prosecution in sufficient time for COMPANY to comment. COMPANY's comments shall be taken into consideration. COMPANY shall reimburse UMAINE for all reasonable out-of-pocket costs incurred in connection with such preparation, filing, and prosecution of patent(s).
- 8.5 Within nine (9) months of the filing date of a U.S. patent application, the COMPANY shall provide to UMAINE a written list of foreign countries in which applications should be filed. If COMPANY elects to discontinue financial support of any patent prosecution, in any country, UMAINE shall be free to continue prosecution at UMAINE's expense. In such event, UMAINE shall have no further obligation to COMPANY in regard to such patent applications or patents.
- 8.6 All rights and title to Shared Project Intellectual Property shall belong to UMAINE and COMPANY jointly. UMAINE and COMPANY agree to negotiate in good faith the terms of license or other arrangement under which UMAINE would be compensated for its share of the ownership of Shared Project Intellectual Property. In the event that company declines to commercialize Shared Project Intellectual Property, the parties may jointly negotiate with one or more third parties a license under Shared Project Intellectual Property.
- 8.7 COMPANY shall file and prosecute patent applications related to Shared Project Intellectual Property, using counsel of COMPANY's selection after due consultation with UMAINE. Such applications will properly identify UMAINE's interest in the co-invented product or process. COMPANY shall keep UMAINE advised of all developments with respect to such applications and promptly supply copies of all relevant documentation

to UMAINE. COMPANY shall be solely responsible for all costs incurred in connection with such preparation, filing, and prosecution of such patent(s).

8.8 Copyright to copyrightable materials, including computer software, resulting from the Research funded under this Agreement shall vest in UMAINE. UMAINE shall grant COMPANY an option to license any such material(s) it wishes to develop for commercial purposes on reasonable terms and conditions, including a reasonable royalty, as the parties agree in subsequent writing.

8.9 COMPANY understands that UMAINE must comply with the provisions of the Bayh-Dole Act. To the extent that government's approval may be deemed necessary to transfer license rights hereunder to COMPANY, COMPANY shall provide whatever reasonable assistance is required, and will reimburse UMAINE for all external costs associated therewith.

#### **Article 9 – Termination**

9.1 Either party may terminate this Agreement upon ninety (90) days prior written notice to the other, but such notice may not be given earlier than ninety (90) days before the end of the contract period.

9.2 In the event that the either party hereto shall commit any material breach of or default in any terms or conditions of this Agreement, and also shall fail to reasonably remedy such default or breach within sixty (60) days after receipt of written notice thereof, the non-breaching party may, at its option and in addition to any other remedies which it may have at law or in equity, terminate this Agreement by sending notice of termination in writing to the other party to such effect. Termination shall be effective as of the day of the receipt of such notice.

9.3 Termination of this Agreement by either party for any reason shall not affect the rights and obligations of the parties accrued prior to the effective date of termination of this Agreement, except insofar as COMPANY's breach of contract for failure to make payments under Article 4 shall cause COMPANY to forfeit its rights under Article 8. The rights and obligations of Article 7 of this Agreement shall survive termination.

#### **Article 10 - Independent Contractor**

10.1 In the performance of all services hereunder, UMAINE shall be deemed to be and shall be an Independent Contractor.

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

#### **Article 11 – Indemnity**

Each party assumes all risks of personal injury and property damage caused by the negligent acts or omissions of that party. Except as provided above, COMPANY shall fully indemnify and hold harmless UMAINE against all claims arising out of COMPANY's use, commercialization, or distribution of information, materials or products which result in whole or in part from the research performed pursuant to this Agreement. COMPANY will hold UMAINE harmless from any claims arising from third party claims that the work performed hereunder infringes third party intellectual property rights. UMAINE has no knowledge of any such claims.

#### **Article 12 – Notices**

Notices, invoices, communications, and payments hereunder shall be deemed made if given by overnight courier or by registered or certified envelope, post prepaid, and addressed to the party to receive such notice, invoice or communication at the address given below or such other address as may hereafter be designated by notice in writing:

If to COMPANY:  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

If to UMAINE:  
James S. Ward, IV  
University of Maine  
5717 Corbett Hall, Room 430  
Orono, Maine 04469-5717  
207-581-2201

If Technical Issue:  
PI: \_\_\_\_\_  
University of Maine  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

If Payment Matter:  
Chris Coplin  
University of Maine  
5717 Corbett Hall, Room 428  
Orono, Maine 04469-5717  
207-581-2238

Notice given pursuant to this Article shall be effective as of the day of receipt of notice.

### **Article 13 - Governing Law**

This Agreement shall be governed and construed in accordance with laws of the State of Maine.

### **Article 14 – Arbitration**

The parties shall make all reasonable attempts to amicably resolve disagreements arising out of this Agreement or from a breach thereof. When a written exchange between the parties indicates an inability to so resolve such a disagreement, the matter shall be submitted to final and binding arbitration, and the judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. There shall be three independent arbitrators, one named in writing by each party to this agreement within fifteen (15) days after notice of arbitration is served by either party upon the other, and a third arbitrator selected by these two arbitrators within ten (10) days thereafter. All arbitration procedures shall be conducted pursuant to the standard form of the rules of the American Arbitration Association. An arbitration hearing shall be conducted within one hundred and twenty (120) days of the date the final arbitrator is selected hereunder, and the location of the arbitration shall be determined by the arbitration panel. The arbitration panel shall assess the costs of said arbitration, including necessary travel, against the non-prevailing party.

### **Article 15 - General Provisions**

**15.1 Non-Assignability** - The rights and obligations of the parties under this Agreement shall not be assignable without written permission of the other party.

**15.2 Severability** - If any provision hereof is held unenforceable or void, the remaining provisions shall be enforced in accordance with their terms.

**15.3 Entire Agreement** - This Agreement contains the entire and only agreement between the parties respecting the subject matter hereof and supersedes or cancels all previous negotiations, agreements, commitments and writings between the parties on the subject of this Agreement. Should processing of this agreement require issuance of a purchase order or other contractual document, all terms and conditions of said document are hereby deleted in entirety. This Agreement may not be amended in any manner except by an instrument in writing signed by the duly authorized representatives of each of the parties hereto.

### **15.4 Export Control Regulations**

It is the policy of UMAINE to remain fully compliant at all times with all U.S. export control regulations, including but not limited to the Export Administration Regulations; International Traffic in Arms Regulations; and embargo sanctions under the Office of Foreign Assets Control (OFAC). Therefore, in the event that COMPANY wishes to provide export controlled data or information to UMAINE during the course of activity under this Agreement, COMPANY must first notify UMAINE of its intention to provide this data at least 30

days in advance of actually providing this data or information, and indicate who at UMAINE will be the intended recipient. UMAINE will then determine whether it can or cannot accept such data, the conditions for such receipt if agreed upon, and communicate said determination back to COMPANY.

COMPANY agrees that it shall comply with all applicable export control regulations of the United States of America. COMPANY shall be responsible for obtaining all information regarding such regulations that is necessary for COMPANY to comply with such regulations.

**15.5 Compliance** - If the scope of work involves vertebrates and UMAINE personnel have any responsibility for animal care (including non-handling monitoring), then the work requires a protocol of the procedures approved by UMAINE's Institutional Animal Care and Use Committee (IACUC). Please contact IACUC at [umric@maine.edu](mailto:umric@maine.edu), 207-581-1498 or 207-581-2657 to discuss the procedure for applying for this approval.

If the scope of work involves vertebrates, but UMAINE personnel will not have any responsibility for animal care (including non-handling monitoring), then COMPANY must abide by all federal regulations regarding the humane care and use of animals.

IN WITNESS WHEREOF, the parties have caused these presents to be executed in duplicate as of the day and year first above written.

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Signed By: James S. Ward, IV Vice President of Innovation and Economic Development	Date
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Signed By: An Authorized Official of the COMPANY	Date
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