

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

UNIVERSITY OF PUERTO RICO-MAYAGÜEZ CAMPUS

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PLASMATECH CARIBBEAN CORPORATION

THIS MEMORANDUM OF UNDERSTANDING is made by and between the University of Puerto Rico-Mayagüez Campus (UPRM), a public institution of higher learning located in the Commonwealth of Puerto Rico, hereby represented by Dr. Jorge I. Vélez Arocho, its Chancellor and PLASMATECH CARIBBEAN CORPORATION, established and operating under the Laws of the Commonwealth of in Puerto Rico, hereby represented by Enrique Ruiz Miranda, its President and CEO.

WHEREAS, the UPRM and PLASMATECH consider that issues of assessment and understanding, the advancement of knowledge, and the development of human resources are basic elements necessary for the economic development of Puerto Rico;

WHEREAS, the UPRM and PLASMATECH consider that high quality education, training, research, development, knowledge dissemination, technology transfer, service, and outreach are also necessary for the economic well being and development of Puerto Rico;

WHEREAS, the UPRM and PLASMATECH are interested in establishing close ties to evaluate potential joint cooperation in research activities for the development of technologies in the areas of environmental compliance, materials processing, pollution prevention, clean fuel production and other new related technological developments;

WHEREAS, the UPRM and PLASMATECH are interested in the continued and sustainable development of high-technology industries, and the need for creative, competent, and entrepreneurial personnel;

WHEREAS, collaboration between the two institutions with similar economic and human development goals is highly desirable;

NOW, THEREFORE, in consideration of the mutual understanding set forth, the Parties do hereby mutually agree as follows:

I. PURPOSE

This Memorandum of Understanding is intended to facilitate the negotiations and the planning of future interactions and cooperative initiatives between the UPRM and PLASMATECH in the areas of research, development, design, technology transfer, human resources development and education, regarding technologies related to environmental issues such as sustainable waste management and clean energy production.

- a. This Memorandum of Understanding sets forth a basis for future agreements between the UPRM and PLASMATECH to initiate and conduct joint activities to promote interdisciplinary communication, cooperation, and collaboration in developing and commercializing environmental related technologies.

- PLASMATECH's research and development program will be directed towards the development of technologies and processes with the purpose of commercializing them in and out of Puerto Rico.
- b. This Memorandum of Understanding will also facilitate future interactions such as collecting, evaluating and sharing technical information of state of the art environmental technologies, to seek funding for federal and state government sources, and to engage in the joint preparation of proposals for such funding.
- c. This Memorandum of Understanding does not create an obligation between the parties and simply reflects a voluntary willingness of the Parties to engage in conversations that could lead to future joint activities.

II. IMPLEMENTATION

The intent of this Memorandum of Understanding shall be implemented by collaborative planning, development proposals, and the implementation of joint interdisciplinary programs in areas of education, training, research, development, commercialization of technology, and dissemination of knowledge.

UPRM and PLASMATECH shall each appoint a program manager to be charged with implementing the terms of this Memorandum of Understanding. In the initial phases, all activities shall be coordinated by the office of the President of PLASMATECH and by the Research and Development Center of the UPRM.

The activities in the initial phase can include, but not be limited to the following:

- a. The UPRM non-fiscal input in the design and development of PLASMATECH's Materials Processing Facility & Technology Demonstration Center. This input can be done in the following form, areas and conditions:
 - Assistance and support in our meetings and presentations with the government agencies and industries in our effort to secure the Barceloneta project.
 - Participation of Dr. Jorge I. Vélez Arocho and/or other UPRM staff with PLASMATECH in the meetings and presentations.
 - Provide ideas, suggestions and non-binding requests in the planning and design of the Barceloneta facility.
 - Present the areas of interest the UPRM has in regard of the possible R&D and academic activities that could be conducted in the Barceloneta facility.
- b. Develop proposals for the utilization of the Materials Processing Facility & Technology Demonstration Center by the UPRM faculty and students for academic and research activities.
 - UPRM and PLASMATECH agree to actively pursue and evaluate opportunities and proposals for potential joint academic and research activities.
 - Neither the UPRM nor PLASMATECH is obligated to accept any R&D or academic activity proposal presented by either Party.
 - Each Party agrees to maintain confidentiality of all proposals received.
- c. Define and negotiate the terms of collaboration between PLASMATECH and the UPRM in the development and commercialization of environmental related processes and technologies in the areas of plasma technology applications and clean energy production. As to this purpose PLASMATECH recognizes that all intellectual property issues related to the purposes of this agreement shall be dealt with according to UPRM policies on the matter.

III. SUPPLEMENTAL AGREEMENTS

This Memorandum of Understanding shall be supplemented by separate agreements for the specific projects the UPRM and PLASMATECH decide to jointly pursue.

Each supplemental agreement shall specify:

- a) Objectives of the joint project
- b) Implementation plan

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- c) Responsibilities of each institution
- d) Budget and funding sources
- e) Timetables and evaluation criteria
- f) The costs apportioned to each institution, when applicable
- g) The benefits each part will receive from the joint activity
- h) Intellectual property, if applicable

IV. OTHER TERMS AND CONDITIONS

- a. Nothing in the Memorandum of Understanding shall obligate the UPRM and PLASMATECH, individually or collectively, to engage in any current or future expenditure of resources without prior negotiation and approval from their respective fiscal authorization procedures.
 - Level of participation of each Party will be guided by its willingness to obtain the desired results.
 - The participation of each Party will be in proportion to the benefit it desires to obtain from this relationship.
- b. The UPRM and PLASMATECH shall be responsible to cover their respective costs associated with their function under this Memorandum of Understanding.
 - This mainly pertains to expenses and costs related to the participation of assigned persons in meetings and in the preparation of documents or reports.
- c. Payment for costs and expenses associated with future agreements will be subject to negotiations between UPRM and PLASMATECH.
- d. PLASMATECH is free to engage in R&D activities with other academic institutions in the areas of waste management and clean energy production, always observing and complying with the terms of the Non-Disclosure Agreements that will govern the information exchanged between the Parties.
- e. Any future agreements equivalent to services provided by UPRM Units will be subject to the specific UPRM Regulations regarding services to third parties.

V. PERIOD OF AGREEMENT

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This Memorandum of Understanding shall be effective immediately when signed by authorized representatives of both the UPRM and PLASMATECH and shall remain in force for three (3) years from that date unless terminated according to the provisions of paragraph VIII bellow. This Memorandum of Understanding shall be renewable for additional time period as mutually agreed upon by representatives of the UPRM and PLASMATECH.

VI. EQUAL OPPORTUNITY

The UPRM and PLASMATECH subscribe to the policy of Equal Opportunity and will not discriminate on the basis of race, sex, age, political orientation, ethnicity, religion, or natural origin. The UPRM and PLASMATECH shall abide by these principles in the administration of this Memorandum of Understanding, and neither entity nor any of its representatives shall knowingly impose criteria for the exchange of scholars, staff, or students that would violate the principles of nondiscrimination.

VII. MODIFICATION

This Memorandum of Understanding may be modified only in writing by authorized representatives of the UPRM and PLASMATECH. Modification shall be incorporated by reference and made a part of this Memorandum of Understanding.

VIII. TERMINATION

This Memorandum of Understanding may be terminated at any time by written mutual agreement or upon 60 days advanced notice by either Party. During the 60 days after notification is given the Parties will implement all dissolution procedures established by agreement.

IX. PECUNIARY INTERESTS CLAUSE

The UNIVERSITY OF PUERTO RICO AT MAYAGUEZ points out that no employee or personnel of The CONTRACTOR has a direct or indirect pecuniary interest in the granting of this contract in accordance with Law 12 of July 24, 1985, known as the Governmental Ethics Law. In the same way the functionary that represents The CONTRACTOR in this act does not have any pecuniary interest in its accomplishments.

X. INTELLECTUAL PROPERTY CLAUSE

This Sub-award Agreement, and any future agreement, is subject to applicable provisions contained in Certification 132 (2002-2003), the UPR Institutional Policy on Patents, Inventions and its Commercialization. Any intellectual property arising from the research contract will be the property of the University of Puerto Rico, unless otherwise agreed and negotiated according to the policy.

XI. CLAUSE LAW 127 OF MAY 31, 2004

No service shall be rendered or received based on the terms of this contract until it is presented for registry in the Office of the Controller of the Commonwealth of Puerto Rico according to Law No. 18, dated October 30, 1975.

**UNIVERSITY OF PUERTO RICO-
MAYAGÜEZ CAMPUS**



Dr. Jorge I. Vélez Arocho
Chancellor

**PLASMATECH CARIBBEAN
CORPORATION**



Enrique Ruiz-Miranda, P.E.
President & CEO
PCC