



MEMORANDUM OF AGREEMENT

This Memorandum of Agreement by and between
The Pennsylvania State University,
University Park, Pennsylvania
(hereinafter called the “University”) and

(hereinafter called the “Member”)

in support of the Center for Dielectric Studies
(hereinafter called the “Center”)

The conditions covering this membership agreement shall be:

1. Center Objectives:
 - a) New Members: The initial membership period required of a new Center member is two (2) years. The initial membership period covered by this agreement is _____ through _____. Unless special invoicing arrangements are set forth elsewhere in this agreement, the annual membership payment is due and payable within sixty (60) days upon receipt of an invoice to the Member by the University. The annual payment will be at the then established amount. The annual payment is \$8,500.
 - b) Continuing Members. The initial period covered by this agreement is one (1) year period beginning _____. Unless special invoicing arrangements are set forth elsewhere in this agreement, the annual membership payment is due and payable within sixty (60) days upon receipt of an invoice to the Member by the University. The annual payment will be at the then established amount. The annual payment is currently \$8,500.
2. Personnel and Facilities: The University shall secure the personnel and provide laboratory facilities and library service to carry on the activities of the Center.

3. Industrial Advisory Board: There will be an Industrial Advisory Board of one representative from each Member. This board makes recommendations on the research projects to be carried out by the Center and to the Center Director regarding the level of interest in patenting new Center Invention Disclosures.
4. Reports: The Center shall make short progress reports to the Members quarterly and a detailed yearly report covering the work of the Center from April 1–March 31 of each year. Such information shall be treated as Center proprietary information and may only be disclosed to the Member in accordance with Article 7.
5. Patents and Inventions:

U. S. Patent Rights:

Members will receive a right of first option to obtain a non-exclusive royalty free license under the U.S. patent rights for inventions that were solely funded by Center membership support (Center Inventions). Licenses under the U.S. patent rights for Center Inventions will be offered to Members in good standing on the date that the Center Invention is disclosed to the University Intellectual Property Office. The University will apply for U.S. provisional patent applications to protect Center Inventions on behalf of the Center. During the period of protection provided by the U.S. provisional patent application, each member will decide whether or not to license patent rights for the Center Invention. Members must inform the Center and the University of their decision to license at least two months prior to the U.S. provisional patent application conversion date. Members electing to license will be responsible for a proportional share of patent expenses. Patent expenses will be divided equally among all Members electing a license. Members that join the Center after the U.S. provisional patent application protecting a Center Invention is filed and Members that elected not to obtain a non-exclusive royalty-free license may negotiate a license from the University. If no Member elects to license the Center Invention, then a license can be offered to non-Members by the University.

Foreign Patent Rights:

Each Member will be asked to elect in writing whether they desire a non-exclusive royalty-free license under corresponding foreign patent rights and if so in which countries at least two months prior to the U.S. provisional patent application conversion date. Members electing to license will be responsible for a proportional share of patent expenses in the country or countries selected. Patent expenses will be divided equally among all Members electing a license in the selected country or countries and must be paid in advance. Members that join the Center after the U.S. provisional patent application protecting a

Center Invention is filed may negotiate a license under foreign patent rights from the University. If no Member elects to license the Center Invention in a certain country, then a license can be offered in that country to non-Members by the University.

Licenses: Licenses offered to Members shall include the rights to make, have made, use and sell the patented subject matter. Licenses granted under U.S. patent rights shall include the right to sell and use devices covered by any corresponding foreign patent rights, however, not including the right to make or have made said devices under said foreign patent rights.

Patent Prosecution and Maintenance Fees: The costs of obtaining U.S. patent protection will be divided on a pro-rata basis among those Center Members who have elected U.S. patent rights. The costs of obtaining foreign patent protection will be divided upon a pro-rata basis among those Center Members who have elected foreign patent rights.

Non-Exclusive License Issue Fees: Center Members will be charged a license issue fee upon execution of a licensing agreement. The license issue fee is in addition to the basic membership fee and will be determined on a case by case basis. University and Center Members agree that non-exclusive issue fees will not exceed fifteen thousand US dollars (US\$15,000.00) per Member.

New Member Rights: When a Center Invention has been licensed non-exclusively, organizations not Members at the time of the making of that invention may be granted the same rights as Members, only after becoming a Member and paying the accumulated yearly membership fees to the Center initiating from the year of the disclosure. All of this fee will be contributed by the Center to further Center research.

Other Support: If Governmental support has been provided to the Center Invention, the above procedures will be modified to correspond to applicable Governmental patent regulations. If other external sponsorship has funded the Center Invention, rights granted to the external sponsor shall take precedence over the Member's rights set forth above.

6. Publications: The sole and exclusive rights to publication of these investigations and the results thereof is hereby reserved to and shall remain the property of the University.

The Member, however, shall have the opportunity to review any paper containing any of the results of the research program prior to the submission of the paper for publication. Where a Member considers that the paper overlapped material proprietary to that

member, that member upon a written request within sixty (60) days from the date the proposed publication was received by the member shall be granted a delay in the publication not to exceed six (6) months from the date of the request to permit the filing of either U.S. or foreign patent applications.

7. Confidential Communications:

Member understands that pursuant to Article 4, University will be sending to Member pursuant to Article 5, Center Invention Disclosures. In such event, Center Invention Disclosures shall be sent by University directly to the person listed in Article 10, and shall be clearly marked "CONFIDENTIAL" or "PROPRIETARY." Member agrees to use the same degree of care it uses to protect its own commercially valuable proprietary information in protecting information made hereunder. Member shall only make said information available to those employees who have a need to know. Subject to the requirement to license issued patents under Article 5, Member shall be permitted to use said Center Invention Disclosures internally, but shall not be permitted to disclose said information to third parties or to those employees who do not have a need to know. Member's obligations hereunder shall not apply to information which was: 1) part of the public domain; 2) independently developed by Member, or 3) obtained by Member from a third party. Such obligation shall expire 3 years from the date of the Center Invention Disclosure.

8. Publicity:

No advertising or publicity matter having or containing any reference to the University or in which the name of the University is mentioned shall be made use of by the Member until written approval has been obtained from the University's Public Information Office.

9. Supersedure:

This agreement supersedes and replaces any previous arrangements, oral or written, between the parties hereto pertaining to this agreement.

10. Representation:

The Member agrees to designate an official representative through which all official correspondence and interaction will be made.

Official Representative: _____

Title: _____

Address: _____

Phone: _____

Fax: _____

Email: _____

11. Termination: This agreement may be terminated by either party hereto by giving written notice to the other party one hundred and twenty (120) days in advance of a specified anniversary date of the agreement. In the event of the termination Member forfeits all rights granted under Article 5. The rights and obligations of Article 7 Confidential Communications shall survive termination.

12. 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, 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.

13. Satellite Sites: Satellite Research Sites may be established at other universities and will be subject to the Center for Dielectric Studies Memorandum of Agreement, except with the following modifications:

1. In Article 5, Patents and Inventions, the term University may refer to the university at which the work is performed (or the universities identified on the invention disclosure statement), if said university so requests. If such is the case, any royalties derived from licensing any patent will be payable to said university(ies) and will be distributed as follows:

Said university (or universities)	25%
Center for Dielectric Studies	25%
Members underwriting patent costs	50%

2. In Article 6, Publications, the term University may refer to the university(ies) at which the work is being performed.

In witness whereof, the parties execute this agreement.

The Pennsylvania State University

Name: _____

Title: _____

Signature: _____

Date: _____

03/29/02