

AGREEMENT OF MAINE TECHNOLOGY INSTITUTE AND

[]

BUSINESS ACCELERATOR GRANT

This Grant Agreement (hereinafter “Agreement”) is made as of _____ (hereinafter “Effective Date”) by and between the Maine Technology Institute (hereinafter “MTI”), a non-profit corporation organized under the laws of the State of Maine and _____, a [corporation, partnership, sole proprietorship, limited liability company or other business entity] organized under the laws of the State of _____, [federal tax identification or social security number] _____ (hereinafter “Recipient” or “Company”), collectively referred to in this Agreement as the Parties (hereinafter “the Parties”).

1.0 INTRODUCTION

- 1.1 MTI was established by the Maine Legislature to stimulate and support research and development activity leading to the commercialization of new products and services in order to enhance the competitive position of Maine’s technology-intensive industrial sectors, and thereby promote economic development and job creation. MTI’s goal is to contribute to the long-term development of a statewide research, development, and product deployment infrastructure, thereby enhancing the competitive position of Maine’s technology intensive industries, while supporting clusters of industrial activity and creating jobs for Maine people.
- 1.2 The MTI Business Accelerator Grant (hereinafter “Grant”) is targeted to support commercialization and business development and capacity building activities not eligible for SBIR/STTR funding or to accompany a Development Loan.
- 1.3 Recipient has received SBIR/STTR Phase I / Phase II funding the [name of award] from [SBIR agency name] [contract number] dated _____.
- 1.4 Recipient has submitted an application to MTI for a Grant (hereinafter “Application”).
- 1.5 Recipient will undertake the commercialization activities in support of the awarded SBIR/STTR Phase I / Phase II funding (hereinafter “Project”) as described in Appendix A.
- 1.6 MTI, in reliance upon the Recipient’s representations contained in the Application and in this Agreement, awards the Grant to Recipient in order to promote these mutual interests.

2.0 CONSIDERATION

- 2.1 For adequate consideration received and to be received, including, but not limited to, performance of the Parties’ respective obligations under this Agreement, the Parties hereby agree, as follows.

3.0 AWARD

- 3.1 Relying upon Recipient’s representations in its Application and Recipient’s compliance with all terms and conditions of this Agreement, MTI will provide a grant award of up to \$_____ to the Recipient for the Project.

- 3.2 The Grant funds shall be disbursed to the Recipient by MTI upon acceptance of and execution of this Agreement by both Parties and is subject to the terms and conditions of this Agreement.
- 3.3 MTI shall not disburse any Grant funds following written notice by MTI to Recipient of Suspension or Termination of Grant for Project Failure under Section 7.

4.0 TERM OF AGREEMENT

- 4.1 The term of the Agreement shall commence on the Effective Date and shall terminate on the Termination Date (hereinafter "Termination Date"), which is the date five years following the Project Completion Date. The Project Completion Date is the date selected by Recipient for completion of the Project in the Application, except when MTI establishes a revised Project Completion Date in a written notice to Recipient, in which case that revised date shall be considered the Project Completion Date.
- 4.2 The Termination Date may be accelerated by MTI or Recipient pursuant to the provisions of Section 7.

5.0 REPRESENTATIONS AND WARRANTIES OF RECIPIENT

Recipient makes the following representations and warranties to MTI, which shall be deemed to survive until the Termination Date:

- 5.1 The Recipient has the authority to execute and deliver this Agreement and any other documents, certificates or agreements required by MTI to be executed in connection with this Agreement, without limitation, and to execute the transactions contemplated thereby.
- 5.2 The Recipient is a [corporation, partnership, sole proprietorship, limited liability company or other business entity] in good standing to do business under the laws of the State of Maine, and has authority to conduct its business.
- 5.3 Recipient shall use its best efforts to assure that all activities described in the Application are implemented, except as described in this Agreement.
- 5.4 Recipient has disclosed any relationship, direct or indirect, between Recipient, its Officers, Directors, members or employees, and MTI, and are in compliance with the conflict of interest provisions of 5 M.R.S.A. Chapter 407, Section 15307.

6.0 ADDITIONAL COVENANTS

- 6.1 Recipient will maintain a place of business, as well as good standing to do business, in the State of Maine until the Termination Date of this Agreement.
- 6.2 Recipient shall undertake all work described in the Appendix A in good faith and with due diligence, and shall expend Grant funds only for the purposes and in the amounts detailed in the Application or by subsequent written approval of MTI.
- 6.3 If Recipient or its successor-in-interest is a partnership, association or joint venture, by the Recipient's execution of this Agreement each person comprising such partnership, association or joint venture shall be jointly and severally bound for all the obligations of Recipient under the Agreement.
- 6.4 Recipient shall maintain all records needed to document the financial and other information to be reported to MTI pursuant to this Agreement, and shall provide any additional records reasonably requested by MTI until the Termination Date of this Agreement.

- 6.5 Recipient shall submit a final report to MTI containing the information required by Appendix C promptly following Project Completion. Recipient shall promptly respond to survey or other information requests made of grant Recipients by MTI.
- 6.6 Recipient shall notify MTI of any material change in Recipient's legal status, financial status, or compliance status with federal and state laws, or of any material change in the status of the Project that would have a significant adverse effect on Recipient's ability to implement the Project as described in the Application and this Agreement.
- 6.7 Recipient shall notify MTI immediately in the event of Recipient receipt of notice of default under the SBIR/STTR Phase I / Phase II award or any finding of Recipient non-compliance under that award.

7.0 SUSPENSION OR TERMINATION OF GRANT FOR PROJECT FAILURE; MTI REIMBURSEMENT

- 7.1 MTI may, in its sole discretion, terminate the Grant for the following reasons:
 - a) Failure of Recipient to achieve Project Completion Date within the anticipated timeframe described in Appendix B; or
 - b) Material change in Recipient's legal status, financial status, key personnel, or compliance status with federal and state laws, or a material change in the Project that would have a significant adverse effect on Recipient's ability to implement the Project as described in the Application;
 - c) Recipient's expenditure of Grant funds for purposes that are not detailed in the Application or by subsequent written approval of MTI;
 - d) Recipient's breach of any terms of this Agreement; or
 - e) Recipient's receipt of a notice of default under the SBIR/STTR Phase I / Phase II funding award.
- 7.2 MTI shall provide Recipient with written notice of its decision to terminate the Grant under this Section of the Agreement, providing Recipient with an explanation of the reasons therefore. In the event that MTI decides to suspend the Grant, the written notice of suspension shall describe the specific actions which Recipient must complete successfully to secure reinstatement of the award, and the deadline for such remedial actions. MTI shall allow Recipient at least 30 days to cure the underlying cause of the suspension.
- 7.3 MTI, in its sole discretion, may require Recipient to repay this grant under this Agreement in the event of Recipient's breach of any terms of this Agreement or the Security Agreement, including, but not limited to, Recipient's failure to adhere to expenditure limitations set forth in the Application, or by subsequent written approval of MTI, or Recipient's failure to maintain a place of business in the State of Maine until the Termination Date of this Agreement. All such amounts shall, once demanded by MTI, accrue interest at the annual rate of the prime rate as published in the Wall Street Journal plus 2% until paid.

8.0 LIABILITY/INDEMNITY

- 8.1 Neither this Agreement, nor any act of the Parties shall be deemed to create any relationship of third-party beneficiary, or of principal and agent, or of limited or general partnership, or of joint venture.
- 8.2 Recipient agrees to indemnify, defend and hold harmless MTI, its Officers, Directors and employees against all liabilities, costs and expenses, including reasonable attorney's fees, arising out of the Project, any breach of Recipient's obligations under this Agreement, or any unlawful act or omission by Recipients, its Officers, Directors, Shareholders, members, affiliates, representatives or employees.

9.0 PUBLIC ACKNOWLEDGEMENT OF MTI SUPPORT

- 9.1 Recipient's press releases and other public descriptions or discussion of this project will acknowledge MTI's participation and support.
- 9.2 Recipient shall use its best efforts to cooperate with MTI in publicizing the Project and its benefits for the people of Maine.

10.0 MISCELLANEOUS

- 10.1 This Agreement shall be construed in accordance with the laws of the State of Maine without reference to conflict of law provisions.
- 10.2 Any notice required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand or mailed by certified or registered mail, postage prepaid as follows:

If to:

If to:

Maine Technology Institute
8 Venture Avenue
Brunswick Landing
Brunswick, ME 04011



- 10.3 The Parties hereto acknowledge that this Agreement sets forth the entire agreement of the Parties as to the subject matter hereof and shall not be modified except by the execution of a written instrument signed by the Parties.
- 10.4 The provisions of this Agreement are severable, and in the event that any provision of this Agreement shall be determined to be invalid or unenforceable under any controlling and applicable body of law, such invalidity or unenforceability shall not in any way affect the validity of the enforceability of the remaining provisions hereof.
- 10.5 This Agreement is not assignable to any other party, without the express written consent of the other Parties to this Agreement.

- Appendix A. Seed Grant Application and Form B Budget
Appendix B. Project Completion Date and Award Schedule
Appendix C. Final Report Form and Certification

Additional Appendices

ACCEPTED AND AGREED TO:

MAINE TECHNOLOGY INSTITUTE

| | |
|---------------|--------------------|
| _____ | _____ President |
| MTI Signature | Title |

| | |
|------------------------|-------|
| _____ Betsy Biemann | _____ |
| Printed Name | Date |

[RECIPIENT COMPANY NAME]

| | |
|---------------------|-------|
| _____ | _____ |
| Recipient Signature | Title |

| | |
|--------------|-------|
| _____ | _____ |
| Printed Name | Date |

Payment Schedule:

Start Date: / / Amount: \$ (=80% of Award)

Planned Project Completion Date / /
(must allow for Recipient submittal and MTI acceptance of Final Report)

INFORMATION BELOW TO BE FILLED OUT BY MTI

MTI modified Project Completion Date (if any):

Actual Project Completion Date / / Amount: \$ (=20% of Award)

Planned Agreement Termination Date: / /

Actual Agreement Termination Date: / /

Title

Final Report Acceptance: on _____ by _____

APPENDIX C: FINAL REPORT FORM AND CERTIFICATION

The Recipient agrees to submit a Final Report which includes the following:

1. Appendix C: Reporting Narrative - Project narrative report addressing questions outlined within Appendix C designed to understand the results of the project and next steps to be taken toward commercialization of the technology.
 - a. Detail the specific activities and results of the completed project. Identify how they compare with the original goals of the project.
 - b. Detail the next steps relating to commercialization of the technology including the funding of those activities.
 - c. Discuss and explain any significant variances in comparison to the approved budget if necessary.
2. Appendix C: Summary of Expenses – Compare actual expenses to the approved budget for both MTI and all Match Funding.
3. Supporting Documents – Provide a log of hours and payroll verification for project personnel valued at a total greater than \$1,000 per individual.
4. Supporting Documents – Provide invoices/receipts or proof of payment for all individual non-personnel related project expenditures greater than \$1,000.
5. Additional information specific to the approved project required by MTI to include:

By signing this form, I certify that, to the best of my knowledge that: (1) activities were conducted as described in the Application (Appendix A) and Budget Summary (Appendix A – Form B), unless otherwise indicated in writing, and summarized in the above Narrative; (2) all expenses incurred as part of the Project have been documented as required by MTI, and any significant variances to the proposed budget have been reported and documented as required by MTI; and (3) the Company shall maintain all financial and technical documents pertaining to this Grant and this Final Report until the Agreement Termination Date.

☐ Check here if you are considering applying for an MTI Seed Grant, Development Loan or SBIR/STTR.

Recipient Signature

Title

Printed Name

Date