



THE CENTER FOR
BITS AND ATOMS
Massachusetts Institute of Technology

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Premier Membership Agreement for the Center for Bits and Atoms

This **PREMIER MEMBERSHIP AGREEMENT** is made and entered into on June 1, 2012 ("Effective Date") by and between the **MASSACHUSETTS INSTITUTE OF TECHNOLOGY**, a non-profit, tax-exempt educational institution organized and existing under the laws of the Commonwealth of Massachusetts, with its principal office at 77 Massachusetts Avenue, Cambridge, Massachusetts 02139-4307 USA (hereinafter referred to as "MIT"), acting on behalf of MIT's Center for Bits and Atoms, and **Innovate-America**, a limited liability corporation organized and existing under the laws of Delaware with its principal office at 99 Derby Street, Suite 200, Hingham, MA 02043 (hereinafter referred to as "Member"). Party shall mean MIT or Member as the context dictates, and when used in the plural, shall mean MIT and Member.

WHEREAS, the MIT Center for Bits and Atoms ("CBA") is dedicated to the advancement of science and technology at the intersection of digital and physical systems, and conducts an interdisciplinary program of activities in furtherance thereof; and

WHEREAS, **Innovate-America** desires to become a Premier level member of CBA; and

WHEREAS, the program contemplated by this Agreement is of mutual interest and benefit to MIT's CBA research programs and to Member, and will further the instructional and research objectives of MIT in a manner consistent with its status as a non-profit, tax-exempt, educational institution.

NOW, THEREFORE, the Parties hereto agree as follows:

1. **PROGRAM.** MIT agrees to conduct projects in a program ("the Program") in the research center known as the "Center for Bits and Atoms" ("CBA"). MIT agrees to use reasonable efforts to perform the Program according to the goals outlined in Article 2 below, and as further defined by periodic meetings with the Member and with other CBA members, consistent with the terms of this Agreement.
2. (a) **THE CENTER FOR BITS AND ATOMS.** MIT's Center for Bits and Atoms is an interdisciplinary initiative investigating the boundary between physical science and computer science. Using a unique facility for input and output from nanometers to meters, CBA's campus community, in cooperation with its academic, industrial, and government partners, is creating new ways to manipulate and understand information, energy, and materials. Along with fundamental research, applied development, and technology transfer activities, CBA engages in outreach programs to explore and enhance the broader social impact of this work.

(b) **MOLECULAR MANUFACTURING.** A focus of CBA's research on digital fabrication across length scales is the development of principles and practices for molecular manufacturing. This includes workflows for the rational design of molecules, and prototype production processes. CBA will investigate application areas including receptors for molecular recognition, surfactants for stabilizing functional membrane proteins, complexes for energy capture and storage, nanostructured self-assembled materials, and molecular machinery.

3. MEMBERSHIP.

(a) This Agreement provides for Premier CBA Membership, with the intellectual property rights described in Article 12 below, and the funding obligations described in Article 8. CBA members include sponsoring entities with royalty-free or royalty-bearing rights to CBA's intellectual property, with or without project support for activities on or off campus (MIT Media Laboratory sponsor contracts before January 1, 2009 have royalty-free intellectual property access without project support rights).

(b) Member will designate to MIT individuals authorized to act on its behalf for billing purposes, for program participation, and to receive intellectual property information, as indicated below. (For contractual notices and additional notice guidelines, please see Article 15.) At Member's discretion, any designee may serve in multiple capacities. Member designees will be:

For Billing Purposes

Ayaz Mahmud
99 Derby Street, Suite 200,
Hingham, MA 02043

V: [REDACTED]

F: [REDACTED]

For Program Participation

Ayaz Mahmud
99 Derby Street, Suite 200,
Hingham, MA 02043

V: [REDACTED]

F: [REDACTED]

For Intellectual Property Information

Ayaz Mahmud
99 Derby Street, Suite 200,
Hingham, MA 02043

V: [REDACTED]

F: [REDACTED]

(c) Nothing in this Agreement shall prevent independent development by Member of products, intellectual property, works of authorship, inventions, or ideas that are competitive with research undertaken at the CBA.

4. CBA DIRECTOR AND SUPERVISION.

(a) The CBA is directed by MIT Professor Neil Gershenfeld ("CBA Director").

(b) Each CBA project will be supervised by designated MIT personnel under the overall coordination of the CBA Director, working closely with the Member's Program Participation designee.

(c) CBA will appoint a Program Manager and establish a laboratory for **Molecular Manufacturing** (Article 2b), to be mutually agreeable to Member and CBA. The Program Manager will lead CBA's research in this area, and coordinate collaboration and communications with Member's Program Participation designee.

5. **NO AGENCY.** Nothing herein contained shall be deemed to create a joint venture, agency, partnership or exclusive relationship between MIT and the Member, and each party is free to pursue relationships and opportunities with others similar to those contemplated by this Agreement.
6. **VISITING PRIVILEGES.** Member's Program Participation designee will be welcome to visit MIT's CBA to review research, discuss future research plans, and participate in informal mechanisms of technology transfer through such meetings and discussions. These visits, as well as visits of CBA researchers to Member, will be coordinated by CBA in accordance with MIT's standard policies for visiting research professionals. CBA will in addition host regular CBA member meetings in areas of mutual interest.
7. **PERIOD OF PARTICIPATION.** The Member's membership in the CBA shall commence as of **June 1, 2012** and continue through **May 31, 2017**, and shall thereafter automatically renew for subsequent one-year periods (each one-year period during the term being a "Membership Year") unless terminated in accordance with Article 10.
8. **MEMBER FEES.** Member, in support of CBA, will pay to MIT \$1,000,000 per year of membership to cover its share of the direct and indirect costs of the Program. Ten percent of the Member's fees will be apportioned to a research account, and 90 percent will be apportioned to an academic fund supporting CBA activities, including meals, entertainment, and travel which are consistent with both MIT policy and its tradition of encouraging an exchange of ideas among its members, faculty and students. Management and any reallocation of these fees will be under the direction of the CBA Director.
9. **PAYMENT.**
 - (a) Member will make quarterly payments of \$250,000 in U.S. dollars, net of taxes or impost of any kind, within thirty (30) days following receipt of invoices submitted by MIT with the first payment due upon execution and the next payment due on or before **September 1, 2012**.
 - (b) In the event that any governmental, administrative, judicial, or quasi-judicial authority outside of the United States imposes, or attempts to impose, any income, business, or other taxes on MIT or its personnel or students based on this Agreement or any of their respective activities hereunder, Member shall expeditiously pay MIT, or MIT on behalf of the affected individual, an additional amount equal to the sum of (i) such tax liability, including, without limitation, any interest and penalties, (ii) the cost to prepare and file any tax return(s), and (iii) such additional amount as is necessary for MIT or its personnel or student, as applicable, to receive and retain the compensation MIT or the individual would have received and retained if such taxes had not been imposed.
10. **TERMINATION.**
 - (a) With one year of notice, Member may terminate this agreement after year three of the initial period of participation (Article 7) is completed (year three ends May 31, 2015). **Member must provide one (1) year of notice, in writing, before terminating.** Written notice shall be directed to MIT's designated individual for Contract Notices identified in Article 3 of this Agreement. MIT may terminate this Agreement if (1) Member fails to make payment to MIT in accordance with Article 9 above, and does not remedy the non-payment within thirty (30) days' written notice from MIT, or (2) if circumstances beyond MIT's reasonable control preclude continuation of this Agreement, and in such case, unused and uncommitted funds previously paid to MIT will be redirected at the discretion of the CBA Director to other CBA activities. Upon termination by either Party, Member shall remit payment to MIT for unpaid member fees, if any.

(b) MIT may revise material terms of this Agreement upon giving the Member one (1) year advance written notice thereof. Member shall be deemed to accept such revisions unless objection to the revisions is submitted in writing to MIT within ninety (90) days of the notice being given to Member consistent with Article 15 of this Agreement.

(c) Articles 9(b), 12, 13, 14, 17, 18, 20, 22 and 23 shall survive the expiration or any earlier termination of this Agreement.

11. PUBLICATIONS. MIT will be free to publish the results of research under this Agreement.

12. PATENTS AND COPYRIGHTS.

(a) In consideration for Member's support of CBA, (i) MIT shall grant to the Member and its affiliates (defined consistent with Article 12(f) below) a non-exclusive, perpetual license fee-free and royalty-free license to patents and technical design copyrights (such as software, microcode, and circuits) developed by CBA during the term of this Agreement with the support of this agreement, to exploit such CBA IP (it being understood and agreed that the terms of such licenses shall be no less favorable than any non-exclusive license terms granted by MIT to other CBA members pursuant to this Agreement); and (ii) MIT hereby grants to the Member and its affiliates (defined consistent with Article 12(f) below) a non-exclusive, perpetual license fee-free and royalty-free license to use any of the CBA IP for internal research and development purposes.

(b) MIT will undertake to protect patentable CBA IP in the U.S. at its discretion, and MIT will advise CBA members of opportunities to protect non-US IP at the expense of members willing to participate in sharing foreign filing costs.

(c) Non-CBA members will not be eligible to negotiate to acquire any remaining license rights to CBA IP for a period of two years from the date of disclosure of the IP to MIT's Technology Licensing Office. License terms and fees will be determined by market conditions at the time of license negotiation.

(d) With MIT's approval a CBA member may elect to take a royalty-bearing license in a field of use, with the right to sublicense, precluding the issuance of additional licenses to non-CBA members. Precedence in negotiating these agreements will be based on the Member's level of sponsorship, followed by the order in which requests are received, and the commercial applicability of the IP. The foregoing notwithstanding, all CBA members at the time of disclosure of CBA IP to MIT's Technology Licensing Office, and the MIT inventors and authors of the IP, shall have a perpetual right to obtain a license to practice that IP under the terms of their agreements with MIT.

(e) Other than as allowed in an exclusive license as set forth in Article 12(d) above, Member may not sublicense CBA IP on a stand-alone basis to others. However, when necessary for the commercial development of Member-owned intellectual property that incorporates CBA IP, Member shall be entitled to acquire the non-exclusive right, at MIT's discretion and upon payment of a reasonable royalty, to sublicense CBA IP to a third party as part of the commercial development of Member-owned intellectual property. Member will be granted, however, in any license issued pursuant to Article 12(a) above, on a royalty-free, license-fee free basis, the right to sublicense to end users the right to use CBA IP incorporated into Member's products and services.

(f) The rights of Member to CBA IP as defined herein are exclusive to Member and cannot be transferred or sublicensed except as expressly provided herein, but are extended to majority-owned affiliates and subsidiaries of Member (i.e., those in which Member owns or controls, directly or indirectly, more than 50% of the outstanding voting shares), and, with written notice to MIT, may be transferred in its entirety to a subsidiary if its ownership ceases to be majority, or with approval by MIT, to an entity participating with Member in the Program.

(g) Inventions jointly created by MIT inventors and Member's inventors shall be jointly owned by both Parties. Absent an agreement to the contrary, each Party may make, use, offer to sell, sell or import the patented invention and may license its interest in the patent rights anywhere in the world without the consent of and without accounting to the other Party.

(h) During the two year lockout period from the date of disclosure of an invention (Article 12c), Member will have precedence for licensing (Article 12d) for development and provision of commercial products and/or services in the field of molecular manufacturing (Article 2b), the "Field". Following notification by MIT to the Member's Program Participation designee of a request for licensing in this area, Member will have 30 days to elect to exercise its option to this license.

This Agreement constitutes the sole Intellectual Property rights of the Member under this Agreement.

13. **USE OF NAMES.** Neither Party will use the name, logo, insignia or trademarks of the other Party, or any version, abbreviation or representation of them or the names of any of MIT's or Member's trustees, officers, faculty, students, employees, or agents, in any advertising or other form of publicity, fund-raising or promotional materials, without the written permission of the other Party. The MIT Technology Licensing Office has sole authority to grant in writing to Member any approved use of the MIT name, logo, insignia or trademark or the names of any of MIT's trustees, officers, faculty, students, employees, or agents in any press or media announcement.
14. **USE OF CBA INFORMATION.** Non-public information concerning the results of CBA research provided to Member during its term of membership is intended for the internal use of Member and may not be disclosed to the public without the prior written permission of MIT. CBA will provide Member notice prior to its disclosure to Member of any non-public CBA information in order for Member to be able to decline receipt of such non-public information. Information that has been made publicly available or is independently developed by Member is not subject to the foregoing restriction.
15. **NOTICES.** Any notices to be given under this Agreement, other than those contemplated by Article 3, shall be in writing and addressed to the Parties as shown below. Notices shall be delivered by certified or registered first class mail (air mail if not domestic) or by commercial courier service and shall be deemed to have been given or made as of the date received.

**MASSACHUSETTS INSTITUTE
OF TECHNOLOGY**

Shawna Vogel
Manager, Contracts and Grants
Office of Sponsored Programs
Massachusetts Institute of Technology
77 Massachusetts Avenue, E19-750
Cambridge, MA 02139-4307 USA
Phone # [REDACTED]
Fax # [REDACTED]
[REDACTED]

Innovate-America

Ayaz Mahmud
99 Derby Street, Suite 200,
Hingham, MA 02043
V: [REDACTED]
F: [REDACTED]
[REDACTED]

16. **ASSIGNMENT.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns. This Agreement shall not be assignable by either Party without the prior written consent of the other Party, except to a successor to all or substantially all of its business assets. Any attempted assignment in violation of this Article 16 is void.

17. **GOVERNING LAW.** The validity and interpretation of this Agreement and the legal relations of the parties to it shall be governed by the laws of the Commonwealth of Massachusetts and the applicable United States Federal laws.
18. **GOVERNING LANGUAGE.** In the event that a translation of this Agreement is prepared and signed by the Parties for the convenience of the Member, this English language version shall be the official version and shall govern if there is conflict between the two.
19. **MERGERS AND ACQUISITIONS.** Member will not be permitted to change its Member status or its status as a licensee on account of an event of merger or acquisition involving another CBA member. Members are expected to honor membership and licensing obligations notwithstanding a change in legal status that may otherwise render separate membership duplicative. Non-member commercial entities that take majority control of members by way of a merger or acquisition must assume all contractual rights and obligations of the acquired member if they wish to acquire the benefits of membership.
20. **EXPORT CONTROLS.** MIT is subject to United States laws and regulations controlling the export of goods, software and technology including technical data, laboratory prototypes and other commodities. MIT's policy is to comply with all applicable laws and regulations including the Arms Export Control Act, the International Traffic in Arms Regulations ("ITAR"), the Export Administration Regulations ("EAR") and the laws and regulations implemented by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"). Diversion contrary to U.S. law is prohibited. The transfer of certain technical data, services and commodities may require a license from the cognizant agency of the United States Government and/or written assurances by Member that Member will not re-export or retransfer the data or commodities, other than prohibited information, to certain foreign countries without prior approval of the cognizant U.S. government agency. While MIT agrees to cooperate in securing any license which the cognizant agency deems necessary in connection with this Agreement, MIT cannot guarantee that such licenses will be granted. Member agrees to obtain permission from the U.S. government to re-transfer or re-export for any goods, software and technology that requires such authorization and will not allow any U.S.-origin goods, software or technology to be used for any purposes prohibited by United States law, including, without limitation, support for terrorism or for the development, design, manufacture or production of nuclear, chemical or biological weapons of mass destruction.
21. **FORCE MAJEURE.** Neither Party shall be liable to the other for failure to perform any of its respective obligations imposed by this Agreement provided such failure shall be occasioned by fire, flood, explosion, lightning, windstorm, earthquake, subsidence of soil, governmental interference, civil commotion, riot, war, terrorism, strikes, labor disturbance, or any other cause beyond its reasonable control.
22. **REPRESENTATIONS AND WARRANTIES.** MIT MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND CONCERNING THE PROGRAM OR ANY INTELLECTUAL PROPERTY RIGHTS AND HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF MIT OR THIRD PARTIES, VALIDITY, ENFORCEABILITY AND SCOPE OF ANY INTELLECTUAL PROPERTY RIGHTS OR CLAIMS, WHETHER ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE. Specifically, and not to limit the foregoing, MIT makes no warranty or representation (i) regarding the validity or scope of the Program or any intellectual property rights optioned or granted hereunder and (ii) that the exploitation of the Program or any intellectual property rights will not infringe any patents or other intellectual property rights of MIT or of a third party.

IN NO EVENT SHALL EITHER PARTY, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES, STUDENTS AND AFFILIATES, BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGES OR LOST PROFITS, REGARDLESS OF

WHETHER THE PARTY WAS ADVISED, HAD OTHER REASON TO KNOW OR IN FACT KNEW OF THE POSSIBILITY OF THE FOREGOING.

23. DISPUTE RESOLUTION.

(a) DOMESTIC MEMBERS. All disputes between MIT and a Domestic Member, i.e., a member organized under the laws of the United States and/or the states therein, that arise out of, or relate to, this Agreement, or the breach, termination or invalidity hereof, whether before or after termination hereof, shall be resolved in accordance with this Article.

(1) **MEDIATION.** If a dispute arises between the Parties, either Party may notify the other of its desire to mediate the dispute. The mediation shall be non-binding and shall be conducted by a single mediator. The Party requesting mediation shall designate two (2) or more nominees for mediator in its notice. The other Party may accept one of the nominees or may designate its own nominees by notice addressed to the American Arbitration Association (AAA) and copied to the requesting Party. If within, thirty (30) days following the request for mediation, the Parties have not selected a mutually acceptable mediator, a mediator shall be appointed by the AAA according to the Commercial Mediation Rules. The Parties shall mutually agree upon a location for the mediation. If they cannot agree upon a location, the mediation shall be conducted by telephone or video-conference. The expenses of the mediation shall be borne equally by the Parties, but each Party shall be responsible for its own counsel fees and expenses.

(2) **ARBITRATION.** If the dispute has not been resolved within forty-five (45) days after the commencement of mediation or if mediation has not commenced within sixty (60) days after a Party requests mediation, then either Party may initiate an arbitration under the Commercial Arbitration Rules of the AAA as then in effect and, except as set forth herein, the dispute will be arbitrated in accordance with such rules. The arbitration shall be final and binding. The arbitration shall be conducted before a panel of three (3) arbitrators. Each Party shall select an arbitrator and the selected arbitrators shall mutually agree upon a third. The arbitration shall take place in Boston, Massachusetts, and the language of the arbitration shall be English. Each Party shall bear the costs of its own counsel fees and expenses and half of the costs of the arbitration, unless the arbitrators determine that the non-prevailing Party should bear more of the costs and expenses. Judgment upon an award rendered by the arbitrators may be entered by any court having jurisdiction thereof.

(b) INTERNATIONAL MEMBERS. All disputes between MIT and an International Member, i.e., a member organized under the laws of a country or territory outside of the United States, that arise out of, or relate to, this Agreement, or the breach, termination or invalidity hereof, whether before or after termination hereof, shall be resolved in accordance with this Article.

(1) **MEDIATION.** If a dispute arises between the Parties, either Party may notify the other of its desire to mediate the dispute. The mediation shall be conducted by a single mediator in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Model Law on International Conciliation and shall be non-binding. The Parties shall mutually agree upon a location for the mediation. If they cannot agree upon a location, the mediation shall be conducted by telephone or video-conference. The expenses of the mediation shall be borne equally by the Parties, but each Party shall be responsible for its own counsel fees and expenses.

(2) **ARBITRATION.** If the dispute has not been resolved within forty-five (45) days after the commencement of mediation or if mediation has not commenced within sixty (60) days after a Party requests mediation, then either Party may initiate a demand for arbitration under the UNCITRAL Arbitration Rules as then in effect and the dispute will be arbitrated in accordance with such rules. The arbitration shall be final and binding. The arbitration shall be conducted before a single mutually agreeable arbitrator. If the Parties cannot agree upon an arbitrator

within twenty (20) days after the first date on which a party proposed an arbitrator to the other, an arbitrator shall be selected by the International Chamber of Commerce and the parties shall respect the selection. The arbitration shall be held in a mutually agreeable location or, if the parties cannot agree upon a location within ten (10) days after the arbitrator is identified, at a location deemed fair to the Parties by the arbitrator. The arbitration shall be conducted in English. Each Party shall bear the costs of its own counsel fees and expenses and half of the costs of the arbitration, unless the arbitrators determine that the non-prevailing Party should bear more of the costs and expenses. Judgment upon an award rendered by the arbitrators may be entered by any court having jurisdiction thereof.

24. **ENTIRE AGREEMENT.** This Agreement embodies the entire understanding between MIT and the Member regarding the subject matter of this Agreement, and any prior or contemporaneous representations, either oral or written, are hereby superseded. Except as otherwise provided herein, no amendments or changes to this Agreement, including, without limitation, Member's membership fee shall be effective unless made in writing and signed by authorized representatives of the Parties. If for any reason a court of competent jurisdiction finds any provision of this Agreement or portion thereof to be unenforceable, that provision will be enforced to the maximum extent permissible so as to affect the intent of the Parties, and the remainder of this Agreement will continue in full force and effect.

**MASSACHUSETTS INSTITUTE
OF TECHNOLOGY**

INNOVATE-AMERICA, LLC

By Stephen L. Michaels
Stephen L. Michaels

By Ayaz Mahmud
Ayaz Mahmud

Associate Director,
Title Office of Sponsored Programs

Title FOUNDER

Date June 7, 2012

Date 6/1/2012