

IoT4Ag Engineering Research Center Industry Member Agreement

This IoT4Ag Engineering Research Center Industry Member Agreement (“Agreement”) is made as of _____ (“Effective Date”) between The University of Pennsylvania, a non-profit, tax-exempt educational institution organized and existing under the laws of the Commonwealth of Pennsylvania, with an address at Hayden Hall, 3320 Smith Walk, Room 309, Philadelphia, PA 19104 (“PENN”), on behalf of the Center for the Internet of Things for Agriculture (“the Center”), and _____, a corporation organized and existing under the laws of _____, with an address at _____ (referred to herein as “_____”).

WHEREAS, PENN has received funding from the National Science Foundation (“NSF”) to act as the “Lead Institution” under the Engineering Research Center (“ERC”) program and has joined together with the University of Florida, University of California – MERCED, and Purdue University (each of which may be referred to herein individually as an “Institution Member” or in any combination as “Institution Members”, PENN and the Institution Members collectively being the “Core Institution Members”) to establish the Center, headquartered at PENN for the purpose of stimulating industrial innovation in the area of precision agriculture; and

WHEREAS, the Center has also sought industry members such as _____ to support the Center (each of which may be referred to herein as an “Industry Member” or collectively as the “Industry Members”). The Industry Members and the Core Institution Members may each be referred to herein as a “Center Member” or collectively as the “Center Members”.

NOW, THEREFORE, PENN and _____ (“Party” or “Parties”) hereby agree to the following terms and conditions.

This Agreement shall be valid for an annual term beginning on the Effective Date and may be renewed on an annual basis by continued payment of the annual membership fee (the first such annual term following the Effective Date set forth above is referred to herein as the “Initial Term”).

1. CENTER ORGANIZATION

1.1 Definitions

- a. “Affiliate(s)” as used herein means companies, controlled by, controlling or under common control as a party to the Agreement, with control being defined as direct or indirect ownership of over fifty percent (50% of the outstanding voting securities of an entity).
- b. “Center Director” as used herein means Professor Cherie Kagan (“Center Director”), a faculty member at PENN.
- c. “Life of the Center” as used herein means from the Effective Date until the expiration or termination of the NSF award for the Center.
- d. “Core Research” as used herein means research that the Executive Committee (as defined below) determines shall be: (a) conducted through the Center by faculty, students and staff from Core Institution Members, and (b) financially supported by funds from NSF ERC program, Core Institution Members *via* cost sharing, and from Membership Fees.

- e. “Executive Committee” as used herein refers to the leadership of the Center, led by the Center Director (as defined below) and comprised of representatives from each of the Core Institution Members. The Executive Committee is responsible for management and administration of the Center under the direction of the Center Director, including addressing issues concerning the effectiveness of the Center and selecting, overseeing, and managing the Core Research to be conducted by the Center.
 - f. “IPAB” as used herein means the Industry and Practitioners Advisory Board. Every Industry Member can select a representative to serve on the IPAB. The IPAB is responsible for advising the Executive Committee on the direction of Core Research and the operational policies of the Center. The IPAB shall communicate with the Executive Committee via an Industrial and Practitioner Executive Committee (“IPEC”) consisting of 10 members elected by the IPAB. The Executive Committee and the IPEC shall meet at least biannually. A quorum of the IPAB shall consist of a simple majority of the Industry Members. In all matters before the IPAB, each Industry Member shall be entitled to the number of votes indicated in the table of section 1.4 below and a simple majority is needed for any vote to pass. The meeting logistics and other operating procedures of the IPAB and IPEC are outside of this Agreement and will be determined separately by the IPAB.
 - g. “Research Results” as used herein means all data and information which are generated by or on behalf of a Core Institution Member in the performance of the Core Research during the term of this Agreement. Research Results expressly excludes Intellectual Property.
 - h. “Intellectual Property” as used herein means all inventions, whether patentable or not, conceived and first reduced to practice (as determined by United States patent law) by or on behalf of a Core Institution Member in the conduct of the Core Research, including all United States and foreign patent applications claiming said patentable inventions, including any divisional, continuation, continuation-in-part (to the extent that the claims are directed to said patentable inventions), and foreign equivalents thereof, as well as any patents issued thereon or reissues or reexaminations thereof. Intellectual Property also includes all significant copyrights and copyrightable software authored (as determined by United States copyright law) by a Core Institution Member in the conduct of the Core Research.
- 1.2 Center activities were funded by the NSF ERC program on September 1, 2020. The Center is managed and administered under the direction of the Center Director and supported jointly by Institution Members, Industry Members, and by PENN personnel selected by the Center Director from PENN faculty and staff. At the discretion of the Center Director, additional personnel from Institution Members and Industry Members may be added at any time to assist in management and administration of the Center; provided that any such personnel who will be temporarily in residence at PENN as researchers for the Center will be considered Visiting Scholars and may be asked to sign a separate Visiting Scholars Agreement before such residency shall begin.
- 1.3 Core Research supported by Membership Fees (as defined below) is not subject to facilities and administrative costs. Membership in the Center does not preclude any Industry Member from entering into separate research agreements with Core Industry Members who participate in the Center.
- 1.4 Each Industry Member (excluding Non-Commercial Entities, as defined below) that comprises a company, corporation, partnership, sole proprietorship, or any other legally recognized business entity (each a “Commercial Entity”) will provide payment of its annual membership

fee (“Membership Fee”) and shall be entitled to a corresponding number of votes on the IPAB in accordance with the following Membership Fee schedule:

Type of Entity	No. of Employees	Annual Contribution	IPAB Votes
Large Entities	>2500	\$30,000	3
Medium Entities	500-2499	\$15,000	2
Small Entities	11-499	\$2,500	1
Very Small Entities	<10	\$1,000	1

Governmental agencies, government offices, government organizations duly authorized by the United States Government or government of any State or Nation, and legally recognized non-profit organizations other than the Core Institution Members who are not representatives or affiliates of any for-profit entities (each a “Non-Commercial Entity”) may also become an Industry Member, but such Non-Commercial Entities will not be required to pay a Membership Fee, shall not be entitled to any votes on the IPAB, and shall not receive the Intellectual Property license rights or Option set forth in Article 3 below.

_____’s entity type (Commercial/size or Non-Commercial)
is indicated here:

Commercial / _____

- 1.5 An organization that qualifies as a Non-Commercial Entity but voluntarily wishes to join as a dues-paying Commercial Entity may do so with the Center Director’s prior written consent and will be deemed a Commercial Entity for purposes of this Agreement.
- 1.6 A Commercial Entity who voluntarily wishes to join and pay dues at a higher tier than required for its size, in order to obtain the larger number of IPAB votes corresponding to that tier in the table of 1.4, may do so with the Center Director’s prior written consent.
- 1.7 The Center Director shall have discretion to make exceptions to Section 1.4 whereby a Commercial Entity may provide a portion of its payment of its annual Membership Fee to IoT4Ag in the form of in-kind contributions; provided that such contributions shall be limited to tangible contributions (i.e. material, capital equipment, etc.).
- 1.8 Payment of the Membership Fee shall be made within thirty (30) days after the execution of this Agreement and receipt of an invoice from PENN. Payments shall be made in United States dollars and sent to the address noted on the invoice. Industry Members cannot direct use of the Membership Fees.
- 1.9 Following expiration of the Initial Term, and for the remaining Life of the Center, a Commercial Entity may elect to renew its participation as an Industry Member under this Agreement, on a yearly basis, by making payment(s) of subsequent annual Membership Fee(s) within thirty (30) days of receipt of an invoice from PENN showing the annual Membership Fee applicable for the following annual term. A Commercial Entity’s status as an Industry Member shall expire at the conclusion of the Initial Term (or of a renewal term) if renewal payment is not made in accordance with this Section 1.9.

1.10 Industry Member may terminate the Agreement by giving ninety (90) days written notice of such termination. The Center Director may terminate this Agreement, and the Industry Member's status as a Center Member, if the Industry Member materially breaches any of the terms or conditions of this Agreement and fails to cure such breach within thirty (30) days after receiving written notice thereof. In the event of an incurable material breach, the Center Director may terminate this Agreement, and the Industry Member's status as a Center Member, effective immediately upon written notice to the Industry Member. Membership Fees paid prior to the effective date of early termination of this Agreement by either Party will not be refunded.

2. RESEARCH RESULTS; REPORTS

2.1 Core Institution Members engaged in Core Research shall provide the Executive Committee and the IPAB with interim reports detailing preliminary Research Results and the status and progress of the Core Research as requested by the Executive Committee. Core Institution Members engaged in Core Research shall also provide the Executive Committee and the IPAB a final report detailing the complete Research Results at the conclusion of a Core Research project. The interim reports and final reports shall together be referred to herein as "Reports".

2.2 Center Members shall have the right to use Research Results disclosed to them in Reports for any lawful purpose, and are hereby granted a royalty-free, nontransferable, non-exclusive right to copy, reproduce and distribute said Reports, provided that: (a) a Center Member shall need to obtain a license to use Research Results from the Center Member(s) who generated such Research Results if such use would infringe any copyright or any claim of a patent application or issued patent owned by the Center Member(s) that authored the Report; (b) Center Members shall maintain the Research Results confidentially pending publication in accordance with Section 4.6; (c) Center Members may not charge fees for said research reports, use said research reports for advertising or promotional activities, or alter or modify said research reports without the prior written permission of the Center Member(s) who authored the Report.

3. INTELLECTUAL PROPERTY

3.1 Ownership of Intellectual Property shall follow inventorship in accordance with United States patent law or authorship in accordance with United States copyright law, as applicable.

3.2 The owner(s) of Intellectual Property in accordance with Section 3.1 hereby grant the other Center Members (excluding Non-Commercial Entities) a non-exclusive, royalty-free, non-transferable, non-sublicensable license to practice such Intellectual Property for only non-commercial, internal research use for the Life of the Center (hereinafter an "Internal Use License"), provided that (a) such Intellectual Property was conceived and first reduced to practice, or first authored, during the Center Member's membership in the Center; (b) with respect to Industry Members, the Industry Member has paid its annual Membership Fee; and (c) Center Member acknowledges the Center and the NSF Engineering Research Center (ERC) program in any publication based on use of this license.

3.3 Core Institution Members shall provide the IPAB with prompt written notice of any Intellectual Property reasonably considered patentable or, in the case of Intellectual Property consisting of software or data collections, is reasonably considered to be technologically valuable ("IP Disclosure").

a. The IPAB will have thirty (30) days following receipt of an IP Disclosure ("Review

Period”) to make a recommendation with respect to the filing and prosecution of a patent application claiming such Intellectual Property.

- b. If the IPAB makes a recommendation during the Review Period in support of filing and prosecution of a patent application claiming the disclosed Intellectual Property, the owner of the Intellectual Property shall control the preparation and prosecution of such patent application and the costs associated with preparation and filing fees (initial U.S. application only) will be reimbursed by the Center from Industry Membership Fees, provided sufficient funds are available. In the event sufficient funds are not available the costs associated with such preparation and filing fees will be borne equally by the Industry Members voting in favor of filing and prosecution of a patent application.
- c. If the IPAB does not respond within the Review Period or makes a recommendation during the Review Period against filing and prosecution of a patent application claiming the disclosed Intellectual Property, the owner of the Intellectual Property may decide independently to proceed with patent filing and prosecution at its own expense and may offer an option to Industry Members according to the terms outlined below.

3.4 Industry Members (excluding Non-Commercial Entities) shall have sixty (60) days from receipt of an IP Disclosure (“Option Period”) to elect to exercise an option to negotiate a royalty-bearing non-exclusive license to practice the Intellectual Property for commercial purposes (“Option”). The Option is non-transferable and is personal to the Commercial Entity that is an Industry Member.

3.5 Any Industry Members (excluding Non-Commercial Entities) who exercise their Option during the Option Period will negotiate with the owner of the Intellectual Property in good faith to determine the terms of a license agreement. If a license agreement is not executed within six (6) months after the Industry Member’s election of the Option, the owner of the Intellectual Property shall be free to license Intellectual Property to any Center Member, or to any non-member small business or start-up, upon such terms as it deems appropriate, without any further obligation to the Industry Member(s).

3.6 Center Members’ respective rights under this Article 3 shall be subject to the Center’s and the Core Institution Members’ obligations to and the rights of the United States Government, if any, as subject to the provisions of 35 U.S.C. 200, et seq., 37 C.F.R. Part 401, and other applicable laws and regulations.

4. CONFIDENTIALITY AND PUBLICATION

4.1 From time to time Center Members may have the need to exchange Confidential Information in connection with the performance of Core Research. The Core Institution Members shall be a “Disclosing Party” and/or a “Receiving Party” of Confidential Information as context dictates. The Industry Members shall be a “Receiving Party” only. “Confidential Information” means any of a Core Institution Member’s confidential or proprietary information that is necessary to be disclosed to another Center Member in connection with performance of the Core Research and is marked “confidential” or “proprietary” or, if disclosed orally, is summarized in writing sufficiently for identification and is designated in writing as confidential within thirty (30) days following disclosure. Failure to mark any Confidential Information as confidential or proprietary will not affect its status as Confidential Information under this Agreement if it is information that a reasonable person with expertise in the field would

consider the Disclosing Party's Confidential Information hereunder based upon the nature of the information and the circumstances of the disclosure. Confidential Information shall not include information:

- a. that is or becomes generally known or available to the public without breach of this Agreement;
- b. that is known to the Receiving Party at the time of disclosure, as evidenced by written records of the Receiving Party;
- c. that is independently developed by the Receiving Party, as evidenced by written records of the Receiving Party; or
- d. that is disclosed to the Receiving Party by a third party without an obligation of confidentiality owed by Receiving Party to such third party; or
- e. that is required to be disclosed by law, in which case Receiving Party shall promptly inform the Disclosing Party and shall cooperate with the Disclosing Party to minimize the extent of the disclosure.

4.2 Receiving Party will be permitted to make all disclosures of Disclosing Party's Confidential Information required by law or regulation. Receiving Party shall use reasonable efforts to provide prompt written notice to Disclosing Party to allow Disclosing Party to offer its objections to the production of Confidential Information. The Confidential Information that is disclosed pursuant to this paragraph shall remain confidential for all other purposes in accordance with the terms and conditions of this Agreement.

4.3 Receiving Party will take all reasonable measures to protect the secrecy of, and avoid the unauthorized disclosure or use of, Confidential Information. Such measures will include the highest degree of care that Receiving Party utilizes to protect Receiving Party's own confidential information of a similar nature, but no less than a reasonable degree of care. Receiving Party will not use Confidential Information for any purpose, other than as necessary to carry out the Core Research. Specifically, Receiving Party will not use Confidential Information to file patent applications or for experimental activity. No licenses or other rights are granted. Receiving Party may disclose Confidential Information to Affiliates, employees, agents or consultants on a need to know basis only if such persons are bound to obligations of non-use or non-disclosure at least as restrictive as those set forth in this Agreement. Recipient will not disclose any Confidential Information to any other Affiliates, employees, agents, consultants, or to any third parties. Receiving Party will promptly notify Disclosing Party in writing of any misuse or misappropriation of any Confidential Information that may come to Receiving Party's attention. Receiving Party will be responsible for any breach of this Agreement by its Affiliates, employees, agents, or consultants.

4.4 Disclosing Party represents that it has the right to make the disclosures of Confidential Information made hereunder. Except as expressly set forth in this Section 4.4, Disclosing Party is providing Confidential Information on an "*As Is*" basis for use by Receiving Party at its own risk without express or implied warranties of any kind.

4.5 Receiving Party's obligations as to any item of Confidential Information will survive during the term of this Agreement and shall continue for five (5) years following the expiration or termination of this Agreement. Upon the written request of Disclosing Party, Receiving Party will destroy or return to Disclosing Party all Confidential Information received from Disclosing Party, except that Receiving Party may maintain a single copy of any written Confidential

Information for Receiving Party's records. Notwithstanding the foregoing, the obligation to return or destroy Confidential Information does not include Confidential Information that has been backed up as part of the Receiving Party's normal business procedures, and the Receiving Party may reproduce Confidential Information in the process of backing up computer systems in the normal course of business.

- 4.6 The Core Institution Members shall have the first right to publish, present or otherwise publicly disclose the Research Results developed under this Agreement ("Publish"). Any Core Institution Member wishing to Publish shall furnish the Executive Committee and IPAB with a copy of the proposed publication, presentation, or other public disclosure (each a "Publication") at least thirty (30) days in advance of the date of such presentation or disclosure, or the submission of said proposed publication, in order for the Executive Committee and IPAB to review and comment on said proposed Publication to (a) determine whether such Publication contains any Confidential Information of any of the other Core Institution Members; and (b) enable the Industry Members to identify any Intellectual Property for which it wishes to seek intellectual property protection. If within the thirty (30) day review period (i) a Core Institution Member requests deletion of Confidential Information from the proposed Publication, the Core Institution Members at issue will cooperate to modify the disclosure to ensure Confidential Information is not disclosed; or (ii) an Industry Member requests that the Proposed publication be delayed to allow for intellectual property protection on certain items of Intellectual Property in the proposed Publication, the publishing Core Institution Member shall delay the proposed Publication for up to sixty (60) days to allow for intellectual property protection to be sought.

5. DISCLAIMER OF WARRANTIES; INDEMNIFICATION

- 5.1 NO CORE INSTITUTION MEMBER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, WARRANTIES WITH RESPECT TO THE CONDUCT, COMPLETION, SUCCESS OR PARTICULAR RESULTS OF THE CORE RESEARCH, OR THE CONDITION, OWNERSHIP, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE CORE RESEARCH OR ANY INTELLECTUAL PROPERTY OR RESEARCH RESULTS, OR THAT USE OF INTELLECTUAL PROPERTY OR RESEARCH RESULTS WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER INTELLECTUAL PROPERTY RIGHT OF A THIRD PARTY. EXCEPT AS SET FORTH IN SECTION 5.2, NO CORE INSTITUTION MEMBER SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, PUNITIVE OR OTHER DAMAGES SUFFERED BY ANOTHER CORE INSTITUTION MEMBER RESULTING FROM THE CORE RESEARCH OR THE USE OF ANY INTELLECTUAL PROPERTY, ANY RESEARCH RESULTS OR ANY PRODUCTS RESULTING THEREFROM.
- 5.2 The Industry Member agrees to indemnify, defend, and hold harmless the Core Institution Members and their respective officers, directors, trustees, employees and agents ("Institution Indemnitees") against any and all claims, demands, actions, liability and expenses, related to or arising out of the Industry Member's breach of this Agreement; provided that the Industry Member's obligations pursuant to this Section 5.2 shall not apply to the extent such claims or suits result from the gross negligence or willful misconduct of any of Institution Indemnitees as determined by a court of law.

6. MISCELLANEOUS

- 6.1 All taxes and other contributions, fees, fiscal or para-fiscal contributions, imposts, duties, levies, fines, or charges, by whatever other name (“taxes”) imposed by any government entity or a functional equivalent of a government entity and entailed by laws, in connection or as a result of an Industry Member’s payment of the Membership Fee, are the exclusive responsibility of the Industry Member and will be paid by the Industry Member.
- 6.2 No Center Member shall use the name, logo, seal, trademark, or service mark (including any adaptation of them) of any other Center Member, including any school, organization, employee, student or representative thereof, without the prior written consent of that Center Member. No Center Member except PENN shall use the name of the Center without the prior written consent of PENN.
- 6.3 For purposes of this Agreement and membership in the Center, the Center Members shall be independent contractors and none shall at any time be considered an agent or an employee of the other. No joint venture, partnership or like relationship is created between any of the Center Members by their membership in the Center or this Agreement.
- 6.4 The terms and provisions hereof shall inure to the benefit of, and be binding upon, the Center Members and their respective successors and permitted assigns. No Center Member may assign or transfer this Agreement or any of its rights or obligations created hereunder, by operation of law or otherwise, without the prior written consent of the other Parties. Any assignment not in accordance with this Section 6.3 shall be void.
- 6.5 A waiver by a Center Member of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof. All rights, remedies, undertakings, obligations and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of a Center Member.
- 6.6 When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under law, but if any provision of this Agreement is held to be prohibited by or invalid under law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement. The Center Members shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.
- 6.7 This Agreement constitutes the entire agreement between the Parties with respect to its subject matter, and supersedes all previous communications and agreements, whether oral or written, between the Parties with respect to the subject matter hereof. This Agreement may be waived, modified, or amended only by an instrument in writing and signed by duly authorized representatives of both Parties.
- 6.8 This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will be deemed to be one and the same instrument. A portable document format (PDF) or electronic copy of this Agreement, including the signature pages, will be deemed an original.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties hereby execute this Agreement as of the date first written above.

THE TRUSTEES OF THE UNIVERSITY OF
PENNSYLVANIA

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

ACKNOWLEDGED AS READ AND UNDERSTOOD BY CENTER DIRECTOR:

By: _____

Name: _____

Title: _____