Collaboration Agreement

1. Parties and recitals

1.1 **Date and Parties.** This Collaboration Agreement (the "Agreement") is made on **[Effective date: _____]** (the "Effective Date") between **[First Party's full legal name: _____]** , [First Party's business form and state: _____], whose address is [First Party's address: _____] (the "First Party"), and **[Second Party's full legal name: _____],** [Second Party's business form and state: _____], whose address is [Second Party's address: _____] (the "Second Party"). Each is a "Party" and together they are the "Parties".

1.2 **Background of the First Party.** The First Party is engaged in [First Party's business: _____].

1.3 **Background of the Second Party.** The Second Party is engaged in [Second Party's business: _____].

1.4 **Reason for this Agreement.** The Parties wish to work together on [Short project description and field: _____]. Each will contribute skills, work, money or property. Each wants its existing property protected and wants to agree now who will own, use and be paid for the outcome.

1.5 **Binding agreement.** The Parties intend to be legally bound from the Effective Date. In return for the promises in this Agreement, and for other good and valuable consideration that each acknowledges, they agree as follows. The statements in this Section may be used to interpret this Agreement.

2. Definitions

2.1 **Defined terms.** In this Agreement:

(a) "Affiliate" means an entity that controls, is controlled by or is under common control with a Party, where control means ownership of more than half of the voting interests.

(b) "Background IP" means Intellectual Property and materials that a Party owns or controls before the Effective Date, or that it develops or acquires later outside the Project without using the other Party's Confidential Information. It includes the items in Schedule 4.

(c) "Background Improvement" means a Result that is only a modification, enhancement or derivative of one Party's Background IP and has no independent use without that Background IP.

(d) "Business Day" means a day other than a Saturday, a Sunday or a federal legal holiday.

(e) "Commercialize" means to sell, license, distribute, publish for payment, perform for payment, offer as a paid service, or otherwise exploit for money or other value.

(f) "Confidential Information" has the meaning in Section 17.

(g) "Contribution" means the work, money, materials, data, facilities, equipment or rights that a Party must provide under Schedule 2.

(h) "Intellectual Property" means copyrights, patents, patent applications, inventions, trade secrets, know-how, designs, software, databases, trademarks and all similar rights, registered or not, anywhere in the

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world.

(i) "Joint Results" means Results, other than Background Improvements, that the Personnel of both Parties created together. For a copyrighted work, this means that Personnel of both Parties are authors of a joint work under United States copyright law. For an invention, it means that Personnel of both Parties are joint inventors under United States patent law. For any other Result, it means that Personnel of both Parties made a material creative or technical contribution to it.

(j) "Personnel" means a Party's employees, owners, officers, contractors, volunteers and students who work on the Project.

(k) "Project" means the collaboration described in Section 3 and Schedule 1.

(l) "Results" means everything created, conceived, written, recorded, developed or first reduced to practice in performing the Project, and all Intellectual Property in it.

(m) "Shared Costs" means the costs listed as shared in Schedule 2 and any other cost that both Parties approve in writing as shared.

(n) "Shared Receipts" means all money, and the fair market value of all other consideration, that a Party or its Affiliate actually receives from Commercializing Joint Results, less only (i) refunds and chargebacks actually paid, and (ii) sales, use and similar taxes collected for and paid to a taxing authority. No other cost is deducted.

(o) "Sole Results" means Results, other than Background Improvements, that the Personnel of only one Party created.

(p) "Term" has the meaning in Section 29.

2.2 **Interpretation.** "Including" means including without limitation. "Written" includes email unless this Agreement requires a signature. Headings are for reference only. A reference to a law includes the law as amended. A period stated in days means calendar days unless Business Days are stated.

2.3 **Order of priority.** The numbered Sections prevail over a Schedule, except where a Section says that a Schedule may change it or where a Schedule names the Section it changes.

3. Purpose and scope of the collaboration

3.1 **Purpose.** The Parties will work together to [Purpose of the collaboration: _____].

3.2 **Scope.** The Project includes [Work included: _____]. It does not include [Work excluded: _____].

3.3 **Target outcome.** The Parties will use commercially reasonable efforts to complete [Project deliverables: _____] by **[Target completion date: _____]**, as set out in Schedule 1. They recognize that results may be uncertain. Failure to reach a technical, creative or commercial outcome is not a breach if the responsible Party performed its stated obligations with reasonable skill and care.

3.4 **Definite obligations.** Each Party must provide its Contributions and perform the tasks assigned to it in Schedules 1 and 2. These are present obligations and not an agreement to negotiate later. If a detail is left for later decision, the Parties will decide it under Section 7 and, until then, the existing Schedules

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continue to apply.

3.5 **Work outside the Project.** Subject to Section 17 and to any restriction that applies under Section 21, each Party may carry on its other business, including work in the same field, and may pursue other opportunities without offering them to the other Party. New work becomes part of the Project only through a change made under Section 5.4.

3.6 **Non-exclusive relationship.** The relationship is non-exclusive unless Section 21 states otherwise.

4. Contributions, roles and responsibilities

4.1 **Contributions.** Each Party will provide the Contributions assigned to it in Schedule 2, by the stated dates and at its own cost unless Schedule 2 makes the cost a Shared Cost.

4.2 **Roles of the First Party.** The First Party is responsible for [First Party's responsibilities: _____].

4.3 **Roles of the Second Party.** The Second Party is responsible for [Second Party's responsibilities: _____].

4.4 **Standard of work.** Each Party will perform with reasonable skill, care and diligence, follow generally accepted practices in its field, obey applicable law and give the other Party the information and cooperation that it reasonably needs.

4.5 **Late or missing Contributions.** A Party that expects to miss a date will notify the other promptly, state the reason and propose a new date. The other Party's dependent dates move by the delay caused. If a Contribution is more than [Days late before a substitute may be used: _____] days late without an agreed extension, the other Party may suspend its dependent work after written notice, obtain a reasonable substitute with prior notice of the cost, or use the default process in Section 30. The late Party will reimburse the reasonable extra cost of a substitute, subject to Section 27.

4.6 **Equipment and materials.** Property lent for the Project remains the lender's property. The receiving Party will use it only for the Project, keep it free of liens, take reasonable care of it, and return it in the same condition, reasonable wear excepted, within 15 days after a request or the end of the Term.

4.7 **Value of Contributions.** A value stated in Schedule 2 is for planning only. It does not create a capital account, an ownership interest in the other Party or a right to repayment unless Schedule 2 expressly says so.

4.8 **Access to premises.** A Party that visits the other's premises or uses its systems will follow the safety, security and conduct rules given to it.

5. Project plan, milestones and changes

5.1 **Project plan.** Schedule 1 states the tasks, the responsible Party, the milestones and the acceptance standards. Each Party will meet its dates and keep the plan current.

5.2 **Progress reports.** The project leads will exchange a short written report at least [Progress report frequency: _____]. It will cover completed work, next tasks, delays, spending against budget, new Results and open risks.

5.3 **Review of deliverables.** When a Party completes a deliverable it will provide it to the other. The

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receiving Party has [Business Days to review a deliverable: _____] Business Days to accept it or describe in writing how it fails the standard in Schedule 1. The responsible Party will correct each valid failure within 15 Business Days, or a longer period that the project leads agree in writing, and submit the deliverable again. A deliverable is accepted if the receiving Party gives no written response within [Business Days to review a deliverable: _____] Business Days after a second notice that says the response is overdue.

5.4 **Changes.** Either Party may propose a change by sending the form in Schedule 6. The other Party will respond within 10 Business Days. A change to scope, budget, cost shares, receipt shares, ownership or the end date takes effect only when both Parties sign the form. Until then, each Party continues under the current plan.

5.5 **Minor changes.** The project leads may move an internal task date by up to 10 Business Days by email if the change does not affect cost, ownership or the target date.

5.6 **Go or no-go review.** At each milestone marked as a decision point in Schedule 1, the steering committee will decide whether to continue, change or end the Project. If it does not decide within 15 Business Days, Section 7.6 applies.

6. Personnel and subcontractors

6.1 **Assignment of people.** Each Party will use qualified Personnel and will replace a person who leaves or is unable to perform with someone of similar skill. The key people named in Schedule 1 may be replaced only after notice to the other Party, except where departure, illness or an emergency prevents notice.

6.2 **Employer duties.** Each Party is solely responsible for the pay, benefits, payroll taxes, workers' compensation, supervision and conduct of its own Personnel. Neither Party's Personnel become employees of the other because of this Agreement.

6.3 **Subcontractors.** A Party may use a subcontractor for a material part of its work only with the other Party's prior written consent, which may not be unreasonably withheld. The Party that hires a subcontractor remains responsible for its acts and for payment.

6.4 **Written terms with Personnel.** Before a person works on the Project or receives Confidential Information, the Party that engages that person will have a signed written agreement that (a) presently assigns to that Party all rights needed to carry out Section 13, (b) protects Confidential Information, and (c) gives the notice in Section 17.5 where the person is an employee, contractor or consultant. Schedule 7 is a form that may be used. A Party that cannot obtain those terms will tell the other before work starts.

6.5 **Institutional rules.** If an employer, university or funder has a claim to a person's work, the Party that engages that person will disclose the claim in writing and obtain each release or assignment needed before that person contributes.

6.6 **Removal.** If a Party reasonably objects to a person for a lawful reason related to safety, misconduct, confidentiality or lack of skill, the other will review the objection promptly and remove the person from the Project where reasonable.

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7. Governance: project leads and steering committee

7.1 **Project leads.** The First Party's project lead is [First Party's project lead: _____], and the Second Party's project lead is [Second Party's project lead: _____]. They manage daily work. A Party may change its lead by written notice. A project lead has no power to amend this Agreement except as Section 5 allows.

7.2 **Steering committee.** The steering committee has one representative from each Party, who is the signer of this Agreement unless the Party names someone else in writing. It will meet at least [Steering committee frequency: _____], in person or remotely, and within 5 Business Days after a Party asks for an urgent meeting.

7.3 **Matters for the committee.** The committee will review progress, approve budget changes within its authority, plan Commercialization, resolve issues sent by the project leads and recommend amendments. It may not bind a Party to spend beyond the approved budget, change ownership or receipt shares, or waive a right unless both Parties sign a writing.

7.4 **Decisions.** Each Party has one vote. A decision must be unanimous and recorded in writing. The Party that hosts the meeting will send a summary within 5 Business Days. A summary is treated as accurate unless a Party corrects it within 5 Business Days after receipt.

7.5 **Conflicts of interest.** A representative will disclose a personal interest in a decision before voting on it, including an interest in a supplier or licensee.

7.6 **Deadlock.** If the committee cannot decide a matter within 15 Business Days, either Party may send it for executive discussion under Section 33.1. While it is unresolved, the last approved plan and budget continue, and neither Party may make a new commitment on the disputed matter. If a deadlock prevents the Project from moving forward and lasts 45 days after the executive discussion begins, either Party may terminate under Section 30.1 on 15 days' notice.

8. Costs, budget and expense sharing

8.1 **Own costs.** Each Party bears its own costs, including salaries, overhead, equipment and travel, except for Shared Costs.

8.2 **Budget.** The approved budget for Shared Costs is in Schedule 2. The total may not exceed **[Maximum total Shared Costs: _____]** without a change signed by both Parties.

8.3 **Shares of Shared Costs.** The First Party will bear **[First Party's share of Shared Costs: _____]** and the Second Party will bear **[Second Party's share of Shared Costs: _____]** of Shared Costs.

8.4 **Prior approval.** A single Shared Cost above [Single cost that needs approval: _____] requires written approval from both project leads before a Party commits to it, even if it is in the budget. A cost incurred without required approval belongs to the Party that incurred it unless the other later accepts it in writing.

8.5 **Reimbursement.** A Party that pays a Shared Cost will send a statement and proof of payment within 30 days after payment. The other Party will pay its share within [Days to pay an invoice or cost statement: _____] days after receipt. A Party may dispute an item in good faith by giving

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written reasons within that period, and it will pay the undisputed part on time.

8.6 **Cash calls.** If Schedule 2 requires cash in advance, each Party will pay its share by the stated date into the account shown in the Schedule. The holder will use the money only for Shared Costs, keep it in a separately identified ledger and return unspent money in the same shares within 30 days after the Project ends.

8.7 **Refunds and discounts.** A refund, rebate, grant or discount that relates to a Shared Cost reduces that cost for both Parties.

9. Revenue sharing and payment

9.1 **Receipt shares.** Shared Receipts will be divided **[First Party's share of receipts: _____]** to the First Party and **[Second Party's share of receipts: _____]** to the Second Party, unless Schedule 3 states a different share for a named product, territory or use. Shared Costs are handled under Section 8 and are not deducted from Shared Receipts.

9.2 **Gross receipts.** The division is made on receipts and not on net profit. Neither Party has a right to the profits of the other's business, and neither Party must bear the other's business losses. Each payment is made for that Party's rights and work under this Agreement.

9.3 **Collecting Party.** [Party that collects joint receipts: _____] will collect Shared Receipts for transactions made for both Parties (the "Collecting Party"). A Party that separately receives Shared Receipts is the Collecting Party for that money and has the same duties.

9.4 **Statements and payment.** Within [Days to send a receipt statement: _____] days after the end of each [Receipt accounting period: _____], the Collecting Party will send a statement that shows the source, date, gross amount, permitted deductions and each Party's share. It will pay the other Party's share with the statement. If nothing was received, the statement will say so.

9.5 **Minimum transfer.** If the amount due is less than [Minimum periodic payment: _____], the Collecting Party may carry it to the next statement, but it will pay all amounts due at least once a calendar year and at the end of the Term.

9.6 **Commingling and deductions.** The Collecting Party will identify the other Party's share in its accounts and will not pledge it or use it for its own purposes. It may set off only an undisputed overdue amount or an amount fixed by a court, arbitrator or signed agreement, and only where the law allows.

9.7 **Other sales in a package.** If Joint Results are sold with other items for one price, the Parties will agree the portion attributable to Joint Results in writing before the sale. If they do not, the portion is the ratio of the standalone price of the Joint Results to the total of all standalone prices. Where no standalone price exists, an independent accountant chosen under Section 10 will decide a reasonable portion.

9.8 **Invoices.** A payment that does not arise from a receipt statement is due [Days to pay an invoice or cost statement: _____] days after a proper invoice. An invoice must identify this Agreement, the work or cost, the amount and any tax.

9.9 **Late payment.** An undisputed amount not paid when due bears simple interest at **[Annual late interest rate: _____]** a year or the highest rate the law allows, whichever is lower, from the due date until paid. Acceptance of late payment does not waive the default.

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9.10 **Returned amounts.** If a Shared Receipt already divided is later refunded, each Party will return its share within 30 days after proof, or the amount may be adjusted in the next statement.

10. Records, reports and audit

10.1 **Records.** Each Party will keep complete and accurate records of its Shared Costs, Shared Receipts, Contributions, material use of Joint Results and contributors to Results. It will keep them for at least [Years to keep records and allow audits: _____] years after the period to which they relate, or longer if the law requires.

10.2 **Accounting between owners.** Each Party must account to the other for Shared Receipts in the shares stated in this Agreement. The receipt provisions replace any different accounting rule that would otherwise apply between co-owners, to the fullest extent the law allows.

10.3 **Audit.** On at least 15 Business Days' notice, and not more than once in 12 months unless an earlier audit found a material error, a Party may have an independent accountant inspect the other's relevant records during business hours. The accountant must sign reasonable confidentiality terms and may report only the accuracy of the accounts and the facts needed to correct them.

10.4 **Cost of an audit.** The requesting Party pays for the audit. If it finds an underpayment of more than [Underpayment that shifts the audit cost: _____] for the audited period, the audited Party will also pay the accountant's reasonable fees.

10.5 **Correction.** Underpayments and overpayments will be corrected within 30 days after the report. A Party that disputes the report must give written reasons within 20 days. An independent accountant chosen jointly will review only the disputed items. If the Parties cannot choose one within 15 days, Section 33 applies.

10.6 **Limit.** An audit must begin within [Years to keep records and allow audits: _____] years after the statement concerned, except in a case of fraud. This clause does not shorten a right that the law does not allow the Parties to shorten.

11. Taxes

11.1 **Own taxes.** Each Party is responsible for the income, payroll, franchise and other taxes charged on its own income, property and Personnel.

11.2 **Tax documents.** Before the first payment, each Party will give the other a completed IRS Form W-9, or the proper Form W-8 for a foreign person. It will update the form when it becomes inaccurate. Each Party will file every information return that applies to its payments.

11.3 **Withholding.** A Party may withhold tax that the law requires. It will give advance notice where reasonable, pay the tax on time, provide proof and cooperate in obtaining a lawful reduction or credit.

11.4 **Sales tax.** The Party that makes a taxable sale will collect and remit the tax unless a marketplace must do so. Taxes collected for an authority are not Shared Receipts.

11.5 **Intended treatment.** The Parties intend to act as independent businesses that share stated costs and divide stated receipts under a contract. They do not intend to create an entity for federal or state tax purposes. Each will file returns consistently with that intent where the law permits.

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11.6 **If treated as a tax partnership.** If the Parties decide after professional advice, or an authority finally determines, that the arrangement is a partnership for tax purposes, they will cooperate to obtain any needed identification number, file required returns, elect out where available and appropriate, and allocate items in a lawful manner consistent with the economic terms here. That treatment does not by itself create a partnership under state law.

12. Background intellectual property and licenses

12.1 **Ownership stays the same.** Each Party keeps its Background IP. Nothing in this Agreement transfers it. Schedule 4 lists known items, but leaving an item off the list does not change who owns it.

12.2 **Project license.** Each Party grants the other a non-exclusive, royalty-free, non-transferable license during the Term to use the Background IP it provides for the Project, only as needed to perform the Project. The license may be extended to a permitted subcontractor for that purpose and on the same limits.

12.3 **License in Joint Results.** To the extent a Party's Background IP is built into a Joint Result or is necessary to use it as delivered, that Party grants the other a non-exclusive license to use that Background IP only as part of the Joint Result, for the uses allowed in Section 14. This license continues after the Term for as long as the other Party makes the payments due under Section 9. It may be sublicensed only with the Joint Result. It is subject to every restriction in Schedule 4.

12.4 **Limits.** A Party may not separate, reverse engineer, sell or publish the other Party's Background IP, except as an applicable law that cannot be excluded allows. All rights not granted are reserved.

12.5 **Third-party terms.** A Party that contributes third-party material, including open source software, will identify it in Schedule 4 or by later notice and provide its license terms before it is built into a Result. Neither Party will add material whose terms would require disclosure of source code, public licensing or an unplanned payment without the other Party's written consent.

12.6 **Improvements.** A Background Improvement belongs to the owner of the related Background IP, even if the other Party created it. The other Party hereby assigns its rights in it to that owner. The owner grants the other Party the same licenses to the Background Improvement as apply to that Background IP. Each Party receives in exchange the mutual assignments, licenses and payment rights in this Agreement.

12.7 **Bankruptcy.** The licenses in this Agreement are licenses of rights to intellectual property for the purposes of 11 U.S.C. § 365(n), to the extent they meet the Bankruptcy Code definition. The licensee keeps all rights and elections that section gives it.

13. Ownership of project results

13.1 **Records of contribution.** Each Party will keep dated records that identify the people who created a Result and what they contributed. It will notify the other Party in writing within 30 days after a potentially protectable Result is identified, with enough detail to decide ownership and protection.

13.2 **Sole Results.** A Party owns the Sole Results created by its Personnel. It grants the other Party a non-exclusive, royalty-free license to use those Sole Results during the Term for the Project. If they are built into a Joint Result, the license in Section 12.3 applies to them as if they were Background IP.

13.3 **Joint Results.** The Parties jointly own Joint Results in these undivided shares: **[Ownership shares in Joint Results: _____]**. These shares apply even if the amount or timing of each Party's

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work differs. The shares of ownership and the shares of Shared Receipts are separate.

13.4 **Present assignment.** To the extent needed to produce the ownership stated in this Agreement, each Party hereby assigns to the other, effective when each Result is created, the stated share or interest in that Result and all related Intellectual Property, including the right to sue for past infringement. For a Result created in the future, this is a present assignment of expected rights and takes effect without another document.

13.5 **Work made for hire.** A Result is a work made for hire only if it meets the legal requirements. The word "collaboration" and payment of a Contribution do not make it so. If it is not a work made for hire, the assignments in this Agreement and in the writings required by Section 6.4 apply.

13.6 **Change from legal defaults.** The Parties agree that the limits on use, licensing, transfer and accounting in this Agreement replace the default rights of copyright and patent co-owners between them, to the extent the law allows.

13.7 **Further documents.** Each Party will, at the requesting owner's reasonable cost, sign and have its Personnel sign documents needed to confirm, record, register or enforce ownership. Each patent assignment will be submitted for recording with the United States Patent and Trademark Office within 3 months after its date where a patent or application is affected.

13.8 **Moral and statutory rights.** To the extent the law allows, each Party will obtain consents needed for agreed editing and credit. Nothing in this Agreement waives an author's right under 17 U.S.C. § 203 to terminate a grant or another right that cannot be waived.

13.9 **Data and know-how.** Project data created jointly may be used by each Party for its internal business, subject to Section 17, Section 18 and any restriction in Schedule 4. Disclosure or Commercialization outside the Project follows Section 14.

13.10 **No implied ownership.** Comments, requests, general ideas, ordinary supervision, access to facilities or payment alone do not make a Party an author, inventor or owner of a Sole Result.

14. Commercialization and licensing of joint results

14.1 **Internal use.** Each Party may use Joint Results without payment for its own internal operations, research, training and portfolio, subject to confidentiality and publication rules. Portfolio use may not reveal unpublished material.

14.2 **During the Term.** During the Term, neither Party may Commercialize Joint Results except under the plan in Schedule 3 or with both Parties' written approval. The Parties will review that plan at each milestone and will not unreasonably withhold approval of a proposal that follows it.

14.3 **After the Term.** After the Term, each Party may itself Commercialize Joint Results and grant non-exclusive licenses without the other's further consent, unless Schedule 3 states a different rule. It must pay Shared Receipts under Section 9, protect Confidential Information, and follow the restrictions on Background IP and names.

14.4 **Exclusive licenses and transfers.** No exclusive license of a Joint Result, and no sale or security interest in the whole of it, is valid under this Agreement unless both Parties sign the document. A Party may transfer its own undivided share only under Section 36. An attempted transfer against this Section is ineffective between the Parties.

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14.5 **Terms of each license.** A license must be written, describe the permitted use, limit it to the rights held, require suitable credit, protect Confidential Information, and end for serious uncured breach. A Party will give the other a copy within 10 Business Days after signing. Commercially sensitive details that the other Party does not need for accounting may be removed.

14.6 **Pricing freedom.** Each Party sets its own prices for its separate goods and services. Prices for a jointly offered Project product may be decided only as needed for that offer and consistently with Section 22.

14.7 **First opportunity.** Before offering an exclusive license or sale of its share in a Joint Result to a third party, a Party will give the other written notice of the main terms. The other has [Days to accept a first opportunity: _____] days to accept those terms. If it does not, the offering Party may seek the other Party's consent to proceed with a third party on terms that are no better for that third party.

14.8 **No promise of sales.** Neither Party promises a level of receipts. A Party responsible for sales under Schedule 3 will use commercially reasonable efforts.

15. Registration, prosecution and enforcement

15.1 **Filing decisions.** The steering committee will decide whether to register or seek protection for Joint Results, where, and through which adviser. **[Party that manages registrations: _____]** will manage the filings unless the committee agrees otherwise. Applications will identify authors, inventors and owners correctly.

15.2 **Costs.** Approved filing, prosecution and maintenance costs for Joint Results are Shared Costs. A Party may stop paying for a patent or registration in a named country by giving 60 days' notice before the next deadline. The other may then take over the cost there. The withdrawing Party will assign its ownership share for that country on request, but it keeps a non-exclusive internal-use license and any receipts accrued before the assignment.

15.3 **Cooperation.** The filing Party will provide drafts and official correspondence at least 10 Business Days before a deadline where practicable and consider timely comments. Both Parties will keep the material confidential and cooperate with declarations and documents.

15.4 **Joint research statement.** This Agreement is a written agreement for the performance of experimental, developmental or research work in the field described in Schedule 1. For a patent application that relies on joint research agreement status, each Party consents to disclosure of the Parties' names and the facts required for that purpose.

15.5 **Notice of infringement.** A Party will promptly tell the other if it learns of a suspected infringement or challenge to a Joint Result. Neither Party will admit invalidity or settle a Party's rights without that Party's written consent.

15.6 **Enforcement.** The filing Party has the first right to enforce Joint Results. If it does not act within 60 days after a request, the other may do so with its own adviser. The non-enforcing Party will join as a necessary party at the enforcing Party's expense, where the law permits. Registration will be completed where it is required before a copyright suit.

15.7 **Recoveries.** Money recovered first reimburses both Parties' approved enforcement costs, in proportion if there is a shortfall. The remainder is divided in the shares in Section 9. Each Party controls

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the defense of its own Sole Results and Background IP.

16. Artificial intelligence and third-party materials

16.1 **Permission.** A Party may use generative artificial intelligence tools for the Project only for [Permitted AI uses: _____], unless the other Party approves another use in writing.

16.2 **Protection of information.** A Party will not enter the other Party's Confidential Information, personal data or unpublished Background IP into a tool that may retain it for training or make it available to others. It must first check the terms that apply and obtain written approval.

16.3 **Human authorship and records.** A Party that uses an AI tool for a Result will make meaningful human creative decisions where copyright is intended, keep a short record of the tool, date, use and human changes, and identify AI-generated portions when asked. The Parties will describe those portions accurately in a registration application.

16.4 **Review.** A person must review AI output for accuracy, security, bias, third-party rights and compliance before it is used. Use of a tool does not transfer responsibility to its supplier.

16.5 **Third-party material.** A Party will not knowingly include text, images, music, code, data or likenesses without the rights needed for the planned use. It will keep licenses and releases and provide copies on request. If no permission is available, it will replace the material at its cost.

16.6 **No ownership promise for unprotected material.** The Parties acknowledge that some AI output may not be protected by copyright. Between themselves, their contractual use, confidentiality and payment terms still apply to it, but neither represents that it can prevent all others from using that output.

17. Confidentiality and whistleblower notice

17.1 **Meaning.** "Confidential Information" means non-public information disclosed by a Party that is marked confidential or that a reasonable person would understand to be confidential, including plans, finances, customer information, source code, research, unpublished Results and Background IP. Non-public Joint Results are Confidential Information of both Parties.

17.2 **Exclusions.** Information is not confidential if the receiving Party can show that it was lawfully known without a duty, was independently developed without use of the information, became public without breach, or was lawfully received from another source without a duty of secrecy. A combination of features is not excluded merely because the individual features are public.

17.3 **Duties.** The receiving Party will use Confidential Information only to perform or enforce this Agreement or exercise its rights. It will use at least reasonable care, limit access to people who need it and are bound by written duties, keep secure records, and promptly report unauthorized access or disclosure. It is responsible for disclosures by the people to whom it gives access.

17.4 **Required disclosure.** If law or a valid order requires disclosure, the receiving Party will give prompt notice where lawful, disclose only what is required and seek confidential treatment at the owner's request and cost. Notice and consent are not required for a report protected by law.

17.5 **Defend Trade Secrets Act notice.** An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and solely for the

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purpose of reporting or investigating a suspected violation of law; or (b) in a complaint or other document filed in a lawsuit or other proceeding, if that filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to his or her attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret except under a court order.

17.6 **Protected conduct.** Nothing in this Agreement prevents a person from reporting a possible violation to a government agency, taking part in an investigation, giving truthful testimony, discussing wages or working conditions where protected by law, or exercising another right that cannot be waived. No prior notice to a Party is required.

17.7 **Time.** These duties begin when information is received and continue for **[Confidentiality years after the Term: _____] years** after the Term. They continue for a trade secret for as long as it remains a trade secret, and for personal data for as long as the law requires.

17.8 **Return or deletion.** Within 30 days after a request or the end of the Term, the receiving Party will return or securely delete Confidential Information, except one legal archive copy, routine backups that remain protected, and information needed for continuing rights. It will confirm completion in writing if asked.

17.9 **Relief.** Unauthorized use may cause harm that money cannot fully repair. A Party may seek suitable injunctive relief, subject to the court's requirements.

18. Data protection and security

18.1 **Minimum data.** Neither Party will provide personal data unless it is needed for the Project. Schedule 1 must identify the types of personal data, its source, the purpose and each Party's role before processing begins.

18.2 **Compliance.** Each Party will follow privacy and security laws that apply to its processing, give required notices, obtain required permissions and use personal data only for the stated purpose. If a law requires a data processing contract or particular terms, the Parties will sign them before exchanging that data.

18.3 **Security.** Each Party will keep reasonable administrative, technical and physical safeguards suited to the information, including access controls, secure transmission, software updates, backups and secure deletion. It will not share login credentials between people.

18.4 **Incidents.** A Party will notify the other within [Hours to report a security incident: _____] hours after confirming unauthorized access to the other's Confidential Information or Project personal data. It will give known details, contain the incident, preserve evidence, provide updates and cooperate with lawful notices. The Party responsible for the incident will bear reasonable required notice and investigation costs to the extent it caused the incident, subject to Section 27.

18.5 **Requests and disposal.** Each Party will forward a request about the other's personal data promptly and will not answer for the other without permission unless the law requires it. At the end of the purpose, it will return or delete personal data unless retention is required by law.

18.6 **Backups of work.** Each Party will keep a current secure copy of the Results it creates and provide

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the other a copy of Joint Results at each milestone and on termination.

19. Credit, publications and publicity

19.1 **Credit.** Each public version of a Joint Result will show the credit in Schedule 5 where practical. Authorship will follow actual contribution and the rules of the publisher or field. An accidental omission must be corrected promptly after notice where correction is reasonably possible.

19.2 **Publication review.** A Party that wishes to publish or present unpublished Results will send the draft at least [Days to review a publication: _____] days before submission or disclosure. The other Party may ask for removal of its Confidential Information, correction of credit or a delay of up to [Maximum delay for a patent filing, in days: _____] days to file for patent protection. A request must identify the reason. The publishing Party will remove that Confidential Information and honor a reasonable protection delay.

19.3 **Publication after review.** If no objection is received in time, the Party may publish material from the draft, but it may not disclose the other Party's Confidential Information. Neither Party may use review to suppress unfavorable findings that do not reveal protected information, subject to Section 14 and applicable funding rules.

19.4 **Announcements.** The Parties will approve the first public announcement in writing. Each may later repeat approved facts. Neither may state or imply that the other endorses its separate product without permission.

19.5 **Promotional posts.** A Party, and people it engages to promote the Project, will clearly and conspicuously disclose a material connection that the audience would not reasonably expect. Testimonials must be honest and based on actual experience.

19.6 **Legal disclosures.** A disclosure required by law is permitted after the notice required in Section 17, except where that Section allows disclosure without notice.

20. Names and trademarks

20.1 **Ownership.** Each Party keeps its names, logos and other trademarks, and the goodwill from their use. No ownership interest arises from the Project.

20.2 **License.** Each Party grants the other a limited, non-exclusive, non-transferable, royalty-free license during the Term to use the name and logo shown in Schedule 5 only to identify the collaboration and market the approved Project. Use must follow written brand rules and the approved form.

20.3 **Quality control.** The user will maintain the quality of goods and services offered with the mark at the standard in Schedule 1 and all reasonable written brand rules. It will provide samples on request. The owner may inspect relevant quality during reasonable hours. If use fails the standard, the owner may require correction within 10 Business Days, or immediate suspension where use is unlawful, misleading or damaging.

20.4 **Prohibited use.** A Party may not register a confusingly similar name, domain or social account, use a mark as part of its business name, or claim ownership. Referential use that the law permits is not prohibited.

20.5 **Project name.** The project name is "[Project name: _____]". Its ownership is: **[Owner**

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of the project name: _____]. Neither Party will register it except in accordance with that ownership. Where it is jointly owned, the Parties will sign a separate writing on quality control and registration before either licenses it to a third party.

20.6 **End of use.** A Party will stop new use of the other's marks when the Term ends and may use existing approved materials for 60 days if they are accurate, meet the quality standard and do not imply a current relationship. An owner may end that period earlier for uncured misuse. Accurate historical credit may continue.

21. Exclusivity and non-solicitation (optional)

21.1 **Whether this Section applies.** Exclusivity election: **[Exclusivity choice: _____]**. Non-solicitation election: **[Non-solicitation choice: _____]**. A restriction applies only if its election states that it applies. If an election says it does not apply, the related paragraph has no effect.

21.2 **Exclusivity.** If elected, during the Term neither Party will work with another person on [Exclusive field, if elected: _____] within [Exclusive territory, if elected: _____]. This does not restrict existing commitments listed in Schedule 4, passive investments without control, general research, or work that does not use the Project's Confidential Information and falls outside that stated field.

21.3 **Non-solicitation.** If elected, during the Term and for [Non-solicitation months, if elected: _____] months afterward, neither Party will directly and knowingly invite the other's employee or contractor who worked on the Project to leave that engagement. General advertising and contact started by the person are allowed. Nothing prohibits hiring a person who responds in those ways.

21.4 **Legitimate purpose.** A restriction may be enforced only to the extent reasonably needed to protect a legitimate interest in the Project, such as Confidential Information or investment in specialized work, and only where the law allows. It may not be used to divide unrelated markets or prevent lawful employment.

21.5 **State law.** The Parties will check the law where each restricted person works before electing a restriction. If a restriction is prohibited there, it does not apply to that person or place. A court may enforce a narrower restriction only where applicable law allows it.

22. Competition law compliance

22.1 **Independence.** Each Party will make independent decisions about its separate prices, costs, production, customers, suppliers, hiring, wages and markets. The collaboration does not authorize an agreement on those matters.

22.2 **Limits on information.** The Parties will not exchange competitively sensitive information unless it is reasonably needed for the Project. Where needed, they will limit it to specified people, use aggregated or historical data where practical, record the purpose and obtain legal advice before sharing current or future prices or costs.

22.3 **Meetings.** If a discussion moves outside the lawful Project purpose, a participant may object, stop the discussion, ask for the objection to be recorded and leave. Project agendas and records must show the actual subject.

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22.4 **No wider restraints.** No provision may be read to fix prices outside a lawful joint product, allocate customers or territories, limit unrelated output, or prevent a Party from independently developing other work.

22.5 **Optional notification.** If the Project qualifies as a research, development or production joint venture under the National Cooperative Research and Production Act, the Parties will decide promptly after signing whether to file a notice with the Attorney General and the Federal Trade Commission. A filing must be made within the legal period and kept current as required. Neither Party makes a filing in both names without agreement on its content.

22.6 **Concerns.** A Party will report a concern to its legal adviser and, where safe and lawful, to the other Party. It may suspend the affected exchange or activity while advice is obtained. No penalty applies to a good-faith report to an authority.

23. Legal compliance, export controls and funding terms

23.1 **General compliance.** Each Party will obtain the permits and approvals needed for its tasks, follow applicable laws and keep records required by them. Neither Party will offer or accept a bribe or improper benefit.

23.2 **Export controls.** Neither Party will release technology, source code or other controlled items to a person or destination where the law requires authorization and none has been obtained. A Party will identify controlled items in writing before sharing them. Access by a foreign person in the United States may be an export. The providing Party will classify its material, and both Parties will cooperate on authorization.

23.3 **Sanctions.** A Party states that it is not barred by United States sanctions from taking part. It will notify the other promptly if that changes and may not involve a prohibited person in the Project.

23.4 **Funding disclosures.** Existing government or outside funding that affects the Project is described here: [Outside or government funding terms: _____]. Before accepting new funding, a Party will give the other the terms that affect ownership, publication, data, export, reporting or licensing. New terms bind the other Party only when it agrees in writing, but neither Party must act contrary to law.

23.5 **Federally funded inventions.** If a federal funding agreement applies, its required patent, disclosure and data terms prevail over conflicting terms here for the affected work. The contractor concerned will require its Personnel to report inventions promptly and will make each disclosure by the deadline in the award. Nothing here limits rights reserved to the federal government.

23.6 **Ethical and safety approvals.** Work that involves human subjects, animals, hazardous materials or regulated products may not start until the responsible Party has every required approval. Either Party may stop work that presents an immediate safety risk.

24. Relationship of the parties

24.1 **Independent businesses.** The Parties are independent contracting parties. Nothing in this Agreement is intended to create a general partnership, limited liability company, agency, employment, franchise or fiduciary relationship.

24.2 **No authority.** Neither Party may bind the other, make a promise in its name, borrow money for it,

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accept legal documents for it, or describe itself as its partner or agent. A limited authority requires a separate signed writing that names the act.

24.3 **Conduct.** The Parties will keep separate books, bank accounts, employees and tax records. They will not open a joint bank account, form an entity, hold themselves out as partners or agree to share general business losses without a separate agreement made after legal and tax advice.

24.4 **Liability to others.** Neither Party is responsible for the other's debts unless it agrees in a signed writing or the law imposes responsibility despite this Agreement. A Party that incurs its own obligation will pay it and protect the other as Section 26 provides.

24.5 **Good faith.** Each Party will perform honestly and cooperate reasonably. Except for the express duties here, neither must put the other's interests ahead of its own.

24.6 **Change of structure.** If the Parties decide to operate a continuing joint business or form a company, they will stop expansion of that business until the ownership, management, tax, licensing and liability terms are in a separate signed agreement.

25. Representations, warranties and disclaimer

25.1 **Mutual representations.** Each Party represents on the Effective Date that (a) it exists and is in good standing where required, or is an adult individual; (b) it has power and authority to sign and perform; (c) performance does not breach another agreement or order that binds it; and (d) its identity and entity information is accurate.

25.2 **Contributions and rights.** Each Party warrants that it has the rights needed to provide its Contributions and grant its licenses and assignments, and that its own original work will not be copied from another person without permission. To its actual knowledge on the Effective Date, use of its listed Background IP as planned does not infringe another person's rights.

25.3 **Work and compliance.** Each Party warrants that its Personnel have the required skill and that it will perform lawfully. It will not knowingly introduce malicious code or a legal restriction that has not been disclosed.

25.4 **Information.** Each Party states that material factual information it provides for the Project is accurate to its actual knowledge when given. Estimates and forecasts are not guarantees.

25.5 **Correction.** If a Party learns that a representation has become untrue, it will notify the other within 5 Business Days and cooperate on a correction. Notice does not remove liability for an earlier breach.

25.6 **Disclaimer. Except as expressly stated in this Agreement, and to the fullest extent the law allows, each Party provides its Contributions and Results "as is" and disclaims all other warranties, express or implied, including warranties of merchantability, fitness for a particular purpose, non-infringement, validity of Intellectual Property and commercial result.** This does not exclude a warranty or remedy that cannot lawfully be excluded.

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26. Indemnification and claims procedure

26.1 **Duty to indemnify.** Each Party (the "Indemnifying Party") will defend, indemnify and hold harmless the other Party, its Affiliates and their owners, officers, employees and agents (each an "Indemnified Person") from damages, settlements, penalties and reasonable legal costs payable because of a third-party claim, to the extent it arises from the Indemnifying Party's (a) breach of a representation or warranty; (b) violation of law; (c) negligence, gross negligence or intentional misconduct; (d) infringement caused by its Contribution or Background IP; (e) unauthorized promise or debt in the other's name; or (f) employment duties to its own Personnel.

26.2 **Exclusions.** An indemnity does not apply to the extent the claim arises from the Indemnified Person's fault, unauthorized modification, use outside this Agreement, or an express instruction of the Indemnified Person that the Indemnifying Party objected to in writing. Responsibility will be divided according to fault where both contributed, as the law allows.

26.3 **Notice.** The Indemnified Person will give written notice promptly after learning of a claim. Delay releases the Indemnifying Party only to the extent it was harmed by the delay.

26.4 **Defense.** The Indemnifying Party may control the defense with qualified counsel after confirming its duty in writing. The Indemnified Person may join with its own counsel at its own cost. If there is a conflict of interest, or the Indemnifying Party does not defend within 15 days after notice, the Indemnified Person may take control and recover reasonable defense costs covered by this Section.

26.5 **Settlement.** The Indemnifying Party may not settle in a way that admits fault, requires action by, or limits the rights of an Indemnified Person without written consent, which may not be unreasonably withheld. An Indemnified Person may not settle a covered claim without the Indemnifying Party's consent while it is meeting its duties.

26.6 **Cooperation and replacement.** The Indemnified Person will cooperate at the Indemnifying Party's reasonable cost. For an infringement claim, the responsible Party may obtain a license, replace or modify the material without material loss of function, or, if neither is reasonable, require its use to stop and refund payments attributable to the unusable part. These steps do not remove the duty to defend a covered third-party claim.

27. Limitation of liability

27.1 **Excluded losses. To the fullest extent the law allows, neither Party is liable to the other for indirect, special, incidental, punitive or consequential loss, or for lost anticipated profit, goodwill or opportunity, even if it was told the loss was possible.** Amounts payable as Shared Receipts are direct amounts and are not excluded by this paragraph.

27.2 **Cap. Subject to the exceptions below, each Party's total liability arising from this Agreement may not exceed [Maximum general liability per Party: _____].** This applies to contract, tort, statute and other theories. Multiple claims do not increase the cap.

27.3 **Exceptions.** The exclusion and cap do not limit (a) payment of Shared Receipts, Shared Costs or an invoice due; (b) an indemnity for a third-party claim; (c) fraud, gross negligence or intentional misconduct; (d) intentional misuse of the other's Intellectual Property or Confidential Information; or (e) liability that the law does not allow the Party to limit, including liability for bodily injury where it cannot

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be limited.

27.4 **Mitigation.** A Party will take reasonable steps to reduce its loss. It may not recover the same loss twice.

27.5 **Basis of agreement.** The limits reflect the agreed allocation of risk. They apply even if a limited remedy fails of its essential purpose, to the extent the law allows. Each Party has had the chance to obtain advice and insurance.

27.6 **Time for claims.** This Agreement does not shorten a limitation period set by law. A Party should give notice of a known claim promptly and preserve relevant records.

28. Insurance

28.1 **Coverage.** During the Term, each Party will carry the coverage required by law for its own activities, including workers' compensation where required, and the following additional coverage: [Additional insurance requirements: _____].

28.2 **Proof.** A Party will provide a certificate within 10 days after a reasonable request. Where stated above, the other Party will be named as an additional insured under the applicable general liability policy.

28.3 **Changes.** A Party will give the other at least 30 days' notice of cancellation or a material reduction if it receives that notice in time, otherwise promptly after learning of it. It will replace required coverage without a gap.

28.4 **Claims-made policies.** If required professional, technology or cyber coverage is on a claims-made basis, the Party will maintain coverage or an extended reporting period for at least 1 year after its work ends, if commercially available.

28.5 **Responsibility.** Insurance does not limit liability under this Agreement. Failure to request proof does not waive the requirement.

29. Term and renewal

29.1 **Initial Term.** This Agreement starts on the Effective Date and continues until **[Initial end date: _____]**, unless it ends earlier (the "Initial Term").

29.2 **Renewal.** The Parties may renew for one or more periods of [Length of each renewal: _____] by a writing signed by both before expiration. Continuing work after expiration without a signed renewal does not renew this Agreement, but these terms govern that work until either Party stops it.

29.3 **Term.** The Initial Term and every renewal are the "Term". The Parties will discuss renewal at least 45 days before expiration and will prepare a wind-down plan if they do not intend to renew.

29.4 **Earlier work.** If a Party performed Project work before the Effective Date, this Agreement applies to that work from [Date from which earlier work is covered: _____]. It does not reverse an earlier valid grant to another person. Each Party will disclose any such grant in Schedule 4.

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30. Default, withdrawal and termination

30.1 **Withdrawal.** Either Party may withdraw by at least **[Days of notice to withdraw: _____] days'** written notice, or the shorter notice in Section 7.6. Withdrawal ends the Term on the stated date. Until then, the withdrawing Party will perform, pay committed Shared Costs and help with the transition.

30.2 **Notice of default.** If a Party materially breaches this Agreement, the other may send a notice that describes the breach and the action required. The breaching Party has **[Days to cure a material breach: _____] days** after receipt to cure it, or 10 days for a failure to pay an undisputed amount.

30.3 **Cure of a difficult default.** If a non-payment breach cannot reasonably be cured in that period, the breaching Party is not in default while it starts promptly, gives a written plan and works diligently, but the total cure period may not exceed 60 days unless extended in writing.

30.4 **Termination for default.** The other Party may terminate by written notice if the breach is not cured in time. It may terminate immediately for fraud, a serious violation of law, an incurable material breach, or intentional misuse of its Confidential Information or Intellectual Property.

30.5 **Insolvency.** To the extent the law allows, a Party may terminate if the other stops business, makes a general assignment for creditors, or has a receiver appointed over substantially all assets and the event is not dismissed within 60 days. A bankruptcy right or stay applies where the law provides it.

30.6 **Suspension.** After 5 Business Days' notice, a Party may suspend affected work while a material payment or safety breach continues. No notice is needed for an immediate safety or legal risk. Suspension must be no wider than reasonably needed and extends affected dates.

30.7 **Mutual termination.** Both Parties may end this Agreement at any time by a signed writing that states the wind-down date and any different final payments.

31. Effects of termination

31.1 **Wind-down plan.** Within 10 Business Days after a termination notice, the project leads will prepare a plan for open tasks, customers, data, deliverables, commitments and public statements. Both Parties will avoid new Project commitments unless needed to protect people, property or existing customers.

31.2 **Final accounting.** Within 45 days after the Term, each Party will provide a final statement of Shared Costs and Shared Receipts. Amounts due will be paid within 30 days after the statement. Later Shared Receipts will continue to be reported and paid under Section 9, Section 10 and Section 14.

31.3 **Existing commitments.** A Party will pay its share of Shared Costs that were approved before notice and cannot reasonably be canceled. A Party that terminates for the other's uncured default may recover its direct losses, subject to Section 27. It is not required to fund a commitment that the defaulting Party made without approval.

31.4 **Return and delivery.** Each Party will return equipment and Confidential Information as required, and deliver one usable copy of Joint Results and their records, including source files, within 20 Business Days. Third-party limits still apply. Neither Party may withhold jointly owned material solely to force payment of a disputed claim.

31.5 **Licenses.** Project licenses end, except that each Party keeps the rights expressly continuing under

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Section 12 and Section 14. Existing customer rights continue for their agreed period if the customer complies and payments continue. Termination does not reverse an ownership assignment.

31.6 **Continuing license after default.** A Party whose intentional and uncured misuse caused termination may not grant a new license of Joint Results that includes the other's Background IP without its consent. This paragraph does not transfer the misusing Party's ownership share or end a right protected by bankruptcy law.

31.7 **Unfinished Results.** Each Party may complete unfinished Joint Results from its own resources, without using the other Party's Confidential Information except under a continuing right. It must give proper credit. The stated ownership and receipt shares continue unless the Parties sign a different settlement.

31.8 **Survival.** Payment and audit duties, accrued rights, ownership, licenses stated to continue, confidentiality, data duties, indemnity, liability limits, dispute resolution and provisions that by their nature continue survive.

32. Force majeure

32.1 **Relief.** A Party is not in breach for delay caused by an event beyond its reasonable control that it could not reasonably avoid, such as natural disaster, war, terrorism, epidemic restrictions, government action, widespread utility failure, or labor disruption not limited to its own workforce. The event must prevent the affected performance.

32.2 **Exceptions.** Lack of money, ordinary cost increases, a subcontractor's unexcused failure and foreseeable equipment failure do not excuse performance. A payment for work already performed or a Shared Receipt already collected remains due.

32.3 **Process.** The affected Party will notify the other within 5 Business Days, describe the event and expected duration, reduce its effects, provide updates and resume as soon as reasonable. Dates move for the unavoidable delay.

32.4 **Long delay.** If an event prevents a material part of the Project for more than [Long force majeure period, in days: _____] consecutive days, either Party may terminate on 15 days' notice. Section 31 applies, and neither Party owes damages solely because of that termination.

33. Dispute resolution

33.1 **Executive discussion.** A Party with a dispute will send a written description and proposed solution. The project leads will meet within 10 days. If they do not settle it, senior representatives with authority will meet within 20 days after the dispute notice. They may extend these periods in writing.

33.2 **Mediation.** If the dispute is not settled within 30 days after notice, either Party may request mediation by a neutral mediator in [City and state for mediation or arbitration: _____]. The Parties will share the mediator's fee equally and pay their own representation costs. If they cannot choose a mediator within 15 days after the request, or mediation has not ended the dispute within 45 days after it, either may proceed.

33.3 **Elected process.** The elected forum is **[Dispute forum: _____]**. If the election is arbitration, the arbitration paragraphs below apply. If it is court, those paragraphs do not apply and

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Section 34 states the venue. If the election is missing or unclear, the Parties elect court.

33.4 **Arbitration.** If elected, a dispute arising from this Agreement that mediation does not settle will be finally decided by one neutral arbitrator administered by [Arbitration provider, if elected: _____] under its applicable commercial rules, in [City and state for mediation or arbitration: _____]. The arbitrator may order discovery that is proportionate, must follow this Agreement and applicable law, and will give a reasoned written award. The arbitrator may grant a remedy that a court could grant to that Party.

33.5 **Judgment.** If arbitration is elected, the Parties agree that judgment may be entered on the award by any court with jurisdiction. Either Party may apply to confirm the award within the time allowed by law. Administrative and arbitrator fees will be divided as the rules or award provides. Arbitration fees may not prevent an individual from bringing a claim that the law protects.

33.6 **Claims not forced into arbitration.** Arbitration is not required for a sexual harassment or sexual assault dispute at the election of the person who brings the claim, or for another claim that cannot lawfully be sent to arbitration. A court will decide a matter reserved to a court by law.

33.7 **Urgent relief.** Either Party may at any time ask a court for a temporary order to protect Intellectual Property, Confidential Information, safety or evidence. A bond is required unless the court or applicable law allows otherwise. The request does not waive arbitration of other matters.

33.8 **Settlement talks and performance.** Offers and statements made to compromise a disputed claim are for settlement only and protected as the law provides. Existing evidence does not become protected because it was mentioned in those talks. Except for lawful suspension or termination, both Parties will continue undisputed work and payments.

33.9 **Legal costs.** Each Party pays its own legal costs unless an applicable statute, rule or valid order requires otherwise. Time limits that lawfully can be paused are paused during a good-faith mediation started under this Section.

34. Governing law and venue

34.1 **Governing law.** This Agreement is governed by the laws of the State of **[Governing state: _____]**, without applying a conflict rule that selects another law, and by applicable federal law. A mandatory law of another state that cannot be displaced still applies.

34.2 **Court venue.** For a matter not sent to arbitration, the state courts located in [County and state for court: _____] and the federal court serving that place have exclusive jurisdiction, if they have legal jurisdiction. Each Party consents to personal jurisdiction there and waives an objection to convenience to the extent the law allows.

34.3 **Service.** A Party may serve legal papers in any way the applicable rules allow. Contract notice by itself is not service unless those rules allow it.

34.4 **Mandatory rights.** This Section does not remove a right to a local forum, agency process, jury trial or other protection that applicable law does not permit a Party to waive. There is no separate jury waiver in this Agreement.

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35. Notices

35.1 **Addresses.** A formal notice must be written and sent to the other Party at the address in Section 1 and to the email in this Section. The First Party's notice email is [First Party's notice email: _____]. The Second Party's notice email is [Second Party's notice email: _____].

35.2 **Delivery.** Notice may be delivered personally, by a tracked overnight service, by certified mail with return receipt, or by email. It is received on personal delivery, the recorded delivery date, or the Business Day after an email is sent if no failure message is returned.

35.3 **Copies and difficult notices.** A notice of default, termination or claim sent by email must also be sent by a tracked service within 2 Business Days. Refusal to accept a tracked notice is receipt on the first refused delivery date.

35.4 **Changes.** A Party will give notice of a new address within 5 Business Days. Ordinary project communication may be sent through the project leads' usual email or system but does not replace a formal notice.

36. Assignment and change of control

36.1 **Consent.** A Party may not assign this Agreement, its duties or its share of a Joint Result without the other's prior written consent, which may not be unreasonably withheld. It may assign the whole Agreement together with its entire share to an Affiliate or to a successor to substantially all of the related business, after 15 days' notice, if the successor accepts this Agreement in writing and can perform it.

36.2 **Competitor or prohibited person.** A Party may reasonably refuse consent if the new person is prohibited by law, lacks resources, would put Confidential Information at unreasonable risk, or directly competes with the other Party in the Project field. The permitted transfer right does not apply to such a person.

36.3 **Change of control.** A Party will notify the other within 10 days after a change in ownership of more than half of its voting interests. If the new controller is prohibited by law or directly competes in the Project field, the other may require reasonable information safeguards or, if they are not agreed within 30 days, terminate on 30 days' notice.

36.4 **Effect.** An unauthorized assignment is ineffective between the Parties. This Agreement binds and benefits permitted successors. A permitted assignment does not release the old Party for earlier duties. A Party may assign money due for a lawful financing if the other Party may keep its defenses and is given notice.

37. General terms

37.1 **Entire agreement.** This Agreement and its Schedules state the entire agreement on the Project and replace earlier discussions and drafts on that subject. A signed confidentiality or funding agreement listed in Schedule 4 continues and prevails for the matter it specifically covers where stated there.

37.2 **Amendment.** Except for minor plan changes, an amendment must be written, identify this Agreement and be signed by both Parties. An exchange of ordinary project messages does not change the ownership, assignment, receipt or liability terms.

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37.3 **Waiver.** A waiver must be signed by the Party giving it and applies only to the stated event. Delay or partial enforcement is not a waiver.

37.4 **Severability.** If a court finds a provision unlawful or unenforceable, it will be limited only as needed or removed, if the law allows, and the rest will continue. The Parties will replace a removed term with a lawful term close to its purpose.

37.5 **Third parties.** Only the Parties and permitted successors may enforce this Agreement, except that an Indemnified Person may enforce its indemnity through the Party concerned. Funding terms apply only as stated in Section 23.

37.6 **Remedies.** Rights are cumulative unless this Agreement says otherwise. A Party is not entitled to double recovery.

37.7 **Review.** Each Party had the chance to read this Agreement and get independent legal and tax advice. It will not be interpreted against a Party only because that Party prepared it.

37.8 **Further acts.** Each Party will sign documents and take reasonable steps needed to carry out this Agreement, at its own cost unless this Agreement states another allocation.

38. Counterparts and electronic signatures

38.1 **Counterparts.** The Parties may sign separate identical copies. Together they are one agreement.

38.2 **Electronic transactions.** The Parties agree to use electronic records and signatures. An electronic signature or delivered electronic copy has the same effect as an original to the extent the law allows. Each Party will keep a complete signed copy that can be accurately reproduced.

38.3 **Consent and paper copies.** Each signer agrees to conduct this transaction electronically. A Party may receive a paper copy on request and may withdraw consent for future records by notice. Withdrawal does not affect records already signed. A document that law requires in another form will be signed in that form.

38.4 **Effective Date.** This Agreement takes effect on the Effective Date after both Parties have signed. If the last signature is later, the Parties ratify performance between the dates only if it matches this Agreement.

By signing, each Party agrees to every Section and Schedule, including the present assignments in Section 13.

FIRST PARTY: [First Party's full legal name: _____]
Signature:
Printed name: [First Party's signer: _____]
Title or capacity: [First signer's title or capacity: _____]
Date signed:

SECOND PARTY: [Second Party's full legal name: _____]
Signature:
Printed name: [Second Party's signer: _____]
Title or capacity: [Second signer's title or capacity: _____]
Date signed:

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SCHEDULE 1: PROJECT PLAN

1. Project and field of work: [Short project description and field: _____]

2. Deliverables: [Project deliverables: _____]

3. Milestones

Milestone 1: [First milestone: _____]. Responsible: [Party responsible for milestone 1: _____]. Due: [Due date for milestone 1: _____]
Milestone 2: [Second milestone: _____]. Responsible: [Party responsible for milestone 2: _____]. Due: [Due date for milestone 2: _____]
Milestone 3: [Third milestone: _____]. Responsible: [Party responsible for milestone 3: _____]. Due: [Due date for milestone 3: _____]

4. Decision points: [Decision point milestones: _____]

5. Acceptance and quality standards: [Acceptance and quality standards: _____]

6. Key people: [Key project people: _____]

7. Personal data, purpose and each Party's role: [Personal data, purpose and roles: _____]

SCHEDULE 2: CONTRIBUTIONS AND BUDGET

1. First Party's Contributions and dates: [First Party's Contributions and dates: _____]

2. Second Party's Contributions and dates: [Second Party's Contributions and dates: _____]

3. Budget for Shared Costs

Item: [Shared budget item 1: _____]. Amount: [Amount for budget item 1: _____]
Item: [Shared budget item 2: _____]. Amount: [Amount for budget item 2: _____]
Item: [Shared budget item 3: _____]. Amount: [Amount for budget item 3: _____]
Maximum total: [Maximum total Shared Costs: _____]

4. Cost shares: First Party [First Party's share of Shared Costs: _____]; Second Party [Second Party's share of Shared Costs: _____]

5. Advance cash payments, dates and account holder: [Advance payments, dates and holder: _____]

6. Contributions to be repaid, if any: [Contributions to be repaid: _____]

SCHEDULE 3: REVENUE SPLIT AND COMMERCIALIZATION PLAN

1. Shared Receipts: First Party [First Party's share of receipts: _____]; Second Party [Second Party's share of receipts: _____]

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2. Different shares by product, territory or use: [Different receipt shares, if any: _____]

3. Approved products, sales channels and territories: [Approved products, channels and territories: _____]

4. Party responsible for sales and support: [Party responsible for sales and support: _____]

5. Initial prices and discount limits for the joint product only: [Initial price for the joint product: _____]

6. Rule after the Term, if different from Section 14.3: [Different rule after the Term: _____]

7. Ownership shares in Joint Results: [Ownership shares in Joint Results: _____]

SCHEDULE 4: BACKGROUND IP AND EXISTING COMMITMENTS

1. First Party's Background IP: [First Party's Background IP: _____]

2. Second Party's Background IP: [Second Party's Background IP: _____]

3. Limits on licenses to Background IP: [Limits on Background IP: _____]

4. Third-party and open source materials, with their terms: [Third-party and open source materials: _____]

5. Earlier grants, institutional claims and existing commitments: [Earlier grants and commitments: _____]

6. Continuing confidentiality or funding agreements, and matters on which they prevail: [Agreements that continue: _____]

SCHEDULE 5: CREDIT, NAMES AND LOGOS

1. Credit line and order of names: [Credit line: _____]

2. First Party's approved name and logo: [First Party's approved name and logo: _____]

3. Second Party's approved name and logo: [Second Party's approved name and logo: _____]

4. Brand rules and approval contacts: [Brand rules and approval contacts: _____]

5. Project name and owner: [Project name: _____]; [Owner of the project name: _____]

SCHEDULE 6: CHANGE FORM

This form changes the Collaboration Agreement dated [Effective date: _____] between [First Party's full legal name: _____] and [Second Party's full legal name: _____]. Complete a copy for each change.

1. Change number and requested date: [Change number and date: _____]

2. Work or Section changed, and reason: [Section changed and reason: _____]

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3. Effect on dates and Contributions: [Effect on dates and Contributions: _____]

4. Effect on budget, cost shares or receipt shares: [Effect on budget or shares: _____]

5. Effect on ownership, licenses or credit: [Effect on ownership or credit: _____]

All other terms remain the same. This change takes effect when both Parties sign it.

First Party: [First Party's full legal name: _____]
Signature:
Printed name and title:
Date signed:

Second Party: [Second Party's full legal name: _____]
Signature:
Printed name and title:
Date signed:

SCHEDULE 7: PARTICIPANT ASSIGNMENT AND CONFIDENTIALITY FORM

A Party may use this form with an employee or individual contractor who joins the Project. The Party that engages the participant is the "Engaging Party".

This form relates to the Collaboration Agreement dated [Effective date: _____] between [First Party's full legal name: _____] and [Second Party's full legal name: _____] (the "Agreement"). The person named below is the "Participant". Capitalized terms not defined here have the meanings in Section 2 and Section 17 of the Agreement. The Engaging Party has given the Participant a copy of those Sections, Section 3 and Schedule 1 before signing, and they are incorporated here for that purpose. This form takes effect on the date the Participant signs.

1. Participant: [Participant's full name: _____]

2. Engaging Party: [Party that engages the participant: _____]

3. Assignment. In return for the Participant's pay or other agreed consideration, the Participant hereby assigns to the Engaging Party all Intellectual Property in Results that the Participant creates in the Project, effective when created. The Participant will sign reasonable further documents at the Engaging Party's cost. This assignment does not cover an invention that applicable law does not allow the Engaging Party to require the Participant to assign. It does not remove a right to terminate a copyright grant that cannot be waived.

4. State invention notice. If the Participant is an employee, this assignment does not apply to an invention for which no equipment, supplies, facility or trade secret information of the Engaging Party was used and which was developed entirely on the Participant's own time, unless (a) the invention relates directly to the business of the Engaging Party or to its actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the Participant for the Engaging Party. A broader protection under the law that applies to the Participant also applies. This paragraph is written notice of that limit.

5. Confidentiality. The Participant will use Confidential Information only for the Project, protect it with reasonable care and return it when requested. The Participant owes these duties to the Engaging Party.

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The exclusions, time limit and protected conduct in Section 17 of the Agreement apply to the Participant.

6. Defend Trade Secrets Act notice. An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or that is made in a complaint or other document filed under seal in a lawsuit or other proceeding. An individual who sues an employer for retaliation for reporting a suspected violation may disclose the trade secret to his or her attorney and use it in the proceeding if every document containing it is filed under seal and it is not disclosed except under a court order.

7. Earlier material and outside claims. The Participant has listed earlier inventions, employer claims and other restrictions here: [Participant's earlier material and claims: _____]. Listed earlier property is not assigned and is not licensed unless the Participant gives a signed license.

Participant: [Participant's full name: _____]
Signature:
Date signed:

Engaging Party: [Party that engages the participant: _____]
Signature:
Printed name and title:
Date signed:

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