

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNIVERSITY OF PUERTO RICO AT MAYAGUEZ
AND
_____TK Holdings Inc._____**

THIS MEMORANDUM OF UNDERSTANDING is made by and between the University of Puerto Rico at Mayaguez (UPRM), a land-grant public institution of higher learning located in the Commonwealth of Puerto Rico, here represented by its Chancellor John Fernández Van Cleve,

in exercise of the duties and powers conferred upon him by the Law of the University of Puerto Rico, established by University Rules and regulations, approved January 20, 1966 and TK Holdings Inc., a Delaware Corporation, here represented by its VP Product Safety Group, Quality Assurance, Timothy Kmiec. ("TK Holdings")

WHEREAS, UPRM and TK Holdings are to Collect and report real time data on a Puerto Rico In-Car Weather Variables such as, but not limited to, Temperature and Relative Humidity with collection time, vehicle, vehicle scenarios, data loggers, and data sharing are to be collected by UPR in agreement with TK Holdings (the "Investigation"). Data collection pertains only to UPR and TK Holdings.

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

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

I. PURPOSE

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- a. This Memorandum of Understanding is intended to facilitate all exchanges and cooperative initiatives between UPRM and TK Holdings in the areas of research, development, design, and validation specifically tailored to in-car vehicle data collection at Puerto Rico environmental conditions.
 - b. This Memorandum of Understanding sets forth a basis for future agreements between UPRM and TK Holdings to initiate and conduct a joint research to promote interdisciplinary communication, cooperation, and collaboration in-vehicle environmental conditions and development/validation challenges; to verify current validation specification parameters against the outcome of this research.
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II. IMPLEMENTATION

The intent of this Memorandum of Understanding shall be implemented by collaborative planning, development, proposals and implementation of joint interdisciplinary programs in the areas of education, training, research, development, and dissemination of data collection equipment, data collection, and data summary. UPRM and TK Holdings 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 Research and Development Center UPRM, and by the office of the President of CES. These initiatives will include, but not be limited to the following:

- a. Collaboration of UPRM faculty and students with TK Holdings, through Small Business Innovation Research
- b. In-car weather data collection in a high humidity/high temperature environment such as Puerto Rico
- c. In-car weather collection under a set period of time
- d. In-car weather collection with various in-car variables such as AC on and off, car windows, and any other specified by TK Holdings.

III. SUPPLEMENTAL AGREEMENTS

This memorandum of understanding may be supplemented by agreements for specific projects signed by authorized representatives of UPRM and TK Holdings.

Each agreement shall specify:

- a) Objectives;
- b) Implementation plan;
- c) Responsibilities of each institution;
- d) Budget and sources(s) of funding;
- e) Timetables and evaluation criteria;
- f) Effective dates; and
- g) When applicable, the cost apportioned to each institution.

IV. OTHER TERMS AND CONDITIONS

- a. TK Holdings shall be responsible for their respective costs associated with the activities in this Memorandum of Understanding. Payments for costs associated with future agreements will be subject to negotiations between UPRM and TK Holdings.
- b. Nothing in this Memorandum of Understanding shall obligate UPRM and TK Holdings, individually or collectively, to any current or future expenditure of resources in advance of the availability of appropriations through their respective fiscal authorization procedures.

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- c. UPRM and TK Holdings are to share the Intellectual Property (IP) jointly developed and filed, under the terms of this Memorandum of Understanding. In the event any copyrights and/or invention are jointly developed by the parties, they agree to enter into a separate licensing agreement

However, title to any copyrights, invention, improvement or discovery, whether or not patentable or copyrightable, which was reduced to practice or conceived and developed solely by UPRM's employees and/or students shall remain the sole and exclusive property of UPRM.

Any previous UPRM copyrights and/or inventions shall remain at all-times exclusive property of the UPRM and any previous TK Holdings copyrights and/or inventions shall remain at all-times exclusive property of TK Holdings.

UPRM copyrights and inventions shall be governed by UPRM institutional policies regarding intellectual property.

Title to any invention, improvement, discovery, whether or not patentable or copyrightable, which was reduced to practice or conceived and developed in the performance of this MOU, and made solely by TK Holdings pursuant to this MOU, shall be the sole and exclusive property of TK Holdings.

- d. Confidentiality. UPRM shall protect from disclosure and hold in confidence the existence of the Investigation and any and all Confidential Information that UPRM obtains or generates in the course of the performance of services related to the Investigation. UPRM shall only exchange Confidential Information related to the Investigation directly with TK Holdings. UPRM shall not disclose to any third party, unless specifically instructed by TK Holdings to do so, the existence of the Investigation or any Confidential Information related to the Investigation that UPRM obtains or generates in the course of the Investigation.

For purposes of this Agreement, the term "Confidential Information" shall mean: 1) any communication UPRM receives, transfers or generates related to the Investigation, whether verbal, written or electronic; 2) the subject matter, purpose and content of any request made for information related to the Investigation; 3) the subject matter, purpose and content of any response provided to the requests for information related to the Investigation, as well as other information UPRM generates in the course of investigating and preparing the response; 4) any other correspondence, drafts, documents or reports (without regard to format) prepared, as well as any hypotheses, theories, or conclusions made in the course of the Investigation, if any, that UPRM obtains, generates, reviews or learns of; and

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5) any other communications, work product or other information not generally known by the public concerning the Investigation or its subject matter.

In additional, the term "Confidential Information" includes all other proprietary or confidential information which is disclosed to UPRM by TK Holdings, whether or not marked as proprietary or confidential and whether disclosed in written or permanent form, document form, electronic form, visually or through oral communications, and which includes any information which by its nature is confidential or proprietary including, but not limited to, Confidential Information that UPRM obtains or generates as a result of the performance of duties related the Investigation and UPRM's services.

Should UPRM receive a valid court order, subpoena or other legal process ("Legal Process") that requests or may request UPRM's disclosure of Confidential Information in violation of this Agreement, UPRM shall immediately notify TK Holdings so as to permit it to seek a protective order from disclosure. Any disclosure of Confidential Information in response to the receipt of Legal Process shall be strictly limited to the requirements of the Legal Process received and limitations or restrictions imposed by a protective order obtained by TK Holdings.

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UPRM will not use any Confidential Information that UPRM obtains or generates as a result of the performance of duties related the Investigation, except as directed by TK Holdings and for the purposes of the Investigation. TK Holdings shall retain ownership and all rights pertaining to any Confidential Information that is generated, communicated, shared, discovered, created or invented in the course of the Investigation and UPRM's services

UPRM agrees to: (a) immediately disclose or transfer to TK Holdings all Confidential Information developed in whole or part in the course of the Investigation and UPRM's services; (b) assign to TK Holdings any right, title or interest it may have in such Confidential Information; and (c) at the request and expense of TK Holdings, to take all steps reasonably necessary in the sole opinion of TK Holdings to eliminate any uncertainty regarding TK Holdings' ownership of such information, including, without limitation, providing full cooperation in any proceeding to establish, protect or obtain such rights. The provisions of this Section IV (d) shall remain in full force and effect during, and following the termination of, this Agreement regardless of the reason for such termination.

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V. PERIOD OF AGREEMENT

This Memorandum of Understanding shall be effective immediately when signed by authorized representatives of both UPRM and TK Holdings and shall remain in force for five (5) years from the date unless terminated according to the provisions of paragraph VIII (Termination) below. This Memorandum of Understanding shall be renewable for additional time periods as mutually agreed in advance and in writing by representatives of UPRM and TK Holdings.

VI. EQUAL OPPORTUNITY

UPRM and TK Holdings 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. UPRM and TK Holdings shall abide by these principles in the administration of this Memorandum of Understanding, and neither entity or 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 UPRM and TK Holdings. Modifications shall be incorporated by reference and made a part of this Memorandum of Understanding.

VIII. TERMINATION

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This Memorandum of Understanding may be terminated at any time by written mutual agreement of upon ninety (90) days advance notice by either Party. Each party shall be responsible for its own costs incurred during the preparation and execution of this Memorandum of Understanding.

IX. FINAL DISPOSITONS

1) Neither party shall use the name of the other institution, its initials, stamp, logos, seal, or any other identifying emblem or distinctive symbol of the other institution without the express written authorization of the institution to which said objects belong.

2) Neither the parties shall assume any liabilities to each other. As to liability to each other the parties do not waive any defense as a result of this agreement. Likewise, this provision shall not be construed to limit the parties' rights, claims or defenses which arise as a matter of law pursuant to any provisions of this agreement. Additionally, this agreement shall not be construed to limit the sovereign immunity of the Government of Puerto Rico and the University of Puerto Rico.

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3) The parties agree to indemnify and hold harmless the other party, and any of its affiliates or subsidiaries, directors, officers, agents and employees, from any and all claims, liabilities, obligations, losses, damages, judgments, actions, suits, penalties, fines, costs and expenses (including reasonable attorneys' fees and experts' fees) of any kind and nature whatsoever which may arise from the indemnifying parties' negligent, reckless, and/or culpable actions, conduct or omissions in the performance of this Memorandum of Understanding and any Supplemental Agreements including, but not limited to, injury to persons (including injury resulting in death) and damage to property.

5) This Memorandum of Understanding shall be constructed and governed under the laws and regulations of the Commonwealth of Puerto Rico.

6) INDEPENDENT CONTRACTOR CLAUSE: In performing activities under this Memorandum of Understanding, TK Holdings shall be considered as an independent contractor and shall not be entitled to any benefits applicable to employees of UPRM. The employees of TK Holdings shall not be considered as employees of the UPRM. Nothing in this Memorandum of Understanding will be deemed to create an employer-employee or principal-agent relationship between UPRM and TK Holdings employees, consultants, agents or independent contractors.

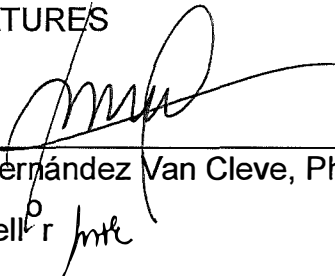
7) FORCE MAJEURE. In the event that the performance of the obligations under this Memorandum are impeded by reason of Force Majeure, the parties shall be released from their obligations and neither party shall be responsible for any damage sustained and have no further recourse against the other party. Force Majeure shall mean accident before and after the installation of the equipment, fire, earthquake, hurricane, flood, Act of God or natural disaster, epidemics or pandemics, nuclear explosions, strike, work stoppages, or other labor disturbance, riots or civil commotions, vandalism, war or other act of any nation, terrorism, power of government, or government agency, or any other cause which is beyond the control of the parties.

[Signature page follows]

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In Mayaguez, Puerto Rico.

SIGNATURES



John Fernández Van Cleve, PhD

Chancellor *JFC*

University of Puerto Rico
Mayaguez Campus

Date: December 19, 2014



Timothy Kmiec

VP Product Safety Group, Quality Assurance

TK Holdings Inc.
2500 Takata Dr., Auburn Hills, MI 48326

Date: DECEMBER 11, 2014

Recommended by:



Marisol Vera Colón, P.h.D

Director *JFC*

R&D Center

UPRM

Date: December 17, 2014

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