



**LETTER OF INTENT BETWEEN THE
SAE ITC AND [agency name]**

- 1. Parties.** This Letter of Intent (hereinafter referred to as “LOI”) is made and entered into on the _____ day of _____, 201_ (the “effective date”), by and between SAE ITC, whose address is 400 Commonwealth Drive Warrendale, PA USA 15096 (“SAE ITC”), and the [agency name], whose address is _____ (“_____”).
- 2. Purpose.** The purpose of this LOI is to establish the terms and conditions under which the Consortium (hereinafter referred to as the “Health-Ready Components and Systems Strategy Group” (HRCS SG)), assembled with a collection of organizations (individually or collectively referred to as “Participant Group Members”) working and functioning together to develop a Health-Ready Components and Systems Database (the “Program”), and undertaking other activities the group considers to be beneficial.
- 3. Term of LOI.** This LOI is effective upon the day and date last signed and executed by the duly authorized representatives of the parties to this LOI and shall remain in full force and effect for not longer than two years. This LOI may be terminated, without cause, by either party upon 30 days written notice, which notice shall be delivered by hand or by certified mail to the address listed above.
- 4. Responsibilities of SAE ITC.** SAE ITC agrees to provide support for all applicable Participant Group Members matters mutually agreed upon. Program support shall be coordinated by SAE ITC and at least one principal designee of the Participant Group Members. It is contemplated that the initial organizational matters will be handled by the parties through telephonic conferences and electronic mail exchanges, and that SAE ITC will coordinate and facilitate all HRCS SG meetings.
- 5. Responsibilities of [other agencies].** Participant Group Members agree to comply with guidelines defined by this agreement (“Participant Responsibilities”) and covered by this LOI to support SAE ITC for costs and expenses related to the HRCS SG, including the cost of wages, salaries, benefits, and use of equipment belonging to an agency while acting pursuant to this LOI.

A. Antitrust Guidelines.

Participant Group Member(s) agree to abide by this LOI, SAE ITC Antitrust Guidelines, and the rules and procedures of the HRCS SG.

B. Confidentiality and Intellectual Property.

All materials developed by or for Participant Group Members during the Program or pursuant to this LOI, including but not limited to technical papers, articles, standards, software database registries, suggested practices, research papers, presentations and books, whether in written, videotape or some other form, shall be considered works made for hire under the copyright laws of the United States, and all rights to such materials, including the copyright, shall be owned by or assigned to SAE ITC.

Unless otherwise noted, all materials provided by Participant Group Member(s) will be non-proprietary, non-confidential information intended for public use. However, the intellectual property provided to the HRCS SG by each Participant Group Member (“Member IP”) will remain the property of the respective member organization and the respective member organization grants a nonexclusive, perpetual, irrevocable, royalty-free, fully paid, worldwide license for use. New or modified intellectual property that is developed by the HRCS SG (“SAE ITC IP”), may include Participant Group Member IP from one or more Participant Group Member(s), who acknowledge and agree that SAE ITC will exclusively own the copyrights in and to the SAE ITC IP and the works associated therewith as a ‘work made for hire’. Additional detailed intellectual property agreements to clarify these provisions may be executed by the member organizations and SAE ITC when required.

All information provided by the Participant Group Member(s) and SAE ITC as part of HRCS SG is confidential information for the sole use by the HRCS SG. It may not be distributed to any third party or used for any other purpose without the prior written permission of SAE ITC.

Confidential Information does not include information that: (a) is or becomes publicly available through no act or omission of SAE ITC or Participant Group Member(s); (b) is regularly disclosed to third parties without restriction on disclosure; (c) is independently developed by the SAE ITC or Participant Group Member(s) who had no access to such information; or (d) is already rightfully known to SAE ITC or Participant Group Member(s) without nondisclosure obligations before it received such information.

6. Governance. It is agreed by the parties that this LOI shall be construed, interpreted, and controlled by the laws of the Commonwealth of Pennsylvania. Unless otherwise stated the purchase of any materials, equipment and other goods shall be governed by the terms of the Uniform Commercial Code of the State set forth herein, notwithstanding any provision to the contrary in the contract documents.



The Program support provided hereunder will be performed by SAE ITC, but such support may be subcontracted to, and performed by third parties on behalf of SAE ITC. SAE ITC shall also have the right, exercisable from time to time in its own discretion, to subcontract or delegate its obligations and responsibilities hereunder to other entities directly related to SAE ITC such as an affiliate organization or association; provided, however, that nothing herein shall relieve SAE ITC of its obligations hereunder.

7. **Mutual Indemnification.** Each party agrees to indemnify, defend and hold harmless the other, its predecessors, parent, affiliates, officers, directors, employees, agents, representatives, successors and assigns, from and against any and all claims, demands, damages (including attorneys' fees and the costs and expenses of owner's defense), losses, liabilities, suits, actions, judgments and recoveries, for or on account of or in any way arising out of or related, directly to its negligent performance under this LOI except as may result from the other's sole negligence.

Neither party shall be liable for any claim or demand against the other, its officers, directors, partners, principals, employees, agents or representatives by any third party for any amounts representing loss of profit, loss of business or special, indirect, incidental, consequential or punitive damages even if it has been advised of the possibility of such damages.

8. **Force Majeure** Except for the payment of money, neither party shall be liable to the other for any delays or failure to perform resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, terrorist acts, or any law, order or requirement of any governmental agency or authority. Performance time shall be considered extended for a period of time equivalent to the time lost because of any such delay.

9. **Deliverables.** SAE ITC agrees to execute and deliver any and all papers necessary to reflect Participant Group Members' interests in the deliverables developed and delivered pursuant to this LOI.

10. **Funding.** A Fund will be established to support:

- Meeting administrative costs
- Communications
- Deployment and implementation of initiatives
- Ensure operational stability of the program by maintaining sufficient operational balances
- Ensure sufficient margin for reinvestment and growth to support initiatives which benefit the industry



Support for the HRCS SG is envisioned to be mixed and shall include, but not be limited to, consortium fees, document sales, training and event revenue and listing fees.

11. General Provisions

A. Amendments. Either party may request changes to this LOI. Any changes, modifications, revisions or amendments to this LOI which are mutually agreed upon by and between the parties to this LOI shall be incorporated by written instrument, and effective when executed and signed by all parties to this LOI.

B. Applicable Law. The construction, interpretation and enforcement of this LOI shall be governed by the laws of the Commonwealth of Pennsylvania. The courts of the Commonwealth of Pennsylvania shall have jurisdiction over any action arising out of this LOI and over the parties, and the venue shall be the Fifth Judicial District of Pennsylvania, County of Allegheny, Pittsburgh, Pennsylvania.

C. Severability. Should any portion of this LOI be judicially determined to be illegal or unenforceable, the remainder of the LOI shall continue in full force and effect, and either party may renegotiate the terms affected by the severance.

D. Third Party Beneficiary Rights. The parties do not intend to create in any other individual or entity the status of a third party beneficiary, and this LOI shall not be construed so as to create such status. The rights, duties and obligations contained in this LOI shall operate only between the parties to this LOI, their successors and assigns, and shall inure solely to the benefit of the parties to this LOI. The provisions of this LOI are intended only to assist the parties in determining and performing their obligations under this LOI. The parties to this LOI intend and expressly agree that only parties signatory to this LOI shall have any legal or equitable right to seek to enforce this LOI, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this LOI, or to bring an action for the breach of this LOI.

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In witness whereof, the parties to this LOI through their duly authorized representatives have executed this LOI on the days and dates set out below, and certify that they have read, understood, and agree to the terms and conditions of this LOI as set forth herein.

[AGENCY]

By: _____
Name: _____
Title: _____
Date: _____

SAE ITC

By: _____
Name: _____
Title: _____
Date: _____