



UNDERSEA TECHNOLOGY
INNOVATION CONSORTIUM

UTIC

Consortium Membership Agreement

PURPOSE

This Consortium Membership Agreement (“CMA”) entered into, as of June 11, 2018, is to establish membership in the Undersea Technology Innovation Consortium (UTIC).

WHEREAS, the Government has expressed an interest in collaborating, with a focus on nontraditional defense contractors, small businesses, academic institutions, and nonprofits, in research and development leading to development and maturation of prototype projects in the following technology areas that include but are not limited to: Sensors and Sonar, Platform and Payload Integration, Undersea Warfare (USW) Combat Systems, Communications, USW Imaging, Undersea Distributed Networked Systems, Electronics/Optics/Materials, Passive Sensing, Undersea Satellites, Energy Storage and Release, Virtualization, Machine Learning, Threat Monitoring and Prediction, Cooperative Force Torpedo Defense, Undersea Warfare Analysis, Multi-Domain Fusion, Electronic Warfare, Distributed and Autonomous Sensors, USW Weapons and Autonomous Vehicles, Autonomy, Quantum Computing, Bio-Inspired Sensors, Environmental Sensing, Monitoring, and Prediction, In-Situ Energy Sources, and Multi-Dimensional Display;

WHEREAS, the UTIC Members are entering into the CMA in order to provide for (i) a consortium to conduct research, development, and prototyping of projects and programs through an Other Transaction Agreement or other agreements, (ii) their respective rights and obligations as a Member of the consortium, and (iii) administrative matters pertaining to the conduct of activities as Members of this consortium;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises contained in the CMA, the UTIC Members agree as follows:

DEFINITIONS

HEREINAFTER the following definitions apply:

Affiliate means, with respect to a specified Member that is a signatory to the CMA, any corporation, company, partnership, joint venture and/or firm which now or hereafter controls, is controlled by or is under common control of such specified Member or shares a parent. For purposes of this definition, "control" shall mean (i) in the case of corporate entities, direct or indirect ownership of at least 50% of the stock or shares entitled to vote for the election of directors; and (ii) in the case of non-corporate entities, direct or indirect ownership of at least 50% of the equity interest with the power to direct the management and policies of such non-corporate entities.

Consortium Manager refers to the organization representing UTIC (not as an agent of any individual Member) to negotiate, execute and administer UTIC's efforts under an Other Transaction Agreement (OTA). The Consortium Manager's purpose is to perform the specific Consortium Management duties as specified in the OTA between the Government and UTIC, as well as provide support to the operations of UTIC as determined by the UTIC Board of Directors. The Consortium Manager will be prohibited from performing prototype research under the OTA.

Member or Members means respectively an individual UTIC Member organization or the UTIC Member organizations collectively that are signatories to the UTIC Consortium Membership Agreement.

Other Transaction Agreement or OTA means the agreement which is entered into by the Government and the CM on behalf of UTIC.

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Base Agreement means the agreement between the UTIC Consortium Manager and the UTIC Member organization, which serves as the baseline agreement for all future Project Agreements. The Base Agreement flows down applicable terms and conditions from the OTA between the Government and the UTIC.

Project Agreements refer to agreements issued by the Consortium Manager, under the terms of the Base Agreement, for a specific project.

ARTICLE 1: CONSORTIUM MEMBERSHIP

Membership. UTIC will be open to and include Members from industry, academic research institutions, and non-profit organizations. The Members adopt a non-exclusive, open membership policy. UTIC Membership will include additional Members in accordance with the provisions contained in the UTIC Consortium Membership Agreement. Any Members, regardless of when they join UTIC, shall enjoy the same rights and incur the same obligations as any other Member hereunder. Membership in UTIC will become effective upon approval of the membership application.

Affiliate Membership. Regardless of the number of Affiliates, a Member with one or more Affiliates participating in UTIC is considered to be one (1) Member and will have one (1) vote and the potential of one (1) seat on the UTIC Board.

Membership Dues. UTIC Members will pay dues every January 1st in the amounts listed as follows: \$1,500 for large businesses and \$500 for all others (small businesses, academic institutions, nonprofit organization, and Affiliate Members). New Members will pay pro-rated dues payable upon initial acceptance of membership and then annual dues thereafter. The pro-rated dues structure, based upon the date of initial application acceptance, is as follows:

Large Business:

a) January through December - \$1,500

b) July through December - \$750

All others:

a) January through December - \$500

b) July through December - \$250

Small Business Administration (SBA) size standards will be used to determine business size. Small business size standards define the largest that a business concern, including all of its affiliates, may be and yet qualify as a small business concern for SBA and most other federal programs.

Project Award Assessment. In addition to any initial and annual dues that all Members of UTIC are required to pay, all recipients of Project Agreement funding shall pay the sum of 1.5% of all Government funds awarded under such Project Agreement to UTIC via the Consortium. The Board of Directors will evaluate this assessment percentage on a periodic basis and may adjust it upward or downward by the Board of Directors.

Obligations to be a Member in Good Standing.

- a) Current (no greater than 60 days past due) on membership dues; and
- b) Current (no greater than 60 days past due) on any project award assessment.

Only members in good standing will be permitted to respond to solicitations for project awards under the OTA. Also, only Members in good standing shall be entitled to vote, hold office, and represent UTIC.

Membership Obligations. The Parties agree that membership has the following obligations:

- a) Be a U.S. firm or institution organized or existing under the laws of the United States, its territories, or possessions. For the purposes of this CMA, any agency or instrumentality of a foreign government shall not be granted membership (A U.S. company under Foreign Ownership Control or Influence (FOCI) will be handled in the application process);
- b) Not be barred from contracting with or receiving funds from the United States Government;

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- c) Clearly demonstrate in their membership application that they are capable of making a technical contribution in UTIC OTA areas of Sensors and Sonar, Platform and Payload Integration, Undersea Warfare (USW) Combat Systems, Communications, USW Imaging, Undersea Distributed Networked Systems, Electronics/Optics/Materials, Passive Sensing, Undersea Satellites, Energy Storage and Release, Virtualization, Machine Learning, Threat Monitoring and Prediction, Cooperative Force Torpedo Defense, Undersea Warfare Analysis, Multi-Domain Fusion, Electronic Warfare, Distributed and Autonomous Sensors, USW Weapons and Autonomous Vehicles, Autonomy, Quantum Computing, Bio-Inspired Sensors, Environmental Sensing, Monitoring, and Prediction, In-Situ Energy Sources, and Multi-Dimensional Display;
- d) Contribute their respective talents and resources to UTIC for activities such as periodic meeting attendance, committee and subcommittee participation, and other activities as may be appropriate;
- e) Maintain an active Military Critical Technical Data Agreement (Form DD 2345) with the U.S./ Canada Joint Certification Office, Defense Logistics Information Service, Federal Center, 74 Washington Ave., North Battle Creek, MI USA 49037-3084;
- f) Not transfer membership to any business entity;
- g) Provide all cost and technical data as required in any UTIC solicitation to which it responds; and
- h) Meet all requirements and abide by the terms of the Base Agreement.

ARTICLE 2: CONSORTIUM GOVERNANCE

Board of Directors. The affairs of UTIC shall be governed by a Board of Directors, as stated in UTIC By-Laws. UTIC Board of Directors members who are not employed by the CM do not have access to member's proprietary data, are not provided advance insight of potential government solicitations, and do not have advanced insight of source selection decisions made by the government.

Executive Director. The Executive Director is subject to the supervision and control of, and reporting to, the Board Chair acting with the advice and consent of the Board of Directors. The Executive Director shall have general supervision, direction and control of the business and affairs of UTIC.

Article 3: Consortium Finances

Management of Consortium Funds. The Consortium shall operate on the funds collected through membership dues and project award assessments. Such funds will be collected by the CM for use in accordance with UTIC By-Laws.

ARTICLE 4: TERM

Term. Membership is renewed annually upon payment of non-refundable dues. Members may terminate membership at any time by written notice to UTIC; and in its sole discretion, UTIC may terminate a member's participation in the Consortium by written notice to a member should such member fail to comply with the Member Obligations set out in this CMA. In the event of the termination, Member's rights and obligations pursuant to any Project Agreements, including but not limited to, continued funding and technology contribution commitments shall continue in accordance with the specific terms of the Project Agreements. Further, financial obligations to the consortium, to include project assessments, shall remain in full force and effect until all outstanding obligations to the consortium are satisfied according to the CMA.

ARTICLE 5: INDEPENDENT CONTRACTOR STATUS

The relationship of the Members established by the CMA is that of independent contractors. Nothing contained in the CMA shall be construed to (i) give any of the Members hereto the power to direct or control the day-to-day activities of another Member hereto; (ii) constitute the Members as partners, joint ventures, co-owners or otherwise as participants in a joint or common undertaking; or (iii) allow any of the Members hereto to create, discharge or assume any obligation on behalf of another Member hereto for any purpose

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whatsoever. Each Member retains the right to engage independent research and activities that may compete with, or be contrary to, the goals of UTIC.

ARTICLE 6: INTELLECTUAL PROPERTY/ PROPRIETARY DATA

Intellectual Property Rights between Members and the Government will be governed by the terms and conditions of Base Agreement and individual Project Agreements. The Consortium, its Members, and the CM will not receive any rights to Member's Intellectual Property under this CMA.

Member organizations may be required to provide proprietary data to the CM in order for the CM to successfully satisfy its obligations under this agreement and the OTA. Accordingly, a Proprietary Information Exchange/Nondisclosure Agreement is incorporated herein as Exhibit A. This agreement will govern the exchange and use of proprietary data between Members and the CM. This Exhibit is not applicable to individual Consortium Members who decide to share proprietary information with each other unless they expressly agree to use these terms for that purpose.

ARTICLE 7: GENERAL PROVISIONS

Amendments. No amendment or modification of the CMA shall be valid unless agreed to in writing by two-thirds (2/3) vote of UTIC Board of Directors. The Board of Directors may, at its discretion, refer certain proposed amendments to the full UTIC membership for validation by a majority vote of the membership.

Compliance with U. S. Export Laws. The Members shall comply with all applicable export control laws and regulations of the United States, including the Arms Export Control Act ("AECA"), the International Traffic in Arms Regulations ("ITAR"), the Export Administration Regulations ("EAR"), and other U.S. government directives related to export control.

Governing Law. This Agreement shall be governed by the laws of the State of Rhode Island, to the extent it does not conflict with the public academic research institution's state law, without giving effect to its choice of law principles. In order to bring forth a dispute under this Agreement, the Party must first provide formal notification to the Board of Directors of the cause for the dispute. At which time, the Board of Directors and the Party will have 30 days to resolve the dispute until any further action is taken by either party.

EXHIBIT A: PROPRIETARY INFORMATION EXCHANGE AND NONDISCLOSURE AGREEMENT

This Exhibit A is an agreement between the Consortium Manager (CM), and individual Consortium members for the exchange of proprietary information in order to carry out the duties and obligations contemplated under this CMA and the OTA. Membership in UTIC constitutes agreement to be bound by the terms and conditions contained in this Exhibit. This agreement, unless superseded by a separately executed nondisclosure agreement between the parties, is applicable to the CM and individual Consortium Members in order for the CM to satisfy its obligations under the CMA and the OTA. This Exhibit is not applicable to individual Consortium Members who decide to share proprietary information with each other unless they expressly agree to use these terms for that purpose.

1. Proprietary Information is defined as, but not limited to, performance, sales, financial, contractual, and special marketing information (including descriptions, drawings, sample compositions, visual demonstrations, oral discussions and computer software), ideas, technical data, and concepts originated by a disclosing party, not previously disclosed to the general public, not previously available to the Recipient or others without restriction, which the disclosing party desires to protect against unrestricted disclosure or competitive use, and which is furnished pursuant to this agreement.
2. To the extent that information related to the Other Transaction Agreement is transmitted by a disclosing party to Recipient during the term of this agreement, it is agreed that, if the disclosing party deems it proprietary, the disclosing party shall set forth such information in writing and identify it by so marking such information with an appropriate legend, marking, stamp, or positive written identification on the face thereof to be proprietary to the disclosing party.
3. When disclosed orally, Proprietary Information will be identified as Proprietary Information at the time of the oral disclosure. Within thirty (30) days of disclosure, the disclosing party will confirm the disclosure in writing to the Recipient referencing the date of disclosure and specifically identifying the Proprietary Information disclosed. A disclosing party shall clearly and conspicuously mark as proprietary all Proprietary Information reduced to writing as a result of such oral disclosures.
4. When disclosed in the form of magnetic recording or some other machine-readable form, Proprietary Information will be identified as Proprietary Information when transmitted. If possible, the container or form of the information will be clearly and conspicuously marked by the disclosing party as proprietary. Within thirty (30) days after disclosure, the disclosing party will confirm the disclosure in writing, referencing the date of disclosure and specifically identifying the Proprietary Information disclosed. Any physical embodiment of such information will be clearly and conspicuously marked as proprietary of the disclosing party.
5. Recipient agrees to preserve and protect all Proprietary Information from disclosures to others through the exercise of at least the same level of care it uses to preserve and protect its own Proprietary Information. Proprietary Information shall not be used, copied, or reproduced by the Recipient without the express written consent of the disclosing party. Recipient may disclose such Proprietary Information to the United States Government only in connection with work under an Other Transaction Agreement with a Government Agency and the disclosing party is a participant in the program involved with the Other Transaction Agreement and any such Proprietary Information delivered to the Government is appropriately marked in accordance with the terms of the Other Transaction Agreement which it is delivered.

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6. Recipient shall not be liable for disclosure or use of any such Proprietary Information if the same:
 - a. is in the public domain, or
 - b. was known to the Recipient at the time of disclosure, or
 - c. is disclosed inadvertently despite the exercise of the same degree of care as Recipient takes to preserve and safeguard its own Proprietary Information, or
 - d. is disclosed with prior written approval of the disclosing party, or
 - e. was independently developed by the Recipient, or
 - f. is disclosed to the Recipient by a third party without breaching of this agreement, or
 - g. is disclosed or used, in any event, after the expiration of three (3) years from the date Proprietary Information is received, or
 - h. Obligated to be produced by order of a court of competent jurisdiction.
7. All documents or other materials delivered hereunder which are marked as Proprietary and any copies thereof are and shall remain the property of the disclosing party and shall promptly be returned or destroyed, at the disclosing party's option, upon expiration of this agreement or upon the disclosing party's written request. If the disclosing party requests, the Recipient shall issue a certificate of destruction. Recipient shall retain a copy of proprietary information to the extent required to comply with the government's audit provisions contained in the UTIC Other Transaction Agreement.
8. This Agreement shall expire ten (10) years from the last date of execution, unless extended by written agreement of the Parties. All such Proprietary Information disclosed to the Recipient or any of its employees, agents, or representatives shall be kept safe from disclosure, directly or indirectly, for a period of three (3) years from date of conveyance to Recipient.
9. Neither the execution and delivery of this agreement nor the delivery of any Proprietary Data hereunder shall be construed as granting either expressly or by implication, estoppel or otherwise, any right in or license under any present or future data, drawings, plans, ideas or methods disclosed under this agreement, or under any invention or patent now or hereafter owned or controlled by the disclosing party furnishing the Proprietary Data.
10. To the extent that the obligations of the Recipient hereunder involves access to information classified "Top Secret," "Secret," or "Confidential," the provisions of FAR 52.204-2 Alt 1, or corresponding regulations of the appropriate Government agency, as applicable, shall apply.
11. Recipient as the receiver of information transmitted under this agreement acknowledges its obligations to control access to technical data under the U.S. Export Laws and Regulations and agrees to adhere to such Laws and Regulations with regard to and technical data received under this agreement.
12. This agreement shall be governed by the laws of the State of Rhode Island, to the extent it does not conflict with the public academic research institution's state law, without giving effect to its choice of law principles.
13. This agreement contains the entire understanding relative to the disclosure and protection of Proprietary Data. No modification or addition to any provision hereof shall be binding unless it is in writing and signed by Recipient. This agreement shall apply in lieu of and notwithstanding any specific terms contained in any legend or statement associated with any particular Proprietary Data exchanges, and the duties of Recipient shall be determined exclusively by the terms and conditions herein.