1 SCIENCE AND TECHNOLOGY FACILITIES COUNCIL (PART OF UK

RESEARCH AND INNOVATION)

2 IBM UNITED KINGDOM LIMITED

AND

3 [INSERT INDUSTRY PARTICIPANT'S FULL NAME]

THIS EXPLORE PARTICIPATION AGREEMENT IS DATED _____ DAY OF _____ 2023

PARTIES:

- 1. SCIENCE AND TECHNOLOGY FACILITIES COUNCIL a part of UK Research and Innovation a body corporate established by statute pursuant to the commencement of section 91 of the Higher Education and Research Act 2017 whose principal place of business is at Polaris House, North Star Avenue, Swindon, SN2 1FL, ("UKRI-STFC");
- 2. **IBM UNITED KINGDOM LIMITED** a company incorporated in England and registered under Registered Number 741598, having its Registered Office at PO Box 41, North Harbour, Portsmouth, PO6 3AU ("**IBM**"); and
- [INSERT INDUSTRY PARTICIPANT FULL NAME] a company registered in England and Wales (INSERT COMPANY NUMBER) whose registered office is at [INSERT REGISTERED ADDRESS] ("INDUSTRY PARTICIPANT");

Each individually referred to as a "Party" and collectively as the "Parties".

BACKGROUND:

- 1. UKRI-STFC and IBM in collaboration are hosting the Hartree National Centre for Digital Innovation (HNCDI) programme to support companies/business in learning what artificial intelligence ("AI") and machine learning can do for them and would like to use real-world data and expertise to help develop AI capabilities.
- 2. The INDUSTRY PARTICIPANT has data and know-how, which it wishes to contribute towards the Project (as defined herein), as outlined in the Project Plan (as defined herein), in exchange for useful learning objectives delivered mostly in form of a report/ reports.
- 3. Parties will participate in the Project subject to the terms and conditions of this Agreement.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1. In these terms and conditions, the following expressions have the meaning set opposite:

Affiliate – means any legal entity directly or indirectly Controlling, Controlled by, or under common Control with a Party, for so long as such Control lasts.

Agreement - means these terms and conditions including any appendices and the Project Plan.

Configuration Files - means files used to configure the parameters and initial settings for Models.

Control – of any entity shall exist through the direct or indirect (i) ownership of more than 50% of the nominal value of the issued share capital of the entity or of more than 50% of the issued share capital entitling the holders to vote for the election of directors or persons performing similar functions, or (ii) right by any other means to elect or appoint directors of the entity (or persons performing similar functions) who have a majority vote.

Data – means any Data made available by the INDUSTRY PARTICIPANT to UKRI-STFC/IBM for UKRI-STFC/IBM to use in the Project as set out in Appendix A.

End Date – means the end date (if any) stated in the Project Plan;

Intellectual Property Rights – means any invention, patent, copyright, trade mark, trade name, service mark, registered design, design right (registered and unregistered), know-how, right of confidence, trade secret, right to extract or exploit data, database rights, any similar rights protected in any jurisdiction, whether now existing or coming into existence at some future date, any application for any of the above, and any accrued rights of action in respect of any of the above;

Models – means computer models, algorithms and/or artificial intelligence programs that have networks capable of learning unsupervised from structured or unstructured data.

Party – means one of UKRI-STFC, INDUSTRY PARTICIPANT or IBM, and "Parties" means all of them collectively.

PII has the meaning given to 'personal data' in the Data Protection Act 2018, or the equivalent legislation in any jurisdiction in which the Data originates or to which the INDUSTRY PARTICIPANT is subject

Project – means the set of activities to be carried out by the Parties, as detailed in the Project Plan.

Project Plan – means the scope of work and Parties' responsibilities attached as Appendix A.

Resulting Data - means any modifications to the INDUSTRY PARTICIPANT's Data as stated in the Project Plan and any Configuration Files containing the INDUSTRY PARTICIPANT's Data.

Special Conditions - means the special terms and conditions (if any) appended to this Agreement;

Start Date - means the Start Date stated in the Project Plan;

UKRI-STFC/IBM - means UKRI-STFC and IBM collectively;

- 1.2. In these terms and conditions:
 - 1.2.1. references to the singular includes the plural;
 - 1.2.2. any use of the terms "includes", "including", "in particular" and like phrases shall not limit the interpretation of the words or phrases which follow.

2. GENERAL TERMS AND CONDITIONS

- 2.1. No Party can assign, transfer or sub-contract any of rights or obligations under this Agreement to any third party without the prior written agreement of the other Parties, except as provided for in Clause 11.5.
- 2.2. Rights and/or remedies under this Agreement, whether exercised or not, remain available throughout the term of this Agreement.
- 2.3. This Agreement does not create any partnership or joint venture between the Parties at law. Except as explicitly set out herein, no Party may act, or hold themselves out as, the agent of another.

2.4. This Agreement and any dispute or non-contractual obligation arising out of or in connection to them, shall be governed by and construed in accordance with the laws of England and each party agrees to submit to the exclusive jurisdiction of the English Courts.

3. DURATION

3.1. This Agreement comes into effect on the date of the last signature and continues until the End Date set out in the Project Plan or on any other date subsequently agreed in writing by the Parties, unless the Project is terminated earlier in accordance with its provisions ("Term"). The Project Start Date and End Date are as set out in the Project Plan. Any changes to these dates need to be agreed by the Parties in writing.

4. PERFORMANCE

- 4.1. Subject to Clause 8, UKRI-STFC/IBM will use reasonable endeavours to support the Project as set forth in the Project Plan.
- 4.2. The INDUSTRY PARTICIPANT will provide UKRI-STFC/IBM with any and all virus free information and software, and equipment, materials and documentation, and will carry out any task allocated as the INDUSTRY PARTICIPANT's responsibility in the Project Plan in good time, as required to allow UKRI-STFC/IBM to carry out their obligations under this Agreement.
- 4.3. If, in connection with the Project, UKRI-STFC or IBM permit any employees or representatives or collaborators of the INDUSTRY PARTICIPANT to have access to any UKRI-STFC or IBM premises, the INDUSTRY PARTICIPANT will ensure that, while on such premises, its employees and representatives and collaborators comply with (i) all applicable health and safety, security, environmental and other legislation which may be in force from time to time; and (ii) any UKRI-STFC or IBM policy, regulation, code of practice or instruction relating to health and safety, security, the environment or access to and use of any UKRI-STFC or IBM laboratory, facility or equipment which is brought to their attention or given to them whilst they are on such premises by any employee or representative of UKRI-STFC or IBM.
- 4.4. If, in connection with the Project, UKRI-STFC or IBM permits any employees or representatives or collaborator of the INDUSTRY PARTICIPANT to have remote user access to any UKRI-STFC/IBM network or HPC service, the INDUSTRY PARTICIPANT will ensure that its employees and representatives and collaborators comply with (i) all applicable UKRI-STFC/IBM acceptable use policies; and (ii) any UKRI-STFC/IBM policy, regulation, code of practice or instruction relating to health and safety, security, the environment or access to and use of any UKRI-STFC/IBM laboratory, facility or equipment which is brought to their attention by any employee or representative of UKRI-STFC or IBM.
- 4.5. UKRI-STFC and IBM have absolute discretion to deny access to any person to any of their premises at any time.

5. DATA

5.1. The INDUSTRY PARTICIPANT is solely responsible, at its own risk and expense, for any collection of Data for the purpose of the performance of work under this Agreement, and for determining what Data may and will be provided under this Agreement.

- 5.2. The INDUSTRY PARTICIPANT hereby grants to UKRI-STFC/IBM and their Affiliates an internal, nonexclusive, worldwide, and fully paid-up license to use the Data for performing work under this Agreement. This license includes the right to use, execute, display, reproduce, perform, prepare derivative works from, and distribute and transmit internally the Data.
- 5.3. The INDUSTRY PARTICIPANT represents and warrants each of the following:
 - a. All of the Data the INDUSTRY PARTICIPANT provides fits entirely within one of the following categories:
 - (i) Data which does not contain Personal Data PII, whether or not anonymized or de-identified in any fashion;
 - (ii) BCI (as defined in Clause 5.6) of the INDUSTRY PARTICIPANT.
 - (iii) Data which may have contained PII, but which has been fully anonymized prior to the delivery of Data so as to ensure that the Data no longer contains personal information and a person without prior knowledge of the Data and its collection cannot, from the Data and any other available information, identify the nature of the transactions or any PII((i), (ii), and (iii) being collectively, the "Clause 5.3 Data"); or
 - (iv) Data which contains PII and that have or will be handled by the Parties in a manner fully compliant with Clause 5.4.
 - b. The INDUSTRY PARTICIPANT has all necessary consents and licenses to permit the licensing and use of Data such that the use of Data by UKRI-STFC/IBM in accordance with this Agreement will not violate any laws, including privacy laws.

The INDUSTRY PARTICIPANT acknowledges that UKRI-STFC/IBM have no obligation to review Data provided by it to determine if that Data contain PII. However, if UKRI-STFC or IBM become aware of PII provided by the INDUSTRY PARTICIPANT, they will suspend all performance under this Agreement, promptly notify INDUSTRY PARTICIPANT of the issue, and give INDUSTRY PARTICIPANT two working days to remedy it. In the event that the INDUSTRY PARTICIPANT does not remedy the issue within two working days UKRI-STFC and/or IBM shall at its sole discretion delete the PII from its systems or return it to INDUSTRY PARTICIPANT and terminate this Agreement for INDUSTRY PARTICIPANT's material breach. Neither UKRI-STFC nor IBM will have any liability to the INDUSTRY PARTICIPANT arising from any such deletion or return.

- 5.4. The INDUSTRY PARTICIPANT agrees that it will not deliver or otherwise provide UKRI-STFC/IBM with access to any data that may include PII (except the PII referenced in Clause 5.3(a)(ii)) or any data that may be subject to personal data protection and privacy laws of any jurisdiction, and including the European General Data Protection Regulation (EU/2016/679) (GDPR) and the Data Protection Act 2018, unless and until the Parties have reached an agreement in writing on the requirements for receipt and processing of any such other data.
- 5.5. If a third party asserts a claim against UKRI-STFC and/or IBM, whether directly or indirectly, with respect to a breach, or an alleged breach, of the INDUSTRY

PARTICIPANT's representations and warranties in this Clause 5.0, the INDUSTRY PARTICIPANT will defend UKRI-STFC and/or IBM (as applicable) against that claim at the INDUSTRY PARTICIPANT's expense and pay all costs, damages, and attorney's fees that a court finally awards against such third party with respect to the Data or that are included in a settlement approved in advance by UKRI-STFC and/or IBM (as applicable), provided that UKRI-STFC and/or IBM: a) promptly notifies THE INDUSTRY PARTICIPANT in writing of the claim; and b) allows the INDUSTRY PARTICIPANT to control, and cooperates with the INDUSTRY PARTICIPANT in, the defence and any related settlement negotiations.

5.6. The Parties and their Affiliates may process and store business contact information, such as telephone, address, email, user IDs, and, if required per the terms of this Agreement, country of citizenship and emergency contact information (collectively, "BCI"), of the Parties' personnel, representatives and authorized users, wherever the Parties do business. Where notice to or consent by individuals is required, the providing Party will notify and obtain such consent from their respective personnel, representatives, and authorized users.

6. INTELLECTUAL PROPERTY RIGHTS

- 6.1. Except as expressly stated to the contrary herein or in any Special Conditions, nothing in this Agreement assigns or transfers any Intellectual Property Rights or grants any Party any licence to use any Intellectual Property Rights.
- 6.2. The Parties agree that the INDUSTRY PARTICIPANT will own copyright in any report generated and delivered under the Project Plan irrespective of authorship.
- 6.3. Notwithstanding anything to the contrary in this Agreement, nothing herein limits the Parties' ability to assign their personnel to other projects, to utilise the experience naturally acquired by such personnel during the course of the Parties' relationship, and to produce similar deliverables for other entities.

7. CONFIDENTIALITY

7.1. In the event that performance of work under this Agreement necessitates disclosure and/or receipt of confidential information between two or more Parties, such disclosure and receipt will be covered by Non-Disclosure Agreement reference XXXX between the Parties.

Internal comment: If disclosure of confidential information is anticipated and there is no signed Non-Disclosure Agreement, the following Articles 7.1-7.6 should replace Article 7.1 above, and the numbering of the following articles should be adjusted:

7.2. Confidential Information may be disclosed by either party to the other parties by: (i) presentation; (ii) delivery; (iii) authorized access, such as to a data base; or (iv) any other express means. "Confidential Information" is information that is identified as confidential at the time of disclosure, and all material containing Confidential Information must be marked "Confidential" or "Proprietary". Any Confidential Information disclosed verbally or visually must be summarized by the disclosing party in writing and the writing provided to the receiving party within thirty (30) days after the disclosure. Disclosure and receipt of Confidential Information may take place through (the personnel of) the parties or their Affiliates.

- 7.3. The Parties agree that the terms of this Article 7 will apply when one of the Parties or its Affiliate ("Discloser") discloses Information to the other(s) or its Affiliate(s) ("Recipient") under this Agreement.
- 7.4. For three (3) years from the date of disclosure, Recipient shall limit disclosure of the other party's Confidential Information to those of its personnel and personnel of its Affiliates who have a need to know it. Each Party agrees to use the same care and discretion to avoid disclosure of the Discloser's Confidential Information as the Recipient uses with its own similar information it does not wish to disclose, but no less than a reasonable standard of care.
- 7.5. On the date this Agreement terminates or expires, the Recipient will return or delete the Discloser's Confidential Information that is embodied in any tangible or electronic medium related to this Agreement, and upon written request, certify to the Discloser that it has been returned or deleted.
- 7.6. The obligations in this clause 7 will not apply to information that is:
 - 7.5.1 already in the possession of the Recipient or its Affiliates without obligation of confidence;
 - 7.5.2 independently developed by the Recipient or its Affiliates;
 - 7.5.3 publicly available, or becomes publicly available through no fault of the Recipient or its Affiliates;
 - 7.5.4 disclosed by the Discloser without obligation of confidence;
 - 7.5.5 disclosed with the permission of the Discloser.
- 7.7. Disclosure by the Recipient of the Discloser's Confidential Information is permitted if the disclosure is to a third party whose services the receiving party requires to accomplish the purposes of this Agreement, provided such third party has entered into a written agreement with the Recipient on substantially the same terms as this Article 7.
- 7.2. INDUSTRY PARTICIPANT Data, including any hard copies, printouts, digital backups or other related form of documents shall be destroyed or deleted from UKRI-STFC/IBM software and storage with immediate effect from the End Date.
- 7.3. UKRI-STFC/IBM agree to return Resulting Data to INDUSTRY PARTICIPANT by or on the End Date.
- 7.4. If UKRI-STFC receives a request under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004 to disclose any information that, under this Agreement, it will notify and consult with the other Parties. The Parties shall respond to UKRI-STFC within 10 Working Days after receiving UKRI-STFC's notice to assist UKRI-STFC to determine whether or not an exemption to the Freedom of Information Act or the Environmental Information Regulations applies to the information requested. The Parties acknowledge that the decision as to whether or not an exemption does apply to the Information requested rests solely with UKRI-STFC and that any such disclosure is not a breach of this Agreement.

7.5. Unless a Party is themselves a public body subject to them, then in the event that the other Parties receive a request under the Freedom of Information Act 2000, the Environmental Information Regulations 2004 or any equivalent legislation, they shall make no response but shall within one working day forward that request to UKRI-STFC who shall determine how to respond.

8. WARRANTIES

- 8.1. Each Party represents and warrants that it has appropriate agreements in place to enable the Party to comply with all the provisions of this Agreement.
- 8.2. Except as stated in Clause 5 (Data) and in this Clause 8, no Party makes any warranty, express or implied, concerning software, copyrightable materials, data, or other deliverables, including any operational reliability or accuracy of data or results, or services supplied or provided under the agreement, which are all provided "as is." Each Party explicitly disclaims the warranties of merchantability and fitness for a particular purpose, and any warranty of non-infringement of any third party's patents, copyrights, or any other intellectual property right.
- 8.3. Failure to achieve or deliver a particular outcome or result in accordance with the Project Plan will not be considered a breach by a Party.
- 8.4. The INDUSTRY PARTICIPANT warrants and undertakes that it has not been induced to enter into the Agreement by any representation or by any warranty (whether oral, or in writing) except those specifically set out in this Agreement. The INDUSTRY PARTICIPANT waives all claims for breach of any warranty and all claims for any misrepresentation, (negligent or of any other kind, unless made by UKRI-STFC or IBM fraudulently) which is not specifically set out in the Agreement.

9. LIABILITY

- 9.1. Nothing in the Agreement excludes or limits a Party's liability for: (i) fraudulent misrepresentation, fraud, or other criminal act; (ii) personal injury or death caused by negligence; (iii) damage for breach of obligations pursuant to Article 5.0 (Data) (iv) damages for misuse or misappropriation of intellectual property rights in breach of this Agreement; (v) damages for misuse, misappropriation or disclosure of Confidential Information in breach of a Party's obligations under Clause 7.0 or (iv) any other liability that cannot be excluded by law.
- 9.2. Subject to 9.1, in no event will a Party be liable for: loss of or damage or corruption of data; loss of use of software, data or systems; loss of profits; loss of business; loss of anticipated savings; loss of revenues; loss of opportunity; loss of goodwill, or loss of reputation whether, in each case, direct or indirect arising under or in relation to this Agreement; or for any other indirect or consequential loss or damage, whether or not the type of loss was foreseen or reasonably foreseeable.
- 9.3. Subject to Clauses 9.1 and 9.2, each Party's entire liability for all claims in the aggregate arising under or in connection with the Agreement shall not exceed the amount of defrayed direct damages up to a limit of 20,000 GBP (twenty thousand British Pound Sterling).

- 9.4. The above limitations and exclusions on UKRI-STFC or IBM's liability apply regardless of the cause of action, whether arising under statute, in Agreement, in tort (including but not limited to negligence), or in any other way.
- 9.5. Despite anything else contained in the Agreement, no Party will be liable for any failure to perform its obligations (except an obligation to pay) caused by circumstances beyond its reasonable control including, without limitation, any act or omission of any of the other Parties or of any third party (except a Party's employees, contractors or suppliers who will be deemed to be under its control for the purposes of this Clause 9.5). In those circumstances the INDUSTRY PARTICIPANT or UKRI-STFC or IBM (as the case may be) will be granted a reasonable extension of time for the performance of its obligations, the reasonableness of that extension to be assessed not only in the context of the Agreement but also in the context of UKRI-STFC/IBM's other commitments. Where the obligation cannot be fulfilled within that extension of time, the Party which is not in default may terminate this Agreement by giving two (2) weeks' notice in writing, in which event each Party shall meet its own costs

10. TERMINATION

- 10.1. A Party may terminate the Agreement by giving sixty (60) days written notice to the other Parties.
- 10.2. The expiry or termination of the Agreement will not affect any accrued rights or liabilities of a Party up to the point of termination, nor will it affect the coming into force or the continuance in force of any provision of the Agreement that is expressly, or by implication, intended to come into or to continue in force on or after termination.
- 10.3. Any rights and obligations which by their nature survive and continue after expiration or termination of this Agreement shall survive and continue and shall bind the Parties and their successors and assigns, until such obligations are fulfilled.

11. GENERAL

- 11.1. No forbearance or delay by a Party in enforcing its rights will prejudice or restrict those rights. No waiver of any right will operate as a waiver of any other right. No right, power or remedy conferred on, or reserved to a Party is exclusive of any other right, power or remedy available to it, and each of those rights, powers, and remedies is cumulative.
- 11.2. If any part of the Agreement is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of the Agreement will not be affected. The Parties shall meet as soon as reasonably possible to agree enforceable and lawful alternative wording for that is as close as possible to the intent of the original wording.
- 11.3. All notices to be given under the Agreement must be in writing or by email and be sent to the address or email address of the intended Recipient set out in the Agreement, or any other address or email address which the intended Recipient may designate by notice given in accordance with the provisions of this Clause. This Clause shall not apply to the service of legal notices.
- 11.4. Any notice may be delivered personally (including by courier), or sent by first class prepaid letter with signature on receipt or by email and will be deemed to have been served: if by hand, when delivered; if by first class post, upon delivery receipt; and if by email, when received. This Clause shall not apply to the service of legal notices.

- 11.5. Either UKRI-STFC or IBM may, provided it gives written notice to the INDUSTRY PARTICIPANT, assign, or otherwise transfer, its rights or delegate any of its obligations under the Agreement to any UKRI-STFC or IBM Affiliate, or, in the case of UKRI-STFC, any other body performing its obligations on behalf of the UK Government.
- 11.6. For the avoidance of doubt, nothing in this Agreement modifies licenses granted by IBM and UKRI-STFC to each other in any other agreements to which IBM and UKRI-STFC are parties, and in the event of a conflict in that regard, as between IBM and UKRI-STFC, those other agreements shall take precedent over this Agreement.
- 11.7. No third party is entitled to the benefit of the Agreement under the Agreements (Rights of Third Parties) Act 1999 or otherwise, except that any Affiliate of UKRI-STFC or IBM may directly enforce or rely on any Condition expressed to be for the benefit of UKRI-STFC or IBM or its Affiliates.
- 11.8. Technology, software, and items furnished by IBM under the collaboration documents may be subject to United States export/re- export control laws and regulations, including the U.S. Export Administration Regulations (EAR) and the U.S. International Traffic in Arms Regulations (ITAR). UKRI-STFC and the INDUSTRY PARTICIPANT acknowledge the above and therefore each Party agrees to comply with all applicable export and import laws and associated embargo and economic sanction regulations including those of the United States, that prohibit or restrict the export, re-export, or transfer of products, technology, services or data, directly or indirectly, to certain countries, or for certain end uses or end users. The Parties will not provide technical data, defense articles, or services controlled under the U.S. International Traffic in Arms Regulations (ITAR). Further, unless authorized by applicable government license or otherwise permitted by regulation, including but not limited to any U.S. authorization, each Party may not directly or indirectly export or re-export, at any time, any technology, software, and/or commodities furnished or developed under this Agreement between the Parties, or its direct product, to any prohibited country (including release of technology, software, and/or commodities to nationals, wherever they may be located, of any prohibited country) as specified in applicable export, embargo, and sanctions regulations. Prohibited countries include Sudan, Ukraine (including Crimea, Donetsk, Luhansk and Zaporizhia (Zaporizhzhia) regions of Ukraine), and countries those in Country Group D:1, E:1 or E:2, of the U.S. Export Administration Regulations Supplement No. 1 to Part 740 of the EAR https://www.bis.doc.gov/index.php/regulations/export-administration-regulations-ear. The parties acknowledge that these obligations survive the termination of this Agreement.
- 11.9. Except as otherwise provided herein, the Agreement does not confer any rights to use in advertising, publicity or other marketing activities any name, trade name, trademark, or other designation of a Party hereto, including any contraction, abbreviation, or simulation of any of the foregoing, without prior written agreement, and each Party agrees not to use or refer to the Agreement or their terms in any such activities without the express written approval of the Party or Parties concerned. Notwithstanding the foregoing, each Party may publish and present technical or academic presentations, subject to the confidentiality obligations under the Agreement and subject to the prior review and approval of the other Parties, such approval not to be unreasonably withheld or delayed.
- 11.10. This Agreement may only be amended by a writing signed by authorized signatories of the Parties.

IN WITNESS of which the Parties have signed this Agreement on the date stated at the beginning of this Agreement

SIGNED for and on behalf of THE SCIENCE AND TECHNOLOGY FACILITIES COUNCIL (A PART OF UNITED KINGDOM RESEARCH AND INNOVATION) by its duly authorised officer	SIGNED for and on behalf of IBM UNITED KINGDOM LIMITED by its duly authorised officer
Signature	Signature
Print name	Print name
Position	Position
SIGNED for and on behalf of [INSERT NAME INDUSTRY PARTICIPANT] by its duly authorised officer	
Signature	
Print name	
Position	

Appendix A - Project Plan

Project Name	
Project Start Date	
Project End Date	
INDUSTRY PARTICIPANT	
Project Outline	

1. Data and Report

1.1 INDUSTRY PARTICIPANT intends to provide UKRI-STFC/IBM with the following Data:

- 1.2 UKRI-STFC/IBM intends to use the Data to
- 1.3 UKRI-STFC/IBM will complete a report/ reports and share it with INDUSTRY PARTICIPANT. Such report is anticipated to consist of the following: