

SAMPLE Joint Venture Agreement
[March 2010]

This Joint Venture Agreement (JVA) is entered into by and between the Parties identified in the attached Exhibit A.

Whereas, the Parties have applied for participation in the Technology Innovation Program (TIP) administered by the National Institute of Standards and Technology (NIST) as a joint venture (JV) to conduct certain specified research;

Whereas, the Parties wish to enter into a JVA to define their respective roles and responsibilities and thus successfully satisfy the objectives of the TIP research project; and

Whereas, the Parties have selected _____ to serve as the JV Administrator (Administrator) for the joint venture and wish to authorize that organization to perform certain functions, specifically including executing the NIST Cooperative Agreement Award issued by the NIST Grants Officer and thereby binding all of the Parties to the terms and conditions of that award;

Now, therefore, the Parties agree as follows:

Article 1: Definitions.

1.1 **Background Technology** means technical information not generated in the course of the TIP research project.

1.2 **Developed from assistance provided by the TIP** includes development using TIP funding, and/or the Parties' cost share, and/or technically within the research project.

1.3 **Government Use License** means a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced by or on behalf of the United States throughout the world any Subject Invention, and/or to reproduce, publish, or otherwise use, for Government purposes, any work that is subject to copyright and developed from assistance provided by the TIP.

1.4 **Intellectual Property** means an invention patentable under Title 35, United States Code, or any patent on such an invention, or any work for which copyright protection is available under Title 17, United States Code.

1.5 **Invention** means an invention patentable under Title 35, United States Code, or any patent on such an invention.

1.6 **JV Agreement** or **JVA** means this Joint Venture Agreement.

1.7 **NIST Cooperative Agreement Award** means the financial assistance funding instrument entered into between the NIST Grants Officer and the Parties (as executed by the JV Administrator) for the conduct of the TIP research project.

1.8 **Party** or **Parties** means the parties identified in the attached Exhibit A.

1.9 **Patents** mean all patents and applications relating thereto resulting from Subject Inventions.

1.10 **Proposal** means the TIP research proposal submitted by the Parties to TIP for funding.

1.11 **Research Project** means the TIP research project entitled “ _____ ” set forth in the TIP Proposal submitted by the JV to TIP.

1.12 **Subject Invention** means any invention conceived or first reduced to practice in the course of the TIP research project.

1.13 **Technology** means all technical information generated in the course of the TIP research project.

Article 2: Administration and Governance.

2.1 Obligations of the Parties. The Parties agree to work together to accomplish the objectives of the TIP research project by performing research directly, including through the use of contractors, if applicable, and the Parties agree to carry out their responsibilities as set forth in the NIST Cooperative Agreement Award and the TIP proposal, including, but not limited to, the statement of work. The Parties agree to contribute cost share in the amounts set forth in the approved budget contained in the NIST Cooperative Agreement.

Each Party is responsible for meeting its committed cost share throughout the award in accordance with its approved budget. No Party is responsible for the cost-share commitment of any other Party. However, with the written consent of all other Parties and upon written notification thereof to the NIST Grants Officer, a Party that has exceeded its cost-share commitment may propose to allow its excess cost share to be applied to the cost-share deficit of another Party.

Subject to any additional withdrawal requirements in the NIST Cooperative Agreement Award, specifically in its TIP General Terms and Conditions, any Party to this JVA may withdraw from this JVA upon written __-day notification to the JV Administrator. The JV Administrator shall provide a copy of any such notification to the NIST Grants Officer within seven (7) calendar days of Administrator’s receipt thereof.

In the event that a Party is terminated as a JV member in the NIST Cooperative Agreement Award, said Party shall then also be terminated as a Party to this JVA at that time.

2.2 Program Management. The JV Administrator shall perform the day-to-day management and administration of the TIP research project in accordance with all legal and regulatory requirements, including the NIST Cooperative Agreement Award.

2.3 Management Committee. The Management Committee, composed of one representative of each Party, shall direct the conduct of the TIP research project in all respects, through the JV Administrator.

Article 3: Proprietary Information. Each of the Parties agrees that it will not, either during the term of this JVA or at any time after its termination, use Technology or Background Technology of another Party for any purpose except the TIP research project and the commercial exploitation of the results of the development work of the TIP research project and it will not divulge such Background Technology to any person without the prior written consent of the disclosing Party; provided, however, Background Technology shall not be considered proprietary which:

3.1 Is in the public domain at the time of disclosure or thereafter enters the public domain other than through a breach of this JVA; or

3.2 Is in the possession of the receiving Party prior to its receipt from the disclosing Party; or

3.3 Is lawfully obtained from a third party under circumstances permitting the receiving Party to use or disclose the information without restrictions; or

3.4 Is independently developed by the receiving Party; or

3.5 Is required to be disclosed as a result of government or judicial action.

Article 4: Intellectual Property. The protection of intellectual property rights, including Subject Inventions, Technology and trade secrets, under the TIP research project will be in accordance with the NIST Cooperative Agreement Award and the TIP Proposal. The Intellectual Property Plan is summarized and attached to this JVA as Exhibit B and includes provisions effecting the required Government Use License.

Article 5: Term. This JVA shall continue in full force and effect until the Parties' obligations as set forth in this JVA and the NIST Cooperative Agreement Award have been completed, or until the NIST Cooperative Agreement Award has been terminated. An individual Party may cease participation in the TIP research project only in a manner consistent with the NIST Cooperative Agreement Award.

Article 6: Liability, Warranty, Insurance.

6.1 Liability. Each Party acknowledges that it shall be responsible for any loss, cost, damage, claim, or other charge that arises out of or is caused by the actions of that Party or its employees or agents. No Party shall be liable for any loss, cost, damage, claim, or other charge that arises out of or is caused by the actions of any other Party or its employees or agents. Joint and several liability will not attach to the Parties; no Party is responsible for the actions of any other Party, but is only responsible for those tasks assigned to it and to which it agrees in the statement of work contained in the TIP proposal, or in the NIST Cooperative Agreement Award. The Parties agree that in no event will any Party seek consequential or punitive damages with respect to any dispute that may arise between or among the Parties in connection with this JVA.

6.2 Force Majeure. No Party shall be liable, in respect to any delay in completion of work hereunder or of the non-performance of any term or condition of this JVA directly or indirectly resulting from delays by Acts of God; acts of the public enemy; strikes; lockouts; epidemic and riots; power failure; water shortage or adverse weather conditions; or other causes beyond the control of the Parties. In the event of any of the foregoing, the time for performance shall be equitably and immediately adjusted, and in no event shall any Party be liable for any consequential or incidental damages from its performance or non-performance of any term or condition of this JVA. The Parties shall resume the completion of work under this JVA as soon as possible subsequent to any delay due to force majeure.

6.3 Insurance. Each Party agrees to obtain and maintain appropriate public liability and casualty insurance, or adequate levels of self-insurance, to insure against any liability caused by that Party's obligations under this JVA and the NIST Cooperative Agreement Award.

Article 7: Notices. Any notice or request with reference to this JVA shall be made by first class mail postage prepaid, telex, or facsimile to the addresses shown in Exhibit C.

Article 8: General Provisions.

8.1 Amendments. No amendment or modification of this JVA shall be valid unless made in writing and signed by all parties and approved by NIST. In the event of modification to this JVA, *e.g.*, addition

and/or deletion of a Party to this JVA, the Parties will consider use of a simple amendment to this JVA to accomplish the modification, rather than using a revised total replacement JVA document.

8.2 Assignment. This JVA shall not be assigned by any Party without the express written consent of the other Parties, which consent shall not be unreasonably withheld. This provision shall not apply in the event a Party changes its name or as part of the sale of the Party's business. However, all Parties acknowledge that any assignment or other transfer requires prior written NIST approval.

8.3 Effective Date. This JVA shall be effective as of the date of the last signature below.

8.4 Governing Law. This JVA shall be governed by and interpreted in accordance with the laws of _____.

8.5 Headings. Article and section headings contained in this JVA are included for convenience only and form no part of the JVA among the Parties.

8.6 Power of Attorney. By signing this JVA, each Party grants to the JV Administrator a Power of Attorney for the sole purpose of binding each Party to the terms and conditions of the NIST Cooperative Agreement Award.

8.7 Precedence. Should there be any conflict between the terms and conditions of this JVA and the NIST Cooperative Agreement Award, the NIST Cooperative Agreement Award shall take precedence.

8.8 Severability. If any provision of this JVA is declared invalid by any court or government agency, all other provisions shall remain in full force and effect.

8.9 Use of Names. No Party shall use in any advertising, promotional, or sales literature the name of any other Party without prior written consent of the other Party.

8.10 Waivers. Waiver by any Party of any breach or failure to comply with any provision of this JVA by another Party shall not be construed as, or constitute, a continuing waiver of such provision or a waiver of any other breach of or failure to comply with any other provision of this JVA.

In Witness Whereof, the Parties have caused this JVA for the TIP research project entitled “_____” to be executed by their duly authorized officers or representatives on the dates shown below. This Agreement must be executed by all Parties, but may include identical multiple signature pages, each of which may contain one or more Party signatures.

Signature of Authorized Company Official: _____

Printed/Typed Name of Company Official: _____

Printed/Typed Title of Company Official: _____

Printed/Typed Name of Company: _____

Date: _____

Exhibits

Exhibit A: Parties to the Agreement (as identified in the SF-424 (R&R), NIST-1022 and NIST-1022A).

Exhibit B: Intellectual Property Plan

Exhibit C: List of Names and Addresses for Notices Concerning this JV Agreement

SAMPLE INTELLECTUAL PROPERTY PLAN FOR JOINT VENTURE AGREEMENT

[NOTE: This sample is not meant to suggest a preferred scheme for the distribution of intellectual property rights among the JV Parties. It is offered to assist the Parties in the preparation of their intellectual property plan. However, please note that items 4, 5, and 6 below are required in all TIP JV Agreements.]

Exhibit B: Intellectual Property Plan

1. Intellectual property developed solely by an employee or employees of a Party in the performance of the TIP research project and NIST Cooperative Agreement Award will be owned by that Party.
2. Intellectual property developed jointly by an employee or employees of one Party with an employee or employees of another Party or Parties in the performance of the TIP research project and NIST Cooperative Agreement Award will be jointly owned by those Parties.
3. The Parties hereby offer licenses to each other for the intellectual property described in (1) and (2) above under the following conditions:

[Insert conditions under which the Parties will be able to use the intellectual property of other Parties; e.g., whether they will pay royalties, whether licenses will be exclusive or nonexclusive, etc.]

4. Title to any intellectual property developed from assistance provided by the TIP shall vest only in a joint venture participant. Title to any such intellectual property shall not be transferred or passed, except to a joint venture participant, until the expiration of the first patent obtained in connection with such intellectual property. Should the last existing participant in a joint venture cease to exist prior to the expiration of the first patent obtained in connection with any invention developed from assistance provided under the TIP, title to such patent must be transferred or passed to a U.S. entity that can commercialize the technology in a timely fashion. Pursuant to the TIP Rule, at 15 C.F.R. § 296.2, the term *participant* means any entity that is identified as a recipient, subrecipient, or contractor on the TIP award to the joint venture.
5. The Parties understand that the United States will reserve, and the Parties hereby grant to the United States, a nonexclusive, nontransferable, irrevocable paid-up license, to practice or have practiced on behalf of the United States any intellectual property developed from assistance provided by the TIP, *i.e.*, any invention patentable under Title 35 of the United States Code, or any patent on such an invention, conceived or first reduced to practice in the course of the TIP research project, or any work for which copyright protection is available under Title 17, United States Code, but the United States shall not, in the exercise of such license, publicly disclose proprietary information related to the license. The license hereby granted to the Government includes license for the Government, and others acting on its behalf, to reproduce, publish, or otherwise use, for Government purposes, any work that is subject to copyright and developed from assistance provided by the TIP.
6. The Parties shall include in any subaward or contract involved in the NIST Cooperative Agreement Award for the TIP research project a provision that any intellectual property developed by a Party's subrecipient or contractor in the performance of the award will be owned by a joint venture participant(s) named within the subaward or contract provision, and that title to any such intellectual property shall not be transferred or passed, except to a joint venture participant, until the expiration of the first patent obtained in connection with such intellectual property. In addition, the subaward or contract provision shall specify that should the last existing participant in a joint venture cease to exist prior to the expiration of the first patent obtained in connection with any invention developed from assistance provided under

the TIP, title to such patent must be transferred or passed to a U.S. entity that can commercialize the technology in a timely fashion.

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