

Wichita State University National Institute for Aviation Research Terms and Conditions

Terms and conditions for research and commercial testing at Wichita State University's National Institute for Aviation Research (WSU) laboratories are covered in this document. These terms and conditions supersede all previous rates, conditions and scheduling policies, and are to be used in conjunction with any work or services performed by WSU. The terms and conditions herein may NOT be altered, supplemented, or amended by the use of any additional document(s).

1. Formation of Contract.

These terms and conditions, together with the quote and, if applicable, Statement of Work (SOW), embodies the entire Agreement between WSU and Company. Company's offer to purchase certain services (Services) from WSU as described in the quote and/or SOW is conditioned upon acceptance by WSU. Acceptance by WSU is conditioned upon these terms and conditions.

2. Assignment.

Neither this Agreement nor any rights or obligations of any party hereunder shall be assigned or otherwise transferred by any party without the prior written consent of all other parties.

3. Governing Law.

This Agreement is governed by the laws of the State of Kansas. Any legal action involving the subject matter of this Agreement shall be adjudicated in Kansas and is subject to, governed by, and construed according to the laws of the State of Kansas, excluding any conflict of law rules.

4. Termination.

This Agreement may be terminated by either party upon thirty (30) days written notice to the other party. In any case, upon termination, WSU will be reimbursed for all costs actually incurred in the performance of the Agreement and all non-cancelable obligations, pursuant to Section 13.5.

5. Force Majeure.

WSU will not be liable for any failure to perform as required by this Agreement, due to circumstances reasonably beyond WSU's control, including, but not limited to: labor disturbances or labor disputes of any kind, accidents, failure of any governmental approval required for full performance, civil disorders or commotions, acts of aggression, acts of God, energy or other conservation measures, explosions, failure of utilities, mechanical breakdowns, material shortages, disease, or other such occurrences.

6. Independent Contractor.

WSU and Company are not (and nothing in this Agreement may be construed to constitute them as) partners, agents,

representatives or employees of the other, nor is there any status or relationship between them other than that of independent contractors. Neither party has any responsibility nor liability for the actions of the other party except as specifically provided in this Agreement. Neither party has any right or authority to bind or obligate the other party in any manner or make any representation of warranty on behalf of the other party.

7. Notices.

Any notice or other official communication given under this Agreement to WSU shall be in writing and shall be deemed delivered when received by certified first class mail, registered mail, overnight courier, by facsimile or electronic mail provided that a copy of such facsimile or electronic mail is promptly sent by certified first class mail, registered or overnight courier, addressed to:

Wichita State University Contract Manager
Office of Research Administration
1845 Fairmount Street
Wichita, Kansas 67260-0093

8. Disputes.

Pending resolution of any dispute arising under this Agreement, excluding disputes regarding payment issues, WSU shall proceed with the performance of this Agreement, providing however that the parties proceed in good faith to resolve disputes between themselves. If the parties are unable to resolve the dispute after sixty (60) days WSU may issue a stop work order.

9. Insurance/Indemnity.

Company agrees to indemnify, defend and hold WSU, its officers, agents and employees, harmless from any liability resulting from the use by Company of the research and/or testing results provided to Company by WSU under this Agreement. Should Company or its employees, representatives or agents participate in an on-site visit to WSU, Company understands and agrees to be responsible for the safety of such employees, representatives or agents and Company warrants that it maintains a policy or program of insurance or self-insurance at levels sufficient to support the indemnification obligations assumed herein. Company further understands that WSU and its officers and employees acting within the scope of their employment are subject to the Kansas Tort Claims Act, K.S.A. 75-6101 et seq. WSU relies on the provisions of the Kansas Tort Claims Act and no further insurance is maintained by WSU.

10. Confidential Information.

Should it be necessary for WSU personnel to receive confidential information from Company, Company agrees to state in writing at the time of delivery that such information is confidential, or if given orally, reduced to

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writing, clearly marked as confidential, within thirty (30) days of the oral disclosure. WSU and its personnel agree to safeguard Company's confidential information to the extent permitted by state and/or federal law, for a period of time not to exceed three (3) years from the date of written delivery to WSU. Proprietary Information does not include:

- a.) Information that is generally available to the public at the time of this Agreement;
- b.) Information which becomes part of the public domain or publicly known or available by publication or otherwise, not due to any unauthorized act or omission on the part of the receiving party;
- c.) Information which thereafter is disclosed to the receiving party by third parties without breaching any obligation of non-use or confidentiality; and
- d.) Information that has been independently developed by persons in the receiving party's employ or who otherwise has had no contact with the Proprietary Information.

WSU retains the right to refuse to accept any information that is not considered to be essential to the completion of the project/test.

11. Waiver/Severability.

Waiver of Rights: Any waiver shall be in writing and provided to all other parties. Failure to insist upon strict performance of any of the terms and conditions hereof, or failure or delay to exercise any rights provided herein or by law, shall not be deemed a waiver of any rights of any party hereto.

Severability: The illegality or invalidity of any provision of this Agreement shall not impair, affect or invalidate the other provisions of this Agreement.

12. Export Compliance.

All parties agree to comply with all applicable U.S. Export and Re-Export Control Laws and Regulations, including but not limited to the Export Administration Regulations (EAR) promulgated by the Department of Commerce, the International Traffic in Arms Regulations (ITAR) promulgated by the Department of State, and The Office of Foreign Asset Control (OFAC) promulgated by the Department of Treasury, as enacted and amended from time to time. Company shall notify WSU in writing if any technological information or data to be provided to WSU is subject to these laws and regulations.

13. Scheduling.

13.1 Tentative Scheduling: A tentative or estimated schedule may be provided with the quote. This schedule

only represents a snapshot of opportunity at the time of the quote.

13.2 Priority Scheduling: Priority scheduling is available at the request of the customer for a premium cost ranging from 1.5 to 2.5 times the normal cost.

13.3 Project/Test Schedule: The project/test schedule will be agreed to by WSU and the Company based on the final Company SOW and receipt of the Purchase Order (PO). WSU is not responsible for schedule delays due to:

- a.) Late material, test panel, test article, or other test related delivery
- b.) Test article failures during testing
- c.) Changes to the SOW
- d.) Equipment failure
- e.) Environmental conditioning
- f.) Other acts beyond WSU's control

13.4 Postponement: If a Company must postpone a test, WSU reserves the right to charge the Company against the PO for any charges that may have been incurred and for lost revenue due to the reserved testing slot. These charges include but are not limited to staffing, materials purchases, equipment, rental fees, and storage.

13.5 Cancellation: If a Company must cancel a test, WSU reserves the right to charge the Company against the PO for any charges that may have been incurred and for lost revenue due to the reserved testing slot. These charges include but are not limited to staffing, materials purchases, equipment, rental fees, and storage.

13.6 Maintenance and Repairs: WSU reserves the right to adjust schedules to allow for maintenance and/or repairs that may be necessary.

14. Data/Test Results.

14.1 Preliminary Data: Data that is provided to the Company during testing and before the formal report is considered by WSU as preliminary and not final. If no formal report is requested, only preliminary data will be supplied. Preliminary data will be maintained electronically by WSU for 12 months after completion of testing.

14.2 Final Data: Final data will be provided to the Company per the project schedule in the formal report. A formal report will be generated if requested by the Company in the SOW. Cost of the report will be reflected in the quote. A copy of the formal report will be maintained electronically by WSU for 12 months after completion of testing.

14.3 Storage: Unless other arrangements are made, tested articles will be returned to the Company at the Company's expense. Storage of tested articles will be at the

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Company's expense. WSU reserves the right to remove and store failed test articles at the Company's expense until articles are repaired and testing can be resumed.

14.4 Tools, Equipment, and Test Fixtures: WSU will retain all tools, equipment and test fixtures used in a test. The Company may request these items after a test if the Company paid for such items.

14.5 Test Results: WSU is responsible for providing test results per Company guidelines or other recognized testing standards. WSU will maintain calibration records for testing traceability. WSU is not responsible for test values below predicted values when WSU Quality Manual testing protocols have been followed.

15. Billing.

WSU payment terms are net 30 days. Company will be invoiced upon completion of the project and/or testing. At this time Company may be required to pay the invoice prior to release of data unless prior credit approval has been given.

16. Data Storage.

As a courtesy service to the Company, WSU will securely store data collected during the project and/or test for a period of one (1) year from the date of the test. After one (1) year WSU may destroy such data. Company will have the opportunity to either ask for this data to be sent to them or request immediate disposal of data. WSU is not responsible for accidental data loss after the test is complete and results have been supplied to Company.

17. Intellectual Property.

All inventions arising out of the performance of any work or services conducted by WSU in completion of this Agreement will be promptly disclosed to the Company. All inventions, patent applications, patents, or copyrights made during the term of this Agreement shall be owned as follows in accordance with Kansas Board of Regents policy in order to produce the greatest benefit to the public:

- a) Inventions which involve the use of, composition of, modification to, or improvement to Company's product or information or a derivative analogue thereof and which are unexpected and unique shall belong to WSU if made solely by WSU employee; shall belong to Company if made solely by a Company employee; and shall belong to both WSU and Company if made jointly or in collaboration; and
- b) Inventions which cover a scientific process, technique, procedure, medium device or other process which are not unique to or derived from Company's product shall be owned by WSU if

made solely by a WSU employee; shall be owned by Company if made solely by a Company employee; and shall be owned by both WSU and Company if made jointly or in collaboration.

In consideration of funding, Company shall have the first option to negotiate a license for said inventions, patents and copyrights. Company will have the right to sublicense their subsidiaries and affiliates, but no other third party may be sublicensed without approval of WSU. Such option period shall last for six (6) months from the date the invention is first disclosed to the Company, but in no case longer than one (1) year from the date the invention is first disclosed to the Company.

18. Publication Rights.

Under Kansas Board of Regents policy, WSU investigators shall be permitted to publish in journals, dissertations, theses and other scholarly and professional publications, and to present at symposia and professional meetings the methods and results of the projects. Company shall, at its request in writing, be furnished copies of any proposed publication or presentation at least sixty (60) days in advance of the submission of such proposed publication to a journal, editor or third party. During the 60 day review period, company may object to the proposed publication or presentation only on the basis that it contains patentable subject matter that needs protection and/or it contains confidential information belonging to Company. In the event of such an objection, the parties shall negotiate in good faith an acceptable version of the document.