



**Agreement among Members of the  
PATRIOT LABS PARTNER NETWORK  
(PartnerNetwork)**

***Concerning***

**Urgent Capability, Emerging Technology, and Innovative Solutions  
Support to Department of Defense  
and Other Federal Agencies**

***Effective Date: 01 October 2022***

**Veterans Force Industries, LLC.  
exclusive agent acting on behalf of the  
Patriot Labs PartnerNetwork**

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## PREAMBLE

**THIS PARTNERNETWORK MEMBERSHIP AGREEMENT** (the “**Agreement**”) has been updated and this version is made effective as of (the “**Effective Date**”), by and between Veteran Force Industries, LLC., designated as exclusive agent acting on behalf of Patriot Labs, and PartnerNetwork Members (as defined herein). PartnerNetwork Members may also be referred to herein individually as a “Party” or collectively, as “Parties.”

## WITNESSETH

**WHEREAS**, the Parties wish to ensure quick and efficient delivery of technology solutions to enhance the nation’s abilities to support National Security, the defense mission of the United States, and the capabilities of the U.S Government and its departments, components, and agencies (collectively referred to herein as “Government”).

**WHEREAS**, the Parties intend to enter into **Project Contracts** (as defined herein) with **Customers** (as defined herein) using urgent capability R&D acquisition, mid-tier rapid prototyping and fielding acquisition, and/or other adaptive acquisition pathways supported by **Acquisition Vehicles** (as defined herein), which are principally aimed at funding certain innovative capabilities and/or solution development for purposes of meeting existing and/or emerging operational needs of Customers.

**WHEREAS**, the Parties wish to concurrently develop, sustain and expand their collective solution and/or service offerings through the development of strategically aligned technological capabilities;

**WHEREAS**, the Parties wish to provide a unified and coordinated message to the Government community as to the strategically important role of next-generation, new and emerging technologies that support current and future mission essential operations;

**WHEREAS**, the Parties wish to define programs and obtain program funding that is focused on the research and development, and demonstration and transition of mission-critical technologies that will result in significant Government operational improvements or the fielding of new transformative solutions or capability upgrades;

**WHEREAS**, the Parties are entering into this Agreement in order to: (i) support the establishment and growth of the Patriot Labs PartnerNetwork as a highly collaborative and secure environment to conduct innovative research, development and technology programs; (ii) transition requirements from ideation and research to production and commercialization; (iii) adapt commercial developments, capabilities and solutions to Government requirements and specifications; (iv) provide for the respective rights and obligations as participating Members; and (v) provide guidance with respect to other matters involving the activities conducted by Members.

## ARTICLE I – DEFINITIONS

When used in this Agreement, the following terms, whether used in the singular or plural, shall have the meanings set forth herein.

1.01 “Effective Date” refers to the date first written above and on which this Agreement is signed and executed.

1.02 “Acquisition Vehicle” means any supported non-FAR (e.g., Other Transactions Agreement, Cooperative Agreement, CRADA, research grant, etc.), FAR-based (e.g., BAA, SBIR/STTR, etc.), or other Adaptive Acquisition Framework contracting mechanism.

1.03 “Customer” refers to any organization (e.g., Government or government prime contractor) that enters into a Project Contract with Patriot Labs and/or PartnerNetwork Members.

1.04 “Member in Good Standing” means Member being current (no greater than 30 days past due) on membership dues and current (no greater than 30 days past due) on Project Award Success Fees.

1.11 “Membership Agreement” or “Agreement” refers to this Agreement as it governs the rights and obligations of the Members as they relate to the organization and operation of the PartnerNetwork.

1.05 “Notification” means formal communication between Member organizations and the PartnerNetwork Administrative Organization.

1.06 “Opportunity” refers to a Patriot Labs issued Call-for-Innovation that aligns with a Program or other Government opportunity.

1.07 “PartnerNetwork” refers to the Patriot Labs PartnerNetwork which is made up of Members from industry, academia, non-profit organizations, and not-for-profit entities pursuant to this Agreement.

1.08 “PartnerNetwork Administrative Organization” (PAO) refers to the duly designated agent acting on behalf of the PartnerNetwork to support its day-to-day operations, to include inter alia, execution and administration of contractual agreements, general administration, Member support services, financial management, program oversight, and other responsibilities as may be necessary.

1.09 “PartnerNetwork Manager” refers to the duly appointed manager acting on behalf of the PartnerNetwork, and in support of Members, to facilitate efforts to effectively enter into and perform under Project Contracts. The PartnerNetwork Manager will directly engage and support Members through the facilitation of integrated project teams aimed at the successful submission of Project Proposals and securing Project Contracts.

1.10 “PartnerNetwork Member” or “Member” refers to an industry or academic organization who becomes signatory to this Agreement after the Effective Date pursuant to the procedures set forth herein.

1.12 “Program” means any urgent capability, emerging technology, or innovative solution acquisition initiative, established by Government for the purpose of meeting existing and/or emerging operational needs.

1.14 “Project Award” means any Project Proposal selected by a Program for Member project award and funding through an Acquisition Vehicle.

1.15 “Project Award Success Fee” or “Success Fee” refers to the percentage-based fee that PartnerNetwork Members are required to pay for Project Awards originated, facilitated, or otherwise supported by Patriot Labs. Pursuant to paragraph 2.04.4, Success Fees are determined solely based on the total dollar value of each Project Award.

1.16 “Project Contract” refers to any resultant project level agreement, prime contract, contract, or Project Award between Member and Customer (or their agency), governing the mutual obligations of the parties, to include scope of work, period of performance, funding, work plan, milestones, deliverables, payment schedule, and other requirements and/or covenants.

1.17 “Project Proposal” means a proposal from PartnerNetwork Member(s) containing technical approach and cost components pertaining to Member offered solution(s) and/or service(s) proposed in response to opportunity requirements that will be evaluated by a Program for Project Award consideration.

1.18 “Veterans Force Industries, LLC.” (VFI) refers the company formally appointed as the exclusive agent acting on behalf of the Patriot Labs, LLC. PartnerNetwork as the PartnerNetwork Administrative Organization. VFI will execute the PartnerNetwork mission to include, inter alia, execution and administration of agreements; appointment of a PartnerNetwork Manager; member growth and sustainment; oversight of technical programs; and representations to Members, Programs, Customers and Project Contract issuers.

## **ARTICLE II – THE PARTNERNETWORK**

### **2.01 Background.**

The Government has expressed a desire for industry and academia to form partnerships in order to facilitate small business innovative research and development activities. In support of the U.S. Department of Defense (DoD) Components, non-defense agencies of the U.S. Government, and state and local governments, the PartnerNetwork aims to support defense, critical infrastructure, and high-priority operational domains. Principal objectives include:

- a) exploration of private sector technology opportunities;
- b) innovation research and development;
- c) prototyping and piloting of new, next-gen capabilities;
- d) technology transfer; and
- e) solution deployment into follow-on production environments.

The PartnerNetwork will support Members and Government in efforts to conduct innovative research and development activities needed to effectively adapt new and emerging technology to meet the objectives of Government. All agent-related management functions contained in this Agreement, as approved by the PartnerNetwork, will be administered by the PartnerNetwork Administrative Organization.

## 2.02 Scope of the Effort.

The following are examples of technology/capability focus areas to be supported under PartnerNetwork collaborative efforts between Members and Government:

Additive Manufacturing	Edge Compute & Embedded AI	Modeling, Simulation, Training & Virtualization
Advanced Materials	Energy, Grid, Resilience	Power & Propulsion Systems
Advanced Networks & Wireless	Hypersonics	Quantum
Analytics & Big Data Visualization	Information Technology, Systems, & Infrastructure	Radar
Artificial Intelligence & Explainable AI	IoT, Networks	RF Electronic Materials
Autonomous & Unmanned Systems	Logistics & Supply Chain	Robotics & Machine Automation
Blockchain & Distributed Ledger	Machine Learning & MLOps	Robotic Process Automation
C4ISR Systems	Machine-to-Machine Processing	Sensors & Sensor Fusion
Critical Infrastructure	Material by Design	Simulation, Training & Readiness
Cyber Solutions & Resilience	Medical, Health & Biotech	Space Technologies
Communications Systems	Mega Cities & Smart Cities	Supply Chain Technologies
Data Centricity & Data Fabric	Microelectronics	Synthetic Biology
DevSecOps & Cybersecurity	Mobility & Transportation	Trusted Electronics & Communications
Digital Twins & Virtual Simulation		VR, AR, MR, XR & 360 Virtualization
Disruptive Energetics		

These Capability Focus Areas may change from time-to-time in order to reflect Government priorities and innovation initiatives. To view up-to-date focus areas, visit: <https://patriotlabs.us/focus-areas/>

## 2.03 Member Agreement.

This Agreement between the Patriot Labs PartnerNetwork and Members shall govern the relationships and interaction between the PartnerNetwork and Members, and among the Members. All Members must meet the basic requirements outlined under section 2.04 of this Agreement. Membership is further contingent upon prospective members agreeing to this Agreement and signing the PartnerNetwork Membership Application.

## 2.04 PartnerNetwork Membership Requirements.

The requirements for Membership in the PartnerNetwork are as follows:

**2.04.1 Basic Industry and Academia Acceptance Criteria.** The Parties agree that Membership in the PartnerNetwork shall only be granted to firms or institutions that meet the following criteria:

- Membership under this agreement is restricted to the CAGE Code of the applying entity. A separate affiliate, division or subdivision with a different CAGE Code must join separately under the different CAGE Code;
- The organization has a related technology that is supportive of PartnerNetwork goals and capability areas of interest;
- The organization is willing to make these technologies available for demonstrations and the formulation of potential solution sets for Customers;
- The organization is not barred from contracting with or receiving funds from the Government;
- The organization will contribute their respective talents and resources to the PartnerNetwork through periodic attendance and participation in customer opportunity briefings, integrated project team meetings, or other business development support services, as may be appropriate;

- f) The organization is willing to provide otherwise publicly available information in their membership application denoting their current technologies, capabilities, and solutions that may be applicable to PartnerNetwork technology focus areas; and to describe the general nature of their organizations' business as it may apply to these technologies; and
- g) Will pay yearly administrative dues to offset the administrative expenses of the PartnerNetwork.

**2.04.2 Member Ownership.** Membership in the PartnerNetwork may be granted to U.S. firms or institutions organized or existing under the laws of the United States, its territories, or possessions. Foreign companies and/or entities of a parent company that is foreign-owned must have a Foreign Ownership, Control or Influence (FOCI) mitigation plan/agreement approved by the Government and a valid, approved DD Form 2345. Membership to any foreign company and/or firms, institutions or business organizations (entities, divisions, etc.) which are owned or substantially controlled by foreign governments, firms, institutions or individuals, may be granted on a case-by-case basis at the sole discretion of the PartnerNetwork Administrative Organization.

**2.04.3 Member Dues.** Membership in the PartnerNetwork will become effective upon submission of the PartnerNetwork Membership Application and payment of the initial dues. Members will pay annual dues in the amounts as posted on the Patriot Labs website (<https://patriotlabs.us/annual-dues/>).

Members who have not paid Member Dues within thirty (30) days of the due date are not "Members in good standing" for participation in general PartnerNetwork activities, integrated project teams or otherwise, until the delinquency is cured. The PartnerNetwork Administrative Organization may adjust the membership dues structure from time to time to sustain the PartnerNetwork's ability to balance its revenues and expenses.

**2.04.4 Project Award Success Fee.** In addition to any initial and annual dues that all Members are required to pay, each Member recipient of a Project Award originated, facilitated, or otherwise supported by Patriot Labs, shall pay the PartnerNetwork Administrative Organization a Success Fee equal to one of the following:

Condition	Award Range	Success Fee Percentage
If total award amount less than	\$24,999	no success fee (0%)
If total award amount between	\$25,000 - \$499,000	eight percent (8%)
If total award amount between	\$500,000 - \$1,799,999	six percent (6%)
If total award amount greater than	\$1,800,000	four percent (4%)

Success Fee percentages shall be determined solely based on the total dollar value of the Project Award. Payment shall be based on the table outlined in this section and due no later than thirty (30) days after any Project Award, unless otherwise defined within a superseding agreement between said Member and Patriot Labs PartnerNetwork. Members who have not paid success fees within thirty (30) days of the due date are not "Members in good standing" for additional project awards, or for participation in general PartnerNetwork activities, integrated project teams, or otherwise until the delinquency is cured. The PartnerNetwork Administrative Organization may adjust the Success Fee percentage and/or structure from time to time to sustain the PartnerNetwork's ability to balance its revenues and expenses.

**2.04.5 PartnerNetwork Membership Meetings and Meeting Attendance.** PartnerNetwork meetings may be held virtually or at designated locations. The purpose of these meetings is to bring together Members, program managers, high-priority operational domain leads, and as appropriate, Government. Member attendance is not mandatory; however, Members are strongly encouraged to attend so that (a) the technical requirements of the Government may be presented; (b) Members may be identified for participation in upcoming integrated project teams responding to Government's requirements with innovative ideas, solutions, and technologies; and (c) other business may be conducted as appropriate.

**2.04.6 Compliance with Project Contract Articles and Stipulations.** When selected to perform on a Project Award, Members are solely responsible for complying with all articles flowed down within a customer awarded contract to the performing Member organization(s). Additionally, each originated Project Award may have specific cyber security requirements that may include, but are not limited to, the latest versions of the following:

- a) 48 CFR 52.204-21 "Basic Safeguarding of Covered Contractor Information Systems:
- b) FAR 52.204-21 - Basic Safeguarding of Covered Contractor Information and Systems



- c) DFARS 252.204-7012 "Safeguarding Covered Defense Information and Cyber Incident Reporting"
- d) National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171 Rev (at the approved revision level at time of project award) "Protecting Controlled Unclassified Information in Nonfederal Systems and Organizations"
- e) NIST SP 800-171B "Protecting Controlled Unclassified Information in Nonfederal Systems and Organizations: Enhanced Security Requirements for Critical Programs and High Value Assets" (at the approved revision level at time of project award)

If an Opportunity or Project Contract involves protected information, the PartnerNetwork Administrative Organization will only share protected information with members that have provided assurance and proper supporting documentation (e.g., Military Critical Technical Data Agreement - DD Form 2345) that demonstrate they are capable of handling protected information. As part of this, each member must confirm that it has a System Security Plan (SSP) in place. The PartnerNetwork Administrative Organization reserves the right to request that members to provide such documentation as required by a customer to confirm compliance with the above provisions (a, b, c, and d).

Members shall comply with U.S. antitrust laws in connection with all PartnerNetwork-related activities.

## **2.05 Memorandum of Agreement.**

Patriot Labs PartnerNetwork and Members agree to be bound by the terms of this Agreement.

## **ARTICLE III - PARTNERNETWORK MANAGEMENT AND ADMINISTRATION**

### **3.01 Organization and Administration.**

The PartnerNetwork may from time-to-time utilize a number of staffing positions, committees and integrated project teams to coordinate PartnerNetwork activities with Government. The PartnerNetwork Administrative Organization will administer the affairs of the PartnerNetwork; and be responsible for the appointment and management of the PartnerNetwork Manager.

**3.01.1 Additional Members.** To facilitate an open membership policy, the membership application and approval process described herein may take place throughout the Government's Fiscal Year. Membership applications are submitted through the PartnerNetwork website (<https://patriotlabs.us>) throughout the year.

**3.01.2 PartnerNetwork Board of Directors.** Patriot Labs shall have a Board of Directors who shall govern business affairs of the PartnerNetwork. The Board will oversee planning, organizing, and directing of the PartnerNetwork with the support of the PartnerNetwork Administrative Organization and PartnerNetwork Manager. The Board shall consist of no more than five members. The Board shall appoint a Chair of the Board who shall speak for the Board in all matters that affect the PartnerNetwork, including all work in conjunction with the PartnerNetwork Administrative Organization.

### **3.02 PartnerNetwork Administrative Organization (PAO) and PartnerNetwork Manager (PM).**

The designated PAO and PM shall demonstrate the qualifications and management experience relevant to the goals and objectives of the Patriot Labs PartnerNetwork. The PAO and PM shall have a good understanding of this agreement, understand OTAs, SBIR/STTRs, CRADAs, Cooperative Agreements, Adaptive Acquisition Framework, and federal contracting.

### **3.03 Responsibilities of the PartnerNetwork Administrative Organization.**

The PAO shall manage and coordinate the day-to-day operational affairs of the PartnerNetwork; and act as the administrative point of contact for the Members under this Agreement and any amendments hereto.

### **3.04 Notices to PartnerNetwork Administrative Organization.**

Notifications to the PAO for any matter (e.g., Member withdrawal, raising disputes, etc.) may be sent to: [notices@patriotlabs.us](mailto:notices@patriotlabs.us).

### **3.05 PartnerNetwork Committees.**

When the PAO deems it advantageous, it may establish centers of excellence, working groups, or committees consisting of designated lead, members, and if appropriate, government representatives to advise on a variety of high-priority capability areas of interest.

**3.05.1 Business Development Committee Responsibilities.** The Business Development Committee may have the following responsibilities:

- a) Interface with key stakeholders (e.g., funding sources, Government, Program Executive Officers (PEOs) and Program Managers) representing agencies and offices of interest to the PartnerNetwork and/or its members' to potentially identify and/or develop new acquisition funding pathways and/or requirements for solution development.
- b) Recommend rapid development, prototyping, and pilot projects to be conducted to meet the identified requirements of Government.
- c) Review evolving technology requirements and end-user needs; and evaluate new opportunities for additional new objectives and rapid prototyping initiatives.

**3.05.2 Integrated Project Teams (IPTs).** Members are encouraged to coordinate with the PartnerNetwork Manager and participate with IPTs to develop both whitepapers and capability briefs for consideration as R&D, prototyping and/or pilot initiatives; and as Project Proposals in response to Government urgent capability needs and solution requirements. PartnerNetwork Manager led IPTs will submit project progress reports to the PAO, including project performance against the established project schedule and objectives.

**3.05.3 Diligent Efforts.** Members, and when appropriate, Customer representatives, shall use all reasonable efforts and proceed diligently to perform on projects in accordance with this Agreement, and any entered into project teaming agreements and/or awarded Project Contracts, by:

- a) Using their good faith efforts to allocate a sufficient number of personnel for all activities indicated by the project plan and schedule,
- b) Using personnel with sufficient skills and experience, and
- c) Using adequate equipment and facilities, to carry out their obligations.

Members agree to conduct activity under any Project Contract, in a good technical manner, and in compliance with applicable laws, rules and regulations, and all other requirements to achieve the objectives efficiently and expeditiously. Members further agree that the primary goal of a Project Awarded is to develop prototypes; conduct technology demonstrations, training, consultation; and technology transfer of the technology developed from the to the Customer. Accordingly, Members shall use diligent efforts to conduct such solution development, prototyping, and pilot efforts as are outlined in the awarded project plan, with the goal of accomplishing Program-defined goals set forth within the Project Contract. The Parties further agree to use diligent efforts to abide by the approved project schedule for achieving the deliverables and milestones established within the awarded period of performance.

## **ARTICLE IV – PROPRIETARY INFORMATION**

Members agree to comply with the PartnerNetwork Proprietary Information Exchange Agreement as a condition for membership. The Proprietary Information Exchange Agreement is attached to this Agreement as Exhibit A.

## **ARTICLE V - EXPORT CONTROLS**

### **5.01 Export Controls.**

This Agreement is subject to restrictions concerning the export of products and/or technology, Confidential Information, Trade Secrets, or Classified and Unclassified Technical Data from the United States which may be imposed upon or related to the Parties to this Agreement by the Customer(s). Accordingly, no Member will export, directly, or indirectly, any products and/or technology, Confidential Information, Trade Secrets, or Classified and Unclassified Technical Data to any country for which the Customer(s) or any United States agency at the time of export requires an export license or other form of legal approval, without first obtaining the written consent to do so from the Department of State or other agency of the United States when required by applicable statute or regulation.



## ARTICLE VI - WITHDRAWAL OF MEMBERS

### 6.01 Voluntary Withdrawal.

A Member may voluntarily withdraw from this Agreement at any time, and for any or no reason, by providing notice of withdrawal 14 calendar days prior to their withdrawal to the PAO in accordance with paragraph 3.04. A Member performing on a Project Award or Project Contract cannot withdraw from the PartnerNetwork until the performing member's Project Award is closed out. If a member has submitted a whitepaper and/or proposal that is still with the Government for evaluation, they must keep their membership active or withdraw their whitepaper/proposal from consideration.

### 6.02 Involuntary Withdrawal.

If a Member materially breaches any material warranty, term, or condition of this Agreement, and fails to remedy such material breach within thirty (30) days or as mutually agreed after receipt of notice of such material breach from another Member and/or the PAO, the PAO shall have the right to cause the involuntary withdrawal of such Member, such withdrawal to be effective immediately upon delivery of a notice from the PAO to such Member indicating their election to cause such involuntary withdrawal to occur.

### 6.03 Effect of Withdrawal.

**6.03.1 *Rights of a Member.*** Except for the rights and obligations with respect to a Project Contract pertaining to a Project Award, specific intellectual property agreements between or amongst individual Members, and such obligations of a continuing nature, after the Effective Date of withdrawal the withdrawing Member shall cease to have any rights or obligations as a Member under this Agreement except for those outlined in Article IV.

**6.03.2 *Continued Funding and Technology Contribution Commitment.*** In the event of the withdrawal of a Member pursuant to this Article VI, such Member's rights and obligations pursuant to any executory Project Awards including, but not limited to continued funding and technology contribution commitments shall continue in accordance with the specific terms and schedule of the Project Award under the Project Contract, or until the Customer and Member come to agreement to terminate the Project Agreement whichever is first.

## ARTICLE VII - TERM, RENEWAL, AND TERMINATION

### 7.01 Term.

This Agreement shall continue until terminated by a party.

### 7.02 Material Breach or Default by a Member.

If a Member materially breaches any material warranty, term or condition of this Agreement, any other Member may provide notice of such material breach to the PAO in accordance with paragraph 3.04. The PAO that shall review the facts of the willful material breach or default and determine whether the Member alleged to have materially breached any material term or condition of this Agreement has, in fact, committed such a material breach. Upon such a finding of material breach, the PAO shall make notification to the offending Member in accordance with the provisions in paragraph 11.04. If the Member fails to remedy such material breach within thirty (30) days or as mutually agreed after receipt of such notice, the PAO may, at its option, and in addition to any other remedies that may exist in law or equity, terminate this Agreement with the offending Member by sending a notice of termination to such Member, which will also constitute notice of involuntary withdrawal pursuant to Article VI.

### 7.03 Survival.

Notwithstanding the above provisions, each Member's rights and obligations with respect to Article IV and/or specific intellectual property agreements by and between the PartnerNetwork and the Member(s) shall survive any expiration or termination of this Agreement.

## **ARTICLE VIII - REPRESENTATIONS AND WARRANTIES**

### **8.01 Representations and Warranties of All Parties.**

Each Party represents and warrants to the other parties that: (a) they are freely entering into this Agreement; (b) in so doing, it will not violate any other agreement to which it is a party; and (c) it has taken all action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement.

## **ARTICLE IX - LIMITATION AND CROSS-WAIVER OF LIABILITY**

### **9.01 Waiver of Liability.**

Members waive all claims against any of the entities or persons part of this Agreement and additional Members that are based on alleged damages relating to and arising out of activities under this Agreement and the injured Member suffering such damages by virtue of its involvement under this Agreement. Notwithstanding the foregoing, this waiver shall not apply to claims or damages arising from or related to Article IV.

### **9.02 Subcontractors or Sub-entities.**

The Members agree to extend the waiver of liability as set forth above to subcontractors or sub-entities at any tier under a Project Award and/or Project Contract by requiring them, by written contract, purchase order or otherwise, to waive all claims against any and all Members.

### **9.03 Disclaimer.**

While Member are encouraged to take advantage of the ecosystem that membership provides, which may include entering into various agreements and business relationships with other members, such parties are solely responsible for any agreement or business relationship they make. Patriot Labs PartnerNetwork makes no, and hereby disclaims all warranties or representations, express or implied, either in fact or by operation of law, by statute or otherwise, relating to agreements and business relationships that organizations may make with each other as a result of their membership or participation in PartnerNetwork activities.

### **9.04 Limitation of Liability.**

In no event will any Party hereto be liable for any special, incidental, consequential or indirect damages arising in any way out of this Agreement, however caused and on any theory of liability. This limitation will apply even if the other Party or Parties hereto have been advised of the possibility of such damage. Nothing in this Article IX shall be construed to create the basis of a claim or suit where none would otherwise exist.

## **ARTICLE X - DISPUTE RESOLUTION**

### **10.01 Dispute Resolution Process.**

The Parties recognize that disputes as to certain matters may from time to time arise during the term of this Agreement, which relate to a Party's rights and/or obligations hereunder or thereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article X, if and when, a dispute arises under this Agreement.

### **10.02 Dispute Resolution Representatives.**

In the event of disputes between the Parties in which Members and/or the PAO representatives are unable to resolve, a Party seeking to resolve such dispute will, by written notice to the other, have such dispute referred to their respective executive officers or their successors, for attempted resolution by good faith negotiations within fourteen

(14) days after such notice is received. In the event the designated officers are not able to resolve such dispute, a Party may at any time after the 14-day period invoke the provisions of paragraph 10.03 hereinafter.

### **10.03 Alternative Dispute Resolution.**

Following settlement efforts pursuant to paragraph 10.02, any dispute, controversy or claim arising out of or relating to the validity, construction, enforceability or performance of this Agreement, including disputes relating to alleged breach or to termination of this Agreement, other than disputes which are expressly prohibited herein from being resolved by this mechanism, shall be settled by binding Alternative Dispute Resolution ("ADR") in the manner described below:

**10.03.1 ADR Request.** If a Party intends to begin an ADR to resolve a dispute, such Party shall provide written notice (the "ADR Request") to the other Party informing such other Party of such intention and the issues to be resolved. From the date of the ADR Request and until such time as any matter has been finally settled by ADR, the running of the time periods contained in Article VI under which Party must cure a breach of this Agreement shall be suspended as to the subject matter of the dispute.

**10.03.2 Additional Issues.** Within ten (10) business days after the receipt of the ADR Request, the other Party may, by written notice to the Party initiating ADR, add additional issues to be resolved.

**10.03.3 No ADR of Intellectual Property or Patent Issues.** Disputes regarding the ownership of and/or rights to intellectual property, including the scope, validity and enforceability of patents shall not be subject to the ADR provision in this Article, but rather submitted to a court of competent jurisdiction.

### **10.04 Arbitration Procedure.**

Any dispute or claim arising out of or in connection with, this Agreement shall be finally settled by binding arbitration in accordance with the then current rules and procedures of the American Arbitration Association.

The arbitration shall be conducted by three (3) arbitrators with experience with the issue under consideration, one (1) each to be appointed by the Parties in Dispute and a third being nominated by the two (2) arbitrators so selected or, if they cannot agree on a third arbitrator, by the President of the American Arbitration Association. Such arbitration will take place at a location agreeable to the Parties. The arbitrators shall apply the laws of the state in which the dispute arose to the merits of any dispute or claim, without reference to rules of conflicts of laws. Judgment on any award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The Parties agree that any provision of applicable law notwithstanding, they will not request, and the arbitrators shall have no authority to award punitive or exemplary damages against any Party. Nothing in this Article X shall limit a Party's right to seek injunctive relief with respect to a breach or threatened breach of this Agreement.

### **10.05 Dispute Resolution for Government Entities, Research Institutions and/or Higher Education Institutions (HEI).**

Recognizing that many state agencies and non-profit research organizations cannot accept the binding arbitration procedure as delineated in paragraphs 10.03 and 10.04 above due to state law prohibitions, the dispute resolution process for these entities will be as follows:

At any time, if a dispute cannot be resolved amicably between both parties, a party may seek alternative forms of dispute resolution, such as mediation or non-binding arbitration, under circumstances agreed upon by the parties or by a court of competent jurisdiction. Each party shall bear its own costs of such dispute resolution, and both shall proceed diligently with performance of services until the dispute is resolved. Notwithstanding the above, both parties shall have available all remedies in law or in equity.

### **10.06 Governing Law.**

This Agreement shall be governed by, construed, and interpreted in accordance with the laws of the State of Florida, without reference to principles of conflicts of laws.

## **ARTICLE XI - GENERAL PROVISIONS**

### **11.01 Independent Contractors.**

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

### **11.02 Parties Bound.**

This Agreement shall be binding upon and inure to the benefit of the Parties hereto, their respective successors, assigns, legal representatives and heirs.

### **11.03 Assignment.**

This Agreement may not be assigned or transferred by any of the Parties hereto without the prior written consent of the PAO.

### **11.04 Notices.**

Any notice or other communication required or permitted under this Agreement shall be in writing and (i) personally delivered; (ii) mailed, postage prepaid, first class, certified mail, return receipt requested; (iii) sent, shipping prepaid, return receipt requested by national overnight courier service; or (iv) sent by electronic mail. Any notice or other communication given by personal delivery shall be deemed given on the date personally delivered; any notice or other communication given by mail shall be deemed given five (5) days after the date deposited in the United States mail; any notice or other communication given by national overnight courier service shall be deemed given on the next business day after being sent; and any notice given by electronic mail shall be deemed given on the day sent.

### **11.05 Amendment.**

This Agreement may only be amended from time-to-time by the PAO, as may be required. Members will be notified at least thirty (30) days prior to any changes taking effect.

by a written instrument executed by the Parties except for administrative changes required for clarification.

### **11.06 Waiver.**

No waiver of any rights shall be effective unless assented to in writing by the Party waiving such rights, and the waiver of any breach or default shall not constitute a waiver of any other right hereunder or any subsequent breach or default.

### **11.07 Section and Paragraph Headings.**

The headings of the several sections and/or paragraphs of this Agreement are intended for convenience of reference only and are not intended to be a part of, or to affect the meaning or interpretation of this Agreement.

### **11.08 Severability.**

In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided that no such severance of any provision shall be effective if the result of such materially changes intended purposes of this Agreement to the Parties.

### **11.09 Reserved.**

#### **11.10 Business Development Activities.**

The PartnerNetwork with the support of the PAO intends to engage in activities on behalf of Members. The purpose of business development is to expand the PartnerNetwork's visibility throughout DoD and its components, as well as other government agencies; and to expand membership in the Patriot labs PartnerNetwork by non-traditional defense contractors, traditional defense contractors, small businesses, non-profit organizations and academic/educational institutions.

#### **11.11 Public Announcements.**

Any announcements, press releases or similar publicity (collectively, "Announcements") with respect to the execution of this Agreement shall be submitted to and agreed upon by the PAO in advance of such Announcement. The PAO is allowed to identify membership and describe Member capabilities to potential member business opportunities and/or Government in order to accomplish goals and objectives of the Patriot Labs PartnerNetwork.

#### **11.12 Disclosure.**

Except as specifically authorized in accordance with paragraph 11.11, the Parties agree that the existence and terms of this Agreement shall be maintained in confidence by all Parties, except that any Party may disclose the terms hereof to the extent required by law, provided that such disclosure under this paragraph 11.12 shall, to the extent legally permissible, be in the form of the redacted version of this Agreement to be agreed upon by the PAO.

#### **11.13 No Third Party Beneficiary Rights.**

The Members agree and acknowledge that the Government is not intended to be, and shall not constitute, a third party beneficiary of this Agreement, which is intended exclusively as an agreement among, and for the benefit of, the PartnerNetwork and Members.

#### **11.14 Force Majeure.**

No failure or omission by the PartnerNetwork, the PAO, or Members in the performance of any obligation of this Agreement shall be deemed a breach of this Agreement or create any liability if the same shall arise from any cause or causes beyond the control of the Parties, including, but not limited to, the following: acts of God; acts or omissions of the Government; any rules, regulations or orders issued by the Customer(s) authority or by any officer, department, agency or instrumentality thereof; fire; storm; flood; earthquake; accident; war; rebellion; insurrection; riot; and invasion and provided that such failure or omission resulting from one of the above causes is cured as soon as is practicable after the occurrence of one or more of the above-mentioned causes.

#### **11.15 Order of Precedence.**

In the event of any inconsistency between the terms of this Agreement and the terms set forth in a Project Contract, the inconsistency shall be resolved by giving precedence in the following order: (1) the Project Contract and applicable Statements of Work, drawings and specifications, and (2) this Agreement.

#### **11.16 Entire Agreement.**

This Agreement constitutes the entire and only Agreement between Parties relating to the subject matter hereof, and all prior representations, agreements and understandings are superseded hereby.

#### **11.17 Reserved.**

## **SIGNATURE PAGE**

By executing this Patriot Labs PartnerNetwork Agreement, the Member acknowledges that it agrees to comply with the terms of the Patriot Labs PartnerNetwork Agreement.

IN WITNESS WHEREOF, this Agreement to be executed by its duly authorized representative of the PartnerNetwork member as of the day and year set forth below.

**IN WITNESS WHEREOF**, the Members have caused the Patriot Labs PartnerNetwork Agreement to be executed by the duly authorized representatives on the respective dates entered below.

### **MEMBER,**

Company: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Please sign and return this signature page to: [admin@patriotlabs.us](mailto:admin@patriotlabs.us).**



## EXHIBIT A:

### PROPRIETARY INFORMATION EXCHANGE AGREEMENT

During the term of this Patriot Labs PartnerNetwork Membership Agreement, the Members of the Patriot Labs PartnerNetwork agree that they may exchange confidential or proprietary information ("Confidential Information") with Members having a need to know, of the purpose of furthering the goals of the PartnerNetwork as defined in this Proprietary Information Exchange Agreement ("PIE Agreement"). Confidential Information is defined as all confidential and proprietary information disclosed by a Member to another Member including, without limitation, information regarding existing and future technical, business and marketing plans and product strategies; cost and pricing information; business practices, policies, methodologies and procedures; proprietary data, data models, product designs, capabilities, specifications, program code, and software systems and processes; samples and devices; demonstrations; an/or other proprietary and/or competition sensitive information. Confidential Information also includes the identity of and the confidential and/or proprietary information of a Member's subsidiaries, affiliated companies, business partners, customers, potential customers and suppliers. The initial effective date of this Agreement shall be the effective date of this PartnerNetwork Membership Agreement, as amended. Therefore, this Agreement shall be effective for any new Members to the Patriot Labs PartnerNetwork Membership Agreement on the date such new Member signs the Patriot Labs PartnerNetwork Application.

Notwithstanding that the term of this Agreement will have expired after a period of ten (10) years from receipt, each Member agrees to keep in confidence and prevent the use (except for the purposes of this Agreement) or the disclosure to any person or persons outside the receiving Member's organization, and limit the disclosure inside its organization to employees having a need-to-know, of all Confidential Information received under this Agreement (provided such Confidential Information is marked with a confidential proprietary legend by the disclosing Member). The Members shall take every reasonable effort to keep properly marked "Confidential Information" confidential. In order to be protected hereunder, data which is (i) written form shall be clearly labeled as confidential or proprietary and receiving Members shall have no obligation regarding information which is not so labeled, and (ii) first disclosed orally or by demonstration must be identified as proprietary or confidential at the time of disclosure, and shall be reduced to writing or other tangible form, and marked as "Confidential Information", within thirty (30) days after such disclosure or demonstration. All protection and restrictions as to use and disclosure shall apply during such (30) day period. Any markings, stamps or legends identifying proprietary information or confidential information hereunder shall not impose any obligations on another Member inconsistent with this Agreement.

Notwithstanding the foregoing, each disclosing Member understands that the receiving Member and its affiliates are actively engaged in activities, investment, technology exploitation and research and development efforts (collectively, the "Business Activities"), and that descriptions of ideas, works in progress and projects in development that may be similar to or coincident with such Business Activities. Each Member further acknowledges that such Business Activities may have originated with the receiving Member's employees (or those of its affiliates) or others and may duplicate, parallel or resemble portions of the Confidential Information disclosed. The Members agree that this Agreement shall in no way limit, restrict or preclude any Member from pursuing any of its present or future Business Activities or interests, either alone or in conjunction with others, or from entering into any agreement or transaction of any kind with any other person, regardless of whether the subject matter of any such agreement or transaction involves elements similar to or coincident with Confidential Information exchanged hereunder or is in any other way similar to or coincident with any transaction considered or evaluated by the Members.

The above restrictions on use and disclosure of Confidential Information shall not apply to information that receiving Member can prove as applicable: (a) is in the public domain or in the possession of the receiving Member without restriction at the time of receipt under this Agreement; (b) is used or disclosed with prior written approval of the disclosing Member; (c) is used or disclosed after ten (10) years from the date of first receipt under this Agreement; (d) is developed independently by the receiving Member; (e) has been rightfully received by the receiving Member from a third party without breach of this Agreement or other wrongful act of the receiving Member; (f) is made available by the disclosing Member to a third party, except to the US Government, on an unrestricted, non-confidential basis; and (g) was known and can be shown by clear and convincing evidence to have been known by the receiving Member at the time of its disclosure by the disclosing Member.

In addition, each Member understands and agrees that all information, ideas, suggestions and concepts of a general nature or commonly known within the applicable industry or technology domain that may be offered in meetings, consultations or documents exchanged between Members shall not be deemed included in Confidential Information of any Member, and no Member shall be under any obligation to any other Member with respect to its use thereof.

In the event a receiving Member is required by law, regulation, or court order to disclose any of disclosing Member's Confidential Information, the receiving Member shall promptly notify the disclosing Member in writing prior to making any such disclosure in order to facilitate disclosing Member seeking a protective order or other appropriate remedy from the proper authority. The receiving Member agrees to cooperate with the disclosing Member in seeking such order or other remedy. The receiving Member further agrees that if the disclosing Member is not successful in precluding the requesting legal body from requiring the disclosure of the Confidential Information, it will furnish only that portion of the Confidential Information which is legally required, and will promptly provide the disclosing Member with a copy of the information so furnished, and will exercise all reasonable efforts to obtain reliable assurances that the receiving party will accord it confidential treatment.