

**RESEARCH GRANT AGREEMENT**

**BETWEEN**

**AAA**

**AND**

**UNIVERSITI SAINS MALAYSIA**

**RESEARCH GRANT AGREEMENT**

This Research Grant Agreement is made on this day of 2023 (hereinafter referred to as “Agreement”);

**BETWEEN**

# AAA (Company no. \*\*\*), a company incorporated under the laws of Malaysia, with its registered address at \*\*\* (hereinafter referred to as “AAA") of the first part;

**AND**

# UNIVERSITI SAINS MALAYSIA, a public institution of higher learning established under the Universities and University Colleges Act 1971, which for the purpose of this Agreement is represented by its \*\*\*, with its main address at Level 6, Chancellery Building, Universiti Sains Malaysia, 11800 USM, Pulau Pinang, Malaysia (hereinafter referred to as “USM”) of the second part.

# AAA and USM shall hereinafter be individually referred to as “Party” and collectively as “Parties”, where the context so requires.

WHEREAS:-

A. USM is Malaysia’s premier research university which strives to enhance and strengthen its educational programs and has taken various initiatives to complement its educational excellence. With its research and teaching facilities, experience, and a multi-disciplinary team of experts from among its staff members, USM has entered into various collaborative arrangements with other parties in its efforts to enhance its research content and strengthen its industrial networking.

B. AAA is a \*\*\*.

C. USM has the expertise to carry out a research on \*\*\* (hereinafter referred to as “Project”) and AAA is desirous of funding the Project.

D. The Parties are entering into this Agreement to stipulate the terms and conditions upon which the collaboration contemplated herein shall be regulated.

THE PARTIES AGREED as follows:

# ARTICLE 1

# OBJECTIVE AND SCOPE OF PROJECT GRANT

* 1. The Parties hereby agree to conduct the Project, subject to the terms of this Agreement and the laws, regulations, rules and national policies in force from time to time, relating to the Project.
  2. The Project shall cover the following scope:

1. \*\*\*
2. \*\*\*
3. \*\*\*

# ARTICLE 2

# RESPONSIBILITIES OF THE PARTIES

2.1 AAA shall be responsible to:-

1. provide to USM the funding for the Project in the sum stated in Article 3.1 herein;

* 1. USM shall be responsible to:-

1. implement the Project in compliance with the Protocol annexed hereto as Appendix A, and applicable laws, policies, requirements and guidelines applicable and /or relevant to the Project in terms of standard/quality and services as required;
2. coordinate and monitor the implementation of the Project and to submit to AAA –

(i) the Project Implementation Progress Report within sixty (60) days after the commencement of the Project; and

(ii) the Program Final Report, within thirty (30) days after the completion of the Project.

1. be responsible for ensuring that the assessment on this Project is done to ensure the success of the Project; and
2. provide relevant information required by AAA in connection with this Project.
   1. The researcher directing USM’s activities for the Project shall be **\*\*\*** (hereinafter referred to as “USM Researcher”) and the USM Researcher may be assisted by the following researcher(s) as appointed by USM (hereinafter referred to as “USM Co-Researcher”):
3. **\*\*\***
4. **\*\*\***
5. **\*\*\***

# ARTICLE 3

# PROJECT GRANT

3.1 In consideration of USM performing the Project and all the obligations contained herein, AAA shall finance the Project in the total sum of Ringgit Malaysia \*\*\* (RM\*\*\*) only (hereinafter referred to as “the Grant”) for all the works under the scope of the Project as stipulated in Article 1.2 above.

3.2 The Grant shall be disbursed to USM in the following manner:

1. 10% to be paid upon the signing of this Agreement;
2. \*\*\*% to be paid within \*\*\*;
3. \*\*\*% to be paid within \*\*\*.

3.3 The Grant shall only be used by USM for the purpose of the Project.

3.4 The Grant shall not be used for any other purposes without AAA’s prior written consent and if the Project is finally due and/or discontinued for any reason whatsoever, the balance of the Grant, if any, shall be transferred to USM’s Endowment Fund.

# ARTICLE 4

# PROTECTION OF THE INTELLECTUAL PROPERTY RIGHTS

4.1 The ownership of all information, data, results and Reports regardless whether it contains or relates to new development or improvement, shall be jointly owned by AAA and USM in such proportion to be agreed upon between the Parties after completion of the Project.

4.2 The use of names, acronyms, logos and/ or official emblem of any Party in any publication, document and/or paper is prohibited without the prior written approval of the other Party.

4.3 AAA recognizes that the data, results, and information arising from the Project may be useful to USM’s research interests and USM may in its interest publish its work relating to the Project. USM further recognizes that it is in the interest of AAA to protect certain intellectual property owned by AAA. Therefore, the Parties agree that, USM shall be permitted to publish certain data, results, and information arising with the prior written consent of AAA, of which such consent shall not be unreasonably withheld. Furthermore, AAA shall have the option of receiving an acknowledgement in USM’s publication of its contribution.

# ARTICLE 5

# CONFIDENTIALITY

5.1 The Parties shall undertake to maintain the confidentiality of the Reports, documents, materials, information and any data received or provided under this Agreement (collectively referred to as “**Confidential Information**”) and shall not disclose, divulge, reveal or distribute any information, documents and data to any third party except with the prior written consent of the other Party. Both Parties agree to use the same degree of care to protect the Confidential Information of the other Party, but no less than a reasonable degree of care, to prevent the unauthorized disclosure of the Confidential Informationas each Party uses to protect its own information of similar nature. Both Parties shall make Confidential Information available only to those of its relevant employees and officers who need to have access to the same for the purpose of this Agreement and shall obligate such employees and officers to strictly observe and abide by confidentiality and non-use obligations hereunder, even for the time after their retirement, as far as legally permissible.

5.2 The restrictions set out in Article 5.1 does not apply to any information which is or subsequently becomes part of public domain otherwise than by breach of this Agreement or through an act of negligence or willful act by one Party or its employees or officers (including former employees or officers) or was already in the possession of one Party at the time of disclosure that was not acquired whether directly or indirectly from the other Party or this Agreement.

5.3 The Parties agree that the provisions of this Article shall continue to be binding on both Parties after the expiration or termination of this Agreement howsoever arising.

# ARTICLE 6

# DISPUTE SETTLEMENT

Any dispute, difference or controversy arising out of or in relation to this Agreement shall be settled amicably by the Parties without involving any third party. If negotiations fail, the Parties shall refer the dispute, difference or controversy to a dispute resolution committee consisting of one (1) representative from USM, one (1) representative from AAA, and the Vice-Chancellor of USM. If the dispute referred to the dispute resolution Committee could not be settled by the Parties hereto within fourteen (14) days after the date the dispute is being referred to, then the Parties may refer the dispute to the relevant Court.

# ARTICLE 7

# EFFECTIVE DATE AND PERIOD

7.1 This Agreement shall be effective and valid for a period of \*\*\* (\*\*\*) years from the date of this Agreement.

7.2 This Agreement may be extended for such further period of time as mutually agreed in writing and signed by the Parties.

# ARTICLE 8

# TERMINATION

8.1 This Agreement may be terminated at any time by either Party by giving three (3) months written notice to the other Party.

8.2 Without prejudice to Article 8.1 and other legal and equitable rights and remedies of USM, either Party may terminate this Agreement at any time by notice in writing to the other Party, such notice to take effect as specified in the notice:

(a) if the other Party is in material or persistent breach of this Agreement (and, in the case of a breach capable of remedy within thirty (30) days, the breach is not remedied within thirty (30) days of the other Party receiving notice specifying the breach and requiring its remedy); or

(b) if:

(i) the other Party becomes insolvent or unable to pay its debts as and when they become due;

(ii) an order is made or a resolution is passed for the winding up of the other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction);

(iii) a liquidator, judicial manager, administrator, administrative receiver, receiver, or trustee is appointed in respect of the whole or any part of the other Party’s assets or business;

(iv) the other Party makes any composition with its creditors; or

(v) the other Party ceases to continue its business.

8.3 The termination of this Agreement shall be without prejudice to all accrued and continuing obligations of one Party towards the other Party incurred or agreed to prior to the date of termination.

8.4 On termination of this Agreement, USM shall return to AAA all the remaining, unused products provided by AAA to USM as well as unutiitlized, unused Grant provided by AAA to USM in advance in accordance with clause 3.4 herein.

# ARTICLE 9

# NOTICE

9.1 Any notice, approval, consent or any communications required under this Agreement shall be made in writing to any Party to the following address via an official letter and/or facsimile:

|  |  |  |
| --- | --- | --- |
| **For AAA** |  |  |
| Address | : | \*\*\* |
| Telephone no. | : | \*\*\* |
| Facsimile no. | : | \*\*\* |
| Attention | : | \*\*\* |
| Email | : | \*\*\* |

|  |  |  |
| --- | --- | --- |
| **For USM** |  |  |
| Address | : | \*\*\* |
| Telephone no. | : | \*\*\* |
| Facsimile no. | : | \*\*\* |
| Attention | : | \*\*\* |
| Email | : | \*\*\* |

9.2 If there is any change of address and/or facsimile number, the Party concerned shall immediately notify the other Party in writing.

9.3 The notice, approval, consent or any communications required under this Agreement shall be deemed to be received on the day of delivery (if hand delivered), on the day of acknowledgement of receipt by the recipient of the registered mail (if posted by registered mail) or upon receipt of successful transmission notice (if sent by facsimile). However, if any notice, approval, consent or any communications is given, on a day that is not a business day or after 5pm on a business day, in the place of the party to whom it is sent it is to be treated as having been given at the beginning of the next business day. "Business day" means any day other than a Saturday, Sunday or public holiday when banks are open for business.

# ARTICLE 10

# GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of Malaysia and the Parties agree to be subject to the exclusive jurisdiction of the courts of Malaysia.

# ARTICLE 11

# REVIEW, MODIFICATION AND AMENDMENT

11.1 Any Party may request in writing to make a revision, modification or amendment to any part of this Agreement.

11.2 Any review, modification or amendment as mutually agreed by the Parties shall be in writing and shall form as an integral part of this Agreement.

11.3 The revision, modification or amendment shall be effective on the date agreed by the Parties.

11.4 Any revision, modification or amendment shall not affect the rights and obligations arising from or based on this Agreement prior or up to the date of revision, modification or amendment is made.

# ARTICLE 12

# FORCE MAJEURE

12.1 Neither of the Parties shall be liable to the other Party for failure or delay in the performance of any of its obligations under this Agreement due to a cause beyond its reasonable control and without the fault of such impeded Party (hereinafter such cause will be referred to as “Force Majeure Event”), such event includes, but not limited to riots, civil commotions, wars (declared or not), hostilities between nations, laws, governmental orders or regulations, embargoes, earthquakes, storms, fires, explosions, strikes, sabotage, accidents, act of terrorism; provided that the impeded Party shall promptly inform the other Party not so impeded of the detail of such cause and both Parties shall discuss way of resolving the Force Majeure Event.

12.2 If either Party considers the of Force Majeure Event to be of such severity or to be continuing for such period of time that it effectively frustrates the original intention of this Agreement or for a period of sixty (60) days in the aggregate, then the Parties may agree that this Agreement may be terminated upon mutual agreement of the Parties, and accordingly clause 8.4 shall apply.

# ARTICLE 13

# ASSIGNMENTS

Except with the prior written approval of the other Party, neither Party shall assign or transfer the benefits or obligations of this Agreement or any part thereof.

# ARTICLE 14

# COSTS

Each Party shall pay its own administrative and legal costs incurred in respect of the preparation and execution of this Agreement.

# ARTICLE 15

# SEVERABILITY

Each Article hereof shall be deemed to be independent, and the invalidity of any such Article, which may be unenforceable as being contrary to the principles of law, shall not affect the validity of any other Article of this Agreement.

# ARTICLE 16

# WAIVER

The failure of any Party hereto at any time to require performance by any of the Party of any of the provisions of the Agreement, shall in no way affect the right of such Party to require performance of that provision, and any waiver by either party of any breach of this Agreement shall not be considered as a waiver of any continuing or succeeding breach of such provision. A waiver of any right or remedy under the Agreement or law is only effective if given in writing.

# ARTICLE 17

# ENTIRETY

This Agreement constitutes the entire agreement between the Parties hereto.

**ARTICLE 18**

**NON-DISCRIMINATION**

USM and AAA agree not to discriminate against any person because of age, sex, national origin, race, ancestry, colour, religious creed disability or handicap, and sexual orientation. Neither institution shall impose criteria for the exchange of staff and students that would violate the principles of non-discrimination.

**ARTICLE 19**

**LANGUAGE OF AGREEMENT**

If this Agreement is translated into another language, both texts would be deemed to be authentic but the English text would prevail in the event of a dispute.

**ARTICLE 20**

**COUNTERPARTS**

This Agreement may be executed in any number of counterparts and each such counterpart shall constitute an original of this Agreement. This Agreement shall not be effective until each Party has executed at least one counterpart.

**ARTICLE 21**

**SUCCESSORS-IN-TITLE**

This Agreement shall be binding on the respective heirs, personal representatives, receivers, successors-in-title and permitted assigns of the Parties hereto.

**ARTICLE 22**

**HEADINGS SCHEDULES AND APPENDICES**

22.1 The headings in this Agreement are included for convenience only and shall neither affect the construction or interpretation of any provision in this Agreement nor affect any of the rights or obligations of the Parties.

22.2 All schedules and appendices annexed hereto shall form part of this Agreement and shall be read, taken and construed as an essential part of this Agreement.

**ARTICLE 23**

**COSTS**

The Parties shall bear their respective legal fees in respect of the preparation of this Agreement but the stamp duty on this Agreement shall be equally borne by the Parties.

[ next page is the signing page ]

**IN WITNESS WHEREOF** the Parties hereto have by their authorized representatives set their hands the date and year first abovementioned.

|  |  |  |
| --- | --- | --- |
| Signed for and on behalf of  **AAA**  in the presence of :  .............................................................  [ **name & designation of witness** ] | )  )  ) | ...................................................................................  [ **name & designation** ] |
| Signed for and on behalf of  **UNIVERSITI SAINS MALAYSIA**  in the presence of :  .............................................................  [ **HOD’s name & designation**] | )  )  ) | ...................................................................................  **PROF. DATO’ SERI IR. DR. ABDUL RAHMAN MOHAMED, *FASc***  Vice-Chancellor |

**APPENDIX A**

**THE PROTOCOL**

[To incorporate the contents of the Protocol]