

**AGREEMENT**

**for**

**Center of Strategic Materials Alliance for Research and Technology,**

**SMART Center**

**between**

**National Taiwan University**

**and**

**National Institute for Materials Science**

THIS AGREEMENT is made and entered into on the day of July 26, 2013 (the “Effective Date”) by and between

NATIONAL TAIWAN UNIVERSITY, a University, located at No. 1, Sec. 4, Roosevelt Road, Taipei, 10617 Taiwan (R.O.C.);

and

NATIONAL INSTITUTE for MATERIALS SCIENCE, an Independent Administrative Institution, with head offices located at 1-2-1 Sengen, Tsukuba, Ibaraki 305-0047, JAPAN (hereinafter referred to as “NIMS”);

NTU and NIMS hereinafter individually referred to as a “Party” and collectively as the “Parties.”

#### PREAMBLE

NTU is a national institution founded in 1945. NTU combines innovative teaching and pioneering research in a highly collaborative environment and provides students and faculty exceptional opportunities for intellectual, personal and professional growth in a setting enhanced by the richness of Taipei; and

NIMS, which was founded by Japanese Government, is dedicated to generating academic knowledge through conducting fundamental research on materials science and engineering. NIMS is also dedicated to disseminating academic research results and to promoting practical usage of such results for the public; and

The first collaborative agreement between the Parties, entitled “MEMORANDUM OF UNDERSTANDING BETWEEN National Taiwan University and National Institute for Materials Science,” was entered into in February 2012 between NTU and NIMS for exchanging human resources and scientific information; and

For the purpose of exploring new areas of research in energy, environment and strategic technology under a new collaborative research agreement to be executed separately between NTU and NIMS, the Parties have founded a joint research structure named “Center of Strategic Materials Alliance for Research and Technology” (“SMART Center”) at the campus of NTU and at NIMS, and now wish to implement their collaborative fundamental research efforts at SMART Center under the terms and conditions set forth hereunder; and

Both parties thus aim to make SMART Center a world-level leader of science/technology, a world-opinion leader in academic and industry, as well as a site to train and foster young, world-class scientists.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND UNDERTAKINGS SET OUT BELOW, THE PARTIES HAVE AGREED AS FOLLOWS:

**Article 1. Definitions:**

“Agreement”	This Center of Strategic Materials Alliance for Research and Technology Agreement. (All definitions below pertain to SMART Center.)
“Intellectual Property”	All patent rights, copyrights, trademarks, trade secrets, mask work rights and other proprietary rights in any jurisdiction, and all applications and registrations therefor (including without limitation reissues, divisions, continuations, and continuation-in-part).
“Invention(s)”	Any new invention or discovery created or conceived and reduced to practice during the course of, or as the direct result of, activities under this Agreement.
“Joint Application Agreement”	A related agreement, the Parties may execute separately in which necessary matters, such as the share of each the Parties relating to Intellectual Property in the Research Project, are stipulated.
“Management Expenses”	Expenses to be paid to registration organizations, such as the Intellectual Property Office, and to external patent attorneys who are not affiliated with either Party, for acquisition and maintenance of the Intellectual Property.
“Research Materials”	Those experimental materials one Party may provide the other in connection with and as stated in the Program.
“Research Project ”	All research projects planned and executed at the SMART Center. The details of research projects are described in Appendix 1.
“Research Results”	The results of research, including data and publications, obtained at the SMART Center.
“Technology”	Any Invention, discovery, material, tool, work of authorship, software (source code and object code), know-how, information or data, trade

secret, method, design, schematics, improvement, modification, and enhancement (whether or not patentable or subject to other statutory protection), and any associated documentation and Intellectual Property embodied in any of the foregoing.

**Article 2. Organization:**

The Parties shall work together cooperatively and in good faith to manage the SMART Center and to identify the following:

- a) Co-Directors of SMART Center
- b) Project Leaders for SMART Center
- c) Research groups which execute SMART Center sub research projects (“Research Groups”)
- d) Other institutions, as determined through consultation between NTU and NIMS.

**Article 3. Co-Directors of the SMART Center:**

3.1 Two directors (indicated hereinafter as “Co-Directors”) of the SMART Center, one being employed by NIMS and the other one being employed by NTU, are jointly appointed by both Parties for three (3) years, renewable a maximum of two (2) times.

3.2 The first Co-Directors hereby appointed by the Parties are Dr. Masakazu AONO for NIMS and Prof. Wen-Chang CHEN for NTU.

3.3 The Co-Directors’ responsibilities are:

- a) To prepare the annual budget of the SMART Center, including personnel plan, and to take care of its execution. This budget shall encompass all the anticipated expenses of the SMART Center projects, including without limitation Management Expenses, for the coming year.
- b) To assign jointly the Project Leaders (as defined in Article 4 below).
- c) To give their joint agreement to any assignment of personnel to the SMART Center. They are responsible for the selection of all researchers in training.
- d) To write a management report at the end of each year, that is to be sent to each Party.
- e) To prepare regulations and to approve rules in order to support the Research Program under the regulations.
- f) To assess and implement any significant change in research direction.

**Article 4. Project Leaders of the SMART Center:**

4.1 Project leaders of the SMART Center (“Project Leaders”), who must be employed by one of the Parties at the time of such appointment, are jointly appointed by the Co-Directors for three (3) years, renewable a maximum of two (2) times.

4.2 Personnel of Project Leaders for each Research Program shall be the persons listed in Appendix 2.

4.3 The Project Leaders' responsibilities are:

To lead Research Groups to achieve excellent research results;

To report the Research Results to the Parties at the end of each half year; and

To propose to the Co-Directors the Research Project(s) to be carried out, to implement and carry out the Research Projects as approved by the Co-Directors, and to implement any other decisions made by the Co-Directors. To this end, the Project Leaders report to the Co-Directors.

## **Article 5. Resources**

### **5.1 Offices, Laboratories and Property Insurance**

5.1.1 NTU and NIMS shall provide SMART Center any reasonably necessary furnished offices in NTU and NIMS, respectively and will also make available such facilities reasonably required to operate the SMART Center offices, such as telephone or computer and its connection to LAN. For the avoidance of doubt, the relevant Party may charge SMART Center for such expenses in its sole discretion.

5.1.2 The SMART Center will be carried out mainly in the SMART Center, but to the extent necessary may also be carried out in the various laboratories assigned in NTU and NIMS. The Parties may, from time to time, provide SMART Center laboratory facilities reasonably necessary to implement SMART Center research, at the written request of the Co-Directors and solely as approved by the relevant Party in each case. For the avoidance of doubt, the relevant Party may charge SMART Center for such laboratory expenses in its sole discretion.

5.1.3 Each Party will be responsible for ensuring that it has appropriate property insurance to address the risks of damage caused to its buildings, facilities, equipment and other goods or property occupied and/or used by the SMART Center. For the avoidance of doubt, the relevant Party may charge SMART Center for such insurance expenses in its sole discretion.

### **5.2 Financial Resources**

5.2.1 The activities of the SMART Center at NTU are borne by NTU, and the activities of the SMART Center at NIMS are borne by NIMS, in accordance with the annual projected budget decided by the Co-Directors and submitted in writing for prior approval by the Parties.

5.2.2 The Parties will cooperate to obtain -- and, in particular, the Co-Directors will work to obtain -- on behalf of the SMART Center, funding and resources from public or private agencies,

whether they be regional, national, or international. The Co-Directors shall obtain written approval from both Parties prior to applying for such funding and resources. The management of such funding and resources may be entrusted to one or the other of the Parties upon proposal from the Co- Directors, subject to the approval of both Parties.

### 5.3 Personnel

- 5.3.1 The Parties shall assign staff and trainees, PhDs and Post-docs to the SMART Center with the agreement of the Co-Directors, in accordance with Article 3.3. The list of the personnel will be submitted annually to the Co-Directors and to each of the Parties as part of each year's budget.
- 5.3.2 The personnel from NTU shall be appointed by NTU.
- 5.3.3 The personnel from NIMS shall be appointed by NIMS President.
- 5.3.4 The Parties shall promptly inform each other in writing of anticipated replacements or new roles of personnel. Either Party can, within a period of fifteen (15) days following such written notice, formulate a justified refusal concerning the assignment of any personnel by the other Party.
- 5.3.5 Each Party will comply with all applicable laws concerning the occupational health and safety of personnel assigned to the common activities of the SMART Center.
- 5.4 Each Party shall be responsible for informing its personnel and its postdoctoral fellows and students engaged in any Research Project about the applicable requirements of this Agreement and for ensuring their compliance with such requirements. .

## **Article 6. Research Results Relating to SMART Center -Funded Projects**

- 6.1 As a matter of basic academic policy, each Party retains the right at its discretion to publish freely any Research Results. Subject to non-disclosure obligations created by or pursuant to this Agreement, all reports and academic papers ("Publications") of Research Results and other activities conducted under the Research Project may be published by each Party in accordance with its publications policies.
- 6.2 Each Party agrees to submit to both Co-Directors a copy of any such Publication for review and comment no less than thirty (30) days prior to submission for publication. Within thirty (30) days of such submission, either Party may request deletion of any confidential information from the proposed Publication or request a delay of submission for publication to allow time for prior filing of patent or copyright applications, as appropriate.
- 6.3 When either Party wishes to publish a Publication reflecting Research Results, each Party agrees to submit the paper acknowledging the affiliation of the Center of Strategic Materials Alliance for Research and Technology.

## **Article 7.   Publicity**

- 7.1   Neither Party may use the name of the other Party in any form of advertising without the prior written approval of the other Party.
- 7.2   Neither Party may use the name of the SMART Center in any form of advertising without the prior written approval of the Co-Directors.

## **Article 8.   Ownership of Inventions**

- 8.1   Any Invention made hereunder solely by NTU personnel, post-doctoral fellows and/or students (a "NTU Invention") shall be owned by NTU.  NTU may, in its sole discretion, seek patent protection for and licensing of any NTU Invention without any obligation to account to NIMS.
- 8.2   Any Invention made hereunder solely by NIMS personnel (a "NIMS Invention") shall be owned by NIMS.  NIMS may, in its sole discretion, seek patent protection for and licensing of any NIMS Invention without any obligation to account to NTU.
- 8.3.1   Any Invention made hereunder jointly by one or more NTU personnel, post-doctoral fellows and/or students and one or more NIMS personnel (a "Joint Invention") shall be owned by jointly NTU and NIMS.  The ratio of ownership of interest in any Joint Invention as between the Parties shall be 50/50, unless otherwise agreed by the Parties in a Joint Application Agreement.
- 8.3.2   For each Joint Invention, the Parties will cooperate in good faith to determine which Party will be responsible for seeking patent protection for and licensing of the Joint, as set forth in a Joint Application Agreement.  With respect to Management Expenses, it is specifically agreed between the Parties that, unless otherwise specifically stipulated in the Joint Application Agreement, (i) NTU shall bear the Management Expenses of the Joint Invention for applications filed in Taiwan, (ii) NIMS shall bear the Management Expenses of the Joint Invention for applications filed in Japan, and (iii) NTU and NIMS shall bear the Management Expenses of the Joint Invention for applications filed in any countries other than Taiwan or Japan on a 50/50 basis.

## **Article 9.   Right to exploit and license Program Invention**

- 9.1   Each Party shall have a right to exercise and to grant a non-exclusive license under Invention to a third party without the consent of and without accounting to the other Party; provided, however, that the granting Party shall notify the other Party in writing prior to the licensing.  In this case, the royalty received by the granting Party from a third party shall belong to the granting Party.

- 9.2 When a Party wishes to transfer its rights of invention to a third party, the transferring Party shall obtain the written consent of the other Party.
- 9.3 When a Party wishes to abandon its rights under the joint patent or joint patent application, the abandoning Party shall notify the other Party in writing of the abandonment in advance and as soon as possible in order to permit the transfer of its rights to the other Party in a safe way. Upon request of the other Party, the abandoning party shall assign any and all of its rights relating to the joint patent or joint patent application to the other Party free of charge, and shall implement the procedures required for assignment.

#### **Article 10. Confidential Information**

- 10.1 For purpose of this Agreement, “Confidential Information” means all non-public and/or proprietary information disclosed by either Party in the course of activity pursuant to this Agreement, whether disclosed in oral, written, graphic, machine recognizable model or sample form, or any derivation thereof, except as otherwise specifically provided herein. Confidential Information may include data, know-how, chemical and physical analyses, algorithms, computer programs, data bases, processes, improvements, designs, devices, systems, test results, sketches, photographs, plans, drawings, product concepts, specifications, reports, laboratory notebooks, business and financial plans, strategies, budgets, vendor, customer and distributor names, pricing information, production or manufacturing information, product sales information or forecasts, inventions and ideas.
- 10.2 “Confidential Information” as described in Article 10.1 shall be deemed “Confidential Information” if: (i) in the case of a written disclosure, there is affixed to the document an appropriate legend, such as “Proprietary” or “Confidential,” or, (ii) the Confidential Information disclosed by either Party orally, through visual inspection or other material form, shall be deemed to be Confidential Information under 10.1 upon request of either Party, but without it being necessary for either Party to document the confidential nature of such information.
- 10.3 Notwithstanding the provisions of Articles 10.1 and 10.2, “Confidential Information” does not include information that (i) becomes a matter of public knowledge through no fault or act of the recipient; (ii) is rightfully received by the recipient from a third party not subject to restriction on disclosure; (iii) is not owned by the other Party under the terms of this Agreement and has been independently developed by the recipient without the use of the other Party’s Confidential Information; (iv) is owned by the recipient; or (v) was rightfully in the possession of the recipient prior to its disclosure by the other Party. Notwithstanding the foregoing, Confidential Information shall include (a) information that is specific, even if it is embraced by more general information in the public domain or in the possession of the recipient; and (b) a combination of individual items of information, even if that combination could be reconstructed from non-confidential sources, if none of the non-confidential sources shows the whole combination and its principle of operation.

- 10.4 The Parties agree to use Confidential Information belonging to the other Party only for the purpose of providing information, products or services pursuant to this Agreement or such other agreement between the both Parties as may exist from time to time, and neither Party shall disclose, discuss or use any Confidential Information, directly or indirectly, for any other purpose, except as may be necessary pursuant to applicable law or a valid order of a court or authorized government agency, provided that the recipient has given the other Party an opportunity to defend, limit or protect such disclosure. The Parties shall hold each other's Confidential Information in confidence for so long as it remains non-public and/or proprietary, using such measures as the Party uses to protect the confidentiality of its own Confidential Information of like importance, but in no event using less than reasonable care. Neither Party shall make any disclosure of the other Party's Confidential Information other than to its employees and consultants on a need-to-know basis. The Parties shall inform each such employee and consultant of the confidentiality obligations under this Agreement and shall have agreements with such employees and consultants of sufficient scope to require their compliance with such obligations.
- 10.5 Each Party acknowledges that the other would suffer immediate and irreparable harm for which monetary damages would be an inadequate remedy if it were to breach its obligations under this Article 11. Each Party expressly agrees that the other may obtain equitable relief, including injunctive relief, to protect rights and interests under Article 9 of this Agreement, in addition to such other remedies as may be available at law or in equity.

## **Article 11. Term and Early Termination**

### 11.1 Term

- 11.1.1 The Agreement shall take effect as of the Effective Date and, unless sooner terminated in accordance with its terms, shall expire three (3) years starting from Effective Date, unless timely renewed by addendum to this Agreement signed by both Parties for one or more additional three (3) year periods.
- 11.1.2 The decision concerning renewal, non-renewal or earlier termination of the Agreement under Article 11.2.1 above shall be made by each of NTU and NIMS, after soliciting the opinions of the Co-Directors of the SMART Center and of the appropriate authorities of NTU and NIMS, respectively.

### 11.2 Early Termination

- 11.2.1 This Agreement may be terminated by either Party upon one (1) year prior written notice to the other Party.

11.2.2 Without prejudice to any other rights to which it may be entitled, either Party may give notice in writing to the other Party terminating this Agreement with immediate effect if the other Party commits any material breach of any of the terms of this Agreement and fails to remedy that material breach within 30 (thirty) days of that Party being notified in writing of the breach.

11.2.3 The early termination of this Agreement according to this Article 11.2 does not exempt the Parties from fulfilling the obligations contracted prior to the effective date of termination.

11.3 In case of early termination or expiration of this Agreement for any reason, the Parties will endeavour to bring to completion the joint actions which are under way at the time of termination.

## **Article 12. Contractual Activities**

Any agreements which the SMART Center wishes to enter into with third parties shall be co-signed by the Parties.

## **Article 13. Assignment**

This Agreement cannot be assigned, totally or partially, by one of the Parties to a third party, without the prior written consent of the other Party. Any purported assignment in violation of this Article 13 shall be void ab initio.

## **Article 14. Partial Invalidity**

If any provision of this Agreement is or becomes invalid or is ruled invalid by any court of competent jurisdiction, the Parties will act in concert and undertake all reasonable efforts to replace such provision with a valid one having an equivalent effect.

In case the Parties fail to reach an agreement stated in a written amendment to this contract within a period of six (6) months, however, the invalid provision will have to be considered by the Parties as null and of no effect. This will not affect the validity of the other provisions of this Agreement.

## **Article 15. Governing Law and Export Control**

15.1 This Agreement shall be governed by and construed in accordance with the laws of Taiwan without regard to the conflict of laws provisions thereof.

15.2 It is understood that NTU is subject to Taiwanese laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities, and that its obligations hereunder are contingent on compliance with applicable Taiwanese export laws and regulations severally.

15.3 It is understood that NIMS is subject to Japanese laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities, and that its obligations hereunder are contingent on compliance with applicable Japanese export laws and regulations severally.

#### **Article 16. Language**

This Agreement has been prepared in English. Any translation thereof is for convenience purposes only and shall not have any effect on the interpretation or construction thereof.

#### **Article 17. Dispute Resolution**

The Parties will work together in good faith to resolve amicably any disputes between them arising under this Agreement. Any dispute between the Parties in connection with this Agreement that cannot be resolved amicably by mutual agreement will be finally settled under the Rules of Arbitration of International Chamber of Commerce by an arbitration panel of three (3) arbitrators appointed in accordance with such Rules. The language of arbitration shall be English. The arbitration shall be held in Tokyo, Japan if NTU initiates the arbitration and in Taipei, Taiwan if NIMS initiates the arbitration. The decision and award of such arbitration shall be final and binding, and judgment on the award may be entered, confirmed and enforced in any court having jurisdiction thereof.

The costs of arbitration shall be borne by either Party or both of the Parties in accordance with the arbitration award.

#### **Article 18. Notices**

Any notices to be given hereunder shall be sufficient if signed by the Party giving same and delivered in one of the following manners: (a) by certified mail, return receipt requested; (b) sent by overnight delivery via a nationally recognized courier service; or (c) faxed to other Party if the sender retains evidence of successful transmission and if the sender promptly sends the original by ordinary mail, in any event to the following addresses:

If to NIMS:  
1-2-1 Sengen, Tsukuba  
Ibaraki 305-0047, Japan  
Attention: Haruko Sorai, Academic Collaboration Office  
Telephone: +81-29-859-2698  
Facsimile: +81-29-859-2201

If to NTU:  
1, Section 4, Roosevelt Rd.  
Taipei 10617, Taiwan (R.O.C.)  
College of Engineering Office  
Telephone: +886-2-3366-3274  
Facsimile: +886-2-2363-7585

By such notice, either Party may change its address for future notices. Notices mailed shall be deemed given on the date postmarked on the envelope. Notices sent by overnight courier shall be deemed given on the date received by such courier, as indicated on the shipping manifest or waybill. Notices sent by fax shall be deemed given on the date faxed.

#### **Article 19. Independent Relationship**

It is not the intention of the Parties to this Agreement to create, nor shall this Agreement be construed as creating, any joint venture, partnership or agency relationship between the Parties so as to render either of the Parties liable to the other Party for anything more than the performance of its respective obligations hereunder. In particular, each Party will act with respect to any third party in its proper name and only on its own account. Neither of the Parties may act, with regard to the SMART Center, in the name and/or on behalf of the other Party, except when expressly approved in writing by such other Party.

The parties hereto establish this Agreement by duly signing it as of the respective dates written below.

**For: National Taiwan University**

**For: National Institute for Materials Science**



Name: Pan-Chyr YANG

Title: President



Name: Sukekatsu USHIODA

Title: President



Name: Jia-Yush YEN

Title: Dean, College of Engineering