


MEMORANDUM

TO: CFX Board Members
Laura Kelley, Executive Director

FROM:  Joseph L. Passiatore, General Counsel

DATE: January 30, 2017

SUBJECT: Amendment No. 1 to the University of Central Florida Research Foundation, Inc.- Central Florida Expressway Authority (UCFRF-CFX) Agreement

Board approval is requested for Amendment No. 1 to the UCFRF-CFX Agreement entered into on March 10, 2016. The intent of the amendment is to extend the patent protection for the additional wrong way driving applications.

JLP/ml
Attachments

**AMENDMENT NO. 1
TO
UCFRF-CFX AGREEMENT**

This Amendment (“**Amendment**”) to the UCFRF-CFX Agreement entered into on March 10, 2016 (“**Agreement**”) by the University of Central Florida Research Foundation, Inc. (“**UCFRF**”) and the Central Florida Expressway Authority (“**CFX**”) (previously, Orlando-Orange County Expressway Authority), is effective as of December 14, 2016 (hereinafter, the “**Amendment Effective Date**”), and is intended to be part of the Agreement by mutual agreement of the Parties, pursuant to Paragraph 8.7.

The purpose of this Amendment is to update the Agreement to (i) incorporate a new patent application filed subsequent to a new invention disclosure by one of the **Inventors** to the University of Central Florida (“**UCF**”) Office of Technology Transfer in the course and performance of the UCF-CFX Interlocal Agreement, effective March 1, 2014, and (ii) modify definitions and their use accordingly. Only the articles, paragraphs, and sections referenced are hereby modified, and all other provisions of the Agreement remain unchanged.

Revise Article 1 – BACKGROUND

Article 1, Paragraph 1.1 is deleted in its entirety and replaced with the following:

- 1.1. In the course of performance under and disclosing information relating to an Interlocal Agreement effective March 1, 2014, between the University of Central Florida (“**UCF**”) and Orlando-Orange County Expressway Authority (now known as **CFX**), Dr. Haitham Al-Deek and Mr. John Rogers of UCF and Mr. Corey Quinn of CFX (collectively the “**Inventors**”) made or reduced to practice certain inventions(s) described in an invention disclosure titled,
 - 1.1.1. “*Design Concept and Implementation of Rectangular Rapid Flashing Beacon (RRFB) Technology as Countermeasure for Wrong Way Driving*” and further described and subsequently filed as a provisional patent application on July 31, 2015, U.S. serial number 62/199,579 (“**Invention A**”), which is included within the Patent Rights, as defined in Paragraph 2.1. This is disclosed as UCFRF Case No. 10996/33317.
 - 1.1.2. “*Wrong Way Vehicle Detection and Control System*” and further described and subsequently filed as a provisional patent application on August 16, 2016, U.S. serial number 62/375,571 (“**Invention B**”), which is included within the Patent Rights, as defined in Paragraph 2.1. This is disclosed as UCFRF Case No. 11079/33516.(Invention A and Invention B, collectively the “**Invention(s)**”)

Revise Article 2 – DEFINITIONS

Article 2, Paragraphs 2.2 and 2.3 are deleted in their entirety and replaced with the following:

- 2.2 “**Patent Rights**” means patent applications or patents as follows: (1) U.S. Patent Application Serial Number 62/199,579, filed on July 31, 2015 titled, “Wrong Way Indication Beacon and Related Methods,” and (2) U.S. Patent Application Serial Number 62/375,571, filed on August 16, 2016 titled, “Wrong Way Vehicle Detection and Control System,” and any future patent applications claiming the benefit of priority thereof including all divisions, continuations, reexaminations, and reissues of these applications only.
- 2.3 “**Expenses**” means all actual out-of-pocket costs incurred by **UCFRF** or **CFX** as applicable for the preparation, filing, and prosecution of United States and foreign patent applications comprising **Patent Rights**, and extraordinary expenses as provided in Paragraph 3.4, and the maintenance of resulting patents, exclusive of any salaries, administrative, or other indirect costs.

Revise Article 4 – LICENSING

Article 4, Paragraph 4.1 is deleted in its entirety and replaced with the following:

- 4.1 **CFX** hereby grants to **UCFRF** the exclusive right to negotiate, execute, administer and manage **License Agreement(s)** for the commercial development, licensing and sale of the **Patent Rights**.

SIGNATURES BEGIN ON NEXT PAGE

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this **Amendment** in duplicate originals by their respective duly authorized officers hereunto, on the day and year hereinafter written.

For Central Florida Expressway Authority

Name: Mayor Buddy Dyer
Title: Chairman

Date: _____

ATTEST: _____

Darlene Mazzillo
Executive Assistant

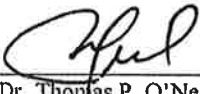
APPROVED AS TO FORM AND LEGALITY:

CFX General Counsel

Mailing Address for notices and communications:

Central Florida Expressway Authority
Attn: Joseph L. Passiatore, General Counsel
4974 ORL Tower Road
Orlando, FL 32807
Telephone: (407) 690-5000
Fax: (407) 690-5011
Email address: Joe.Passiatore@CFXWay.com

For University of Central Florida Research Foundation, Inc.



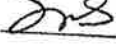
Dr. Thomas P. O'Neal
Vice President
University of Central Florida Research Foundation, Inc.

1/11/2017
Date

Mailing Address for notices and communications:

Andrea Adkins, Assistant Director
University of Central Florida
Office of Technology Transfer
12201 Research Parkway, Suite 501
Orlando, Florida 32826-3246
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Telephone: (407) 823-0138
Facsimile: (407) 882-9010

Approved as to Form and Legality

 1/10/2017

Reviewed by OTT:  1/10/2017

March 10, 2016
Agreement

AGREEMENT
between
UNIVERSITY OF CENTRAL FLORIDA RESEARCH FOUNDATION, INC.
And
CENTRAL FLORIDA EXPRESSWAY AUTHORITY

This Agreement ("**Agreement**") is effective this 10th day of March 2016 ("**Effective Date**"), between the University of Central Florida Research Foundation, Inc. ("**UCFRF**"), a Florida nonprofit corporation, having an address at 12201 Research Parkway, Suite 501, Orlando, FL 32826, and Central Florida Expressway Authority ("**CFX**") (previously, Orlando-Orange County Expressway Authority), a body and corporate politic and agency of the State of Florida, having an address at 4974 ORL Tower Road, Orlando, FL 32807. (UCFRF and CFX shall be referred to individually as "**Party**" or collectively as "**Parties**")

1. **BACKGROUND**

- 1.1 In the course of performance under and disclosing information relating to an Interlocal Agreement effective March 1, 2014, between the University of Central Florida ("**UCF**") and Orlando-Orange County Expressway Authority (now known as **CFX**), Dr. Haitham Al-Deek and Mr. John Rogers of UCF and Mr. Corey Quinn of **CFX** (collectively the "**Inventors**") made or reduced to practice certain invention(s) described in an invention disclosure titled, "*Design Concept and Implementation of Rectangular Rapid Flashing Beacon (RRFB) Technology as Countermeasure for Wrong Way Driving*" and further described and subsequently filed as a provisional patent application on July 31, 2015, U.S. serial number 62/199,579 ("**Invention**"), which is included within the **Patent Rights**, as defined in Paragraph 2.1. This is disclosed as UCFRF Case No.10996/33317.
- 1.2 Dr. Al-Deek and Mr. Rogers are each required to assign to **UCF** their respective interest in any patent rights covering inventions made during the course of employment with **UCF**, and have assigned such rights in the Invention to **UCFRF**. **UCFRF** has been assigned the rights by **UCF** to certain inventions and discoveries emanating from research and educational activities at **UCF**, a public university of the state of Florida.
- 1.3 Mr. Corey Quinn is an employee of **CFX** and is either required by employment contract or at will to assign to **CFX** his respective interest in any patent rights covering inventions made during the course of his employment with **CFX** and has assigned or will assign such rights in the Invention to **CFX**.
- 1.4 **UCFRF** and **CFX** are co-owners of the **Patent Rights** through the assignments as described herein.
- 1.5 **UCFRF** is willing to take the lead in identifying licensee(s) and negotiating a license(s) or option agreement(s) for the **Patent Rights** for commercial purposes on behalf of **UCFRF** and **CFX**.
- 1.6 **UCFRF** is willing to administer all subsequent patent filings, prosecution, and maintenance of the **Invention**.
- 1.7 It is the mutual desire of **UCFRF** and **CFX** that their respective undivided interests in the **Patent Rights** be administered in a manner to ensure the rapid commercialization of the **Patent Rights** and to make their benefits widely available to the public.
- 1.8 **UCFRF** and **CFX** wish to enter into this **Agreement** to establish a means for filing and prosecuting the **Patent Rights**, for administering and licensing the **Patent Rights**, and for sharing income derived from licensing of the **Patent Rights**.

2. DEFINITIONS

- 2.1 "License Agreement" shall mean any agreement(s) entered into by UCFRF on behalf of UCF and CFX that grants a third party (or licensee) the right to make, use, and/or sell products or processes covered by Patent Rights in the territory.
- 2.2 "Patent Rights" means patent applications or patents as follows: U.S. Patent Application Serial Number - 62/199,579, filed on July 31, 2015 titled, "Wrong Way Indication Beacon and Related Methods," and any future patent applications claiming the benefit of priority thereof including all divisions, continuations, reexaminations, reissues of this application only.
- 2.3 "Expenses" means all actual out-of-pocket costs incurred by UCFRF for the preparation, filing, and prosecution of United States and foreign patent applications, extraordinary expenses as provided in Paragraph 3.4, and the maintenance of resulting patents, exclusive of any salaries, administrative, or other indirect costs.

3. PATENT PROSECUTION AND PROTECTION

- 3.1 (a) CFX agrees that UCFRF shall coordinate with its outside patent counsel to file, prosecute, and maintain patent application(s) relating to the Patent Rights and shall promptly provide or direct patent counsel to provide to CFX all serial numbers and filing dates, together with copies of all the applications, including copies of correspondence, all patent office actions, responses, and all other patent office communications, including copies of issued patent(s). Such correspondence shall be sent electronically to the following CFX email address: Joe.Passiatore@CFXWay.com.
- (b) UCFRF shall consult with CFX at least ninety (90) days prior to any relevant bar date and shall make an election, in countries where statutory protection is available, as to whether, when, and in what countries to file foreign patent applications. If UCFRF decides not to file applications under the Patent Rights in any country that CFX desires to seek protection, then CFX shall have the right, at its sole expense, to file and prosecute such applications in such countries. If UCFRF decides to file applications under the Patent Rights in any country that CFX does not desire to seek prosecution, then UCFRF shall have the right to file and prosecute such applications at its sole expense.
- 3.2 Subject to the exclusions set forth in 3.1(b), UCFRF and CFX agree to equally (50/50) share Expenses associated with Patent Rights. Requests for reimbursement of fifty percent (50%) of the Expenses incurred by UCFRF shall be submitted periodically throughout the term of this Agreement to CFX via invoice with supporting documentation. In the event that CFX directly incurs any Expenses, requests for reimbursement of fifty percent (50%) of the Expenses incurred by CFX shall be submitted to UCFRF via invoice with supporting documentation. Reimbursement of its share of Expenses by CFX shall be capped at \$49,999.00 for purposes of this Agreement. Any additional reimbursement by CFX shall require a supplemental amendment to this Agreement.
- 3.3 Notwithstanding any other provision of this Agreement, UCFRF shall not abandon the prosecution of any patent application or the maintenance of any patent contemplated by this Agreement, without prior written notice to CFX. Upon receiving the written notice, CFX may, at its sole option and expense, assume responsibility for the prosecution of any patent application, or the maintenance of any patent.
- 3.4 In the event that UCFRF or CFX anticipates the possibility of any extraordinary expenditures arising from the preparation, filing, prosecution, licensing, or defense of any patent application or patent contemplated by this Agreement, including, without limitation, interferences, reexaminations, reissues and oppositions, the Party anticipating such expenditures shall notify the other Party with all relevant information and these extraordinary expenditures shall be included as Expenses only upon written agreement of both Parties. UCFRF and CFX shall agree on a mutually acceptable course of action prior to incurring these expenditures.

4. LICENSING

- 4.1 **CFX hereby grants to UCFRF the exclusive right to negotiate, execute, administer and manage License Agreement(s) for the commercial development and sale of the Invention.**
- 4.2 **UCFRF and CFX will use all reasonable efforts to cooperate with each other with respect to the licensing of Patent Rights, including exchanging information on licensing inquiries received, exchanging marketing materials, and providing other reasonable assistance to the other Party when requested.**
- 4.3 **UCFRF will provide CFX their respective drafts of term sheets, option agreements, and License Agreement(s) during negotiations with third parties and provide a reasonable period of at least 15 days for review and comments. UCFRF agrees to seek reimbursement for all past, present and future patent costs from any third party seeking an exclusive license. In addition, UCFRF shall use reasonable efforts to include, without limitation, the following business terms within any License Agreement: an upfront fee of cash or equity, milestone payments, an earned royalty, minimum annual royalties, payment of patent costs and diligence terms. Any License Agreement will include the following terms: full indemnification of UCFRF, UCF, and CFX by licensee(s), a prohibition against the use of the logos, names, trade names, service marks, or trademarks of UCFRF, UCF, and CFX and the names of the Inventors, confidentiality, and a reservation of rights to use as set forth in Section 4.7. To the extent permitted by applicable state law, the parties agree to keep such documents and related documentation confidential in accordance with Article 6 of this Agreement.**
- 4.4 **Except for revenue arising from patent(s) solely pursued by one Party pursuant to 3.1(b), UCFRF and CFX agree that revenue from licensing of the Patent Rights will be shared equally (50/50) between UCFRF and CFX. Revenue from licensing of the Patent Rights shall be distributed on at least a semi-annual basis. UCFRF shall keep books and records sufficient to verify UCFRF's accounting, including without limitation, invoice records relating to revenue and Expenses. Such books and records shall be preserved for a period not less than three (3) years.**
- 4.5 **Each Party shall be responsible for distributing shares of license revenue according to the Party's internal agreements, practices and policies.**
- 4.6 **It is understood that if the United States Government (through any of its agencies or otherwise) funded research during the course of or under which any invention of the Patent Rights were conceived or made, the United States Government is entitled, as a right, to a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced any invention of such Patent Rights for governmental purposes. Any license granted to a licensee shall be subject to such government right.**
- 4.7 **It is further understood that any License Agreement entered into between UCFRF and a third party for Patent Rights shall reserve to both Parties and their respective organizations, UCF and CFX, the royalty-free, non-exclusive right to practice any Patent Rights licensed hereunder for their own purposes, including research and education, or experimental use purposes for the State of Florida.**

5. TERM AND TERMINATION

- 5.1 **This Agreement is effective from the Effective Date and will remain in effect until the sooner of (i) the expiration of the last-to-expire patent under Patent Rights, or (ii) at least five (5) years after the Effective Date of this Agreement that no License Agreement respecting Patent Rights remains in effect. Termination of this Agreement will not relieve either Party of any obligation or liability accrued under this Agreement before termination, nor will it rescind any payments made or due before termination.**

- 5.2 Unless a **License Agreement** is in effect or has been agreed upon as to all financial terms, either **Party** hereto may terminate this **Agreement** for any reason upon at least sixty (60) days written notice ("Notice of Termination") to the other **Party**, but in any event not less than sixty (60) days prior to the date on which responses to any pending patent office actions need to be taken to preserve **Patent Rights**. Upon termination of this **Agreement** all monies due to **UCFRF** or **CFX** as applicable shall become immediately due and payable. Apart from the obligations to share patent costs, Article 4, and apart from specific obligations accrued prior to termination, Article 6 - Confidentiality, the **Parties** will have no further rights or obligations under this **Agreement** after effective termination.
- 5.3 In the event that this **Agreement** is terminated, **UCFRF** may continue patent prosecution or maintenance of the **Patent Rights** at its sole expense. If **UCFRF** chooses not to continue prosecution or maintenance of the **Patent Rights**, **CFX** may proceed with the prosecution or maintenance at its sole expense.

6. CONFIDENTIALITY

- 6.1 Each **Party** agrees that during the term of this **Agreement**, and for a period of three (3) years from the expiration or effective date of termination of this **Agreement**, it will treat confidential information with reasonable care to avoid disclosure of the confidential information to any third party, person, firm or corporation, and each **Party** shall be liable for unauthorized disclosure or failure to exercise such reasonable care. Neither **Party** shall have any obligation, with respect to the confidential information, or any part thereof, which:
- (a) is already known to the receiving **Party** at the time of the disclosure;
 - (b) becomes publicly known without the wrongful act or breach of this **Agreement** by the receiving **Party**;
 - (c) is rightfully received by the receiving **Party** from a third **Party** on a non-confidential basis;
 - (d) is approved for release by written authorization of the other **Party**;
 - (e) is subsequently and independently developed by employees of the receiving **Party** who had no knowledge of the confidential information;
 - (f) is disclosed pursuant to any judicial or government request, requirement or order, provided that the **Party** so disclosing takes reasonable steps to provide the other **Party** prior notice in order to contest such request, requirement or order; and
 - (g) is disclosed as may be required by court order or applicable provisions of state or federal law.
- 6.2 Each **Party** shall be entitled, at its option, to disclose confidential information by a written non-disclosure agreement containing these same terms and provisions to its consultants or non-employees retained because of their standing and expertise in the area concerned.
- 6.3 To the extent permitted by law, the **Parties** agree that all non-published patent prosecution documentation and attorney communications shall be confidential information.

7. NO WARRANTIES

- 7.1 Each **Party** represents and warrants to the other **Party** that it is a duly organized, validly existing organization, and is in good standing under the laws of the jurisdiction of its state.
- 7.2 Each **Party** represents and warrants to the other **Party** that it has full power and authority (including full corporate power and authority) to execute and deliver this **Agreement** and to perform its obligations

hereunder. All necessary proceedings (including any necessary approval by a Party's board of directors) have been taken by such Party to duly authorize the execution, delivery, and performance of this Agreement by such Party. This Agreement constitutes the valid and legally binding obligation of such Party, enforceable against such Party in accordance with its terms and conditions.

- 7.3 THE PARTIES MUTUALLY AGREE AND ACKNOWLEDGE THAT NEITHER PARTY, BY THIS AGREEMENT, MAKES ANY REPRESENTATIONS AS TO THE OPERABILITY OR FITNESS FOR ANY USE, SAFETY, EFFICACY, ABILITY TO OBTAIN REGULATORY APPROVAL, PATENTABILITY, AND/OR BREADTH OF PATENT RIGHTS. THE PARTIES, MAKE NO REPRESENTATION AS TO WHETHER THERE ARE ANY PATENTS NOW HELD, OR WHICH WILL BE HELD, BY OTHERS OR BY EITHER PARTY IN THE PATENT RIGHTS, NOR DOES EITHER PARTY MAKE ANY REPRESENTATION THAT THE PATENT RIGHTS DO NOT OR WILL NOT INFRINGE ANY OTHER PATENTS NOW HELD OR THAT WILL BE HELD BY OTHERS OR BY EITHER PARTY.
- 7.4 IN NO EVENT WILL EITHER PARTY'S LIABILITY OF ANY KIND INCLUDE ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE LOSSES OR DAMAGES, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO CASE WILL EITHER PARTY'S LIABILITY OF ANY KIND EXCEED THE TOTAL ROYALTIES WHICH HAVE ACTUALLY BEEN PAID TO THE PARTY BY ANY LICENSEE AS OF THE DATE OF THE FILING OF THE ACTION AGAINST THE PARTY WHICH RESULTS IN THE SETTLEMENT OR AWARD OF DAMAGES.
8. GENERAL
- 8.1 All notices or payment required or permitted to the provisions of this Agreement shall be given by email, or prepaid, first class, registered or certified mail or by an express/overnight delivery service provided by a commercial carrier, properly addressed to the other Party at the address designated on the following signature page, or to another address as may be designated in writing by the other Party during the term of this Agreement.
- 8.2 It is understood that both Parties are subject to United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes, and other commodities (including the Arms Control Act, as amended and the Export Administration Act of 1979), and their obligations hereunder are contingent on compliance with applicable United States export laws and regulations. The transfer of certain technical data and commodities may require a license from the cognizant agency of the United States Government and/or written assurances that any licensee will not re-export data or commodities to certain foreign countries without prior approval of the cognizant government agency. The Parties agree to cooperate in securing any license which the cognizant agency deems necessary in connection with this Agreement. However, neither Party guarantees that such licenses will be granted.
- 8.3 During the term of this Agreement, neither Party will assign its undivided interest in the Patent Rights.
- 8.4 It is agreed that no waiver by either Party hereto of any breach or default of any of the covenants or agreements set forth herein shall be deemed a waiver as to any subsequent or similar breach or default.
- 8.5 This Agreement is binding upon and shall inure to the benefit of the Parties hereto, their successors or assigns, but this Agreement may not be assigned by either Party without the prior written consent of the other Party, which consent will not be unreasonably withheld.
- 8.6 The captions and headings used in this Agreement are for convenience and in no way define, limit the scope or intent of this Agreement or any of its provisions.

- 8.7 This **Agreement** constitutes the entire and only agreement between the **Parties** for **Patent Rights** described herein and all other prior negotiations, representations, agreements and understanding are superseded by the terms of this **Agreement**. Any modification to this **Agreement** must be in writing and agreed to by both parties.
- 8.8 Neither **Party** shall use publicly for publicity, promotion, or otherwise, any logo, name, trade name, service mark, or trademark of the other **Party**, or any simulation, abbreviation, or adaptation of the same, or the name of any employee or agent of the other **Party**, without that **Party's** prior written express consent. A **Party** may withhold such consent in its absolute discretion.
- 8.9 In the performance of their respective duties under this contract, the **Parties** are independent contractors of each other. Neither is the agent, employee, or servant of the other. Each is responsible only for its own conduct.
- 8.10 This **Agreement** in no way restricts either **Party** from cooperating with or receiving cooperation from other public and private agencies, organizations, and individuals with respect to any of the normal activities of either of the **Parties**.
- 8.11 Both **Parties** agree to all of the terms of this **Agreement**. Both **Parties** execute this **Agreement** only after reviewing it thoroughly. That one **Party**, or the other, may have drafted all or part of this **Agreement** will not cause this **Agreement** to be read more strictly against the drafting **Party**. This **Agreement** and any changes to it will be interpreted on the basis that both **Parties** contributed equally to the drafting of each of its parts.

SIGNATURES BEGIN ON NEXT PAGE

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this **Agreement** in duplicate originals by their respective duly authorized officers hereunto, on the day and year hereinafter written. Any communication or notice under this **Agreement** shall be provided to the respective Mailing Addresses listed below.

For Central Florida Expressway Authority




Name: Welton G. Cadwell
Title: Chairman

Date: 3/10/16

ATTEST: 

Darlene Mazzillo
Executive Assistant

APPROVED AS TO FORM AND LEGALITY:


CFX General Counsel

Mailing Address for notices and communications:

Central Florida Expressway Authority
Attn: Joseph L. Passiatore, General Counsel
4974 ORL Tower Road
Orlando, FL 32807
Telephone: (407) 690-5000
Fax: (407) 690-5011
Email address: Joe.Passiatore@CFXWay.com

For University of Central Florida Research Foundation, Inc.



Dr. Thomas P. O'Neal
Vice President
University of Central Florida Research Foundation, Inc.

Date 2/26/2016

Approved as to Form and Legality

On behalf of SMS - R
2-25-16

Mailing Address for notices and communications:

Andrea Adkins, Assistant Director
University of Central Florida
Office of Technology Transfer
12201 Research Parkway, Suite 501
Orlando, Florida 32826-3246
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Telephone: (407) 823-0138
Facsimile: (407) 882-9010

Reviewed by OTT:  2-26-16