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| **Created by:**  [Sender. FirstName][Sender. Last Name]  [Sender. Company] |

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| **Prepared for:**  [Client. FirstName] [Client. Last Name]  [Client. Company] |

This Cooperative Agreement, effective date is made by and between company name (hereafter referred to as “Prime”), a state corporation, with offices at address, and subcontractor name (hereafter referred to as “SUBCONTRACTOR”) having its principal place of business at address.

**RECITALS**

WHEREAS, Prime will submit a proposal to client name (“the Client”) for services related to project name (the “Project”); and

WHEREAS, each of the parties hereto, having carefully assessed the capabilities and interests of the other, have concluded that a mutual effort in preparation of the proposal for the performance of the Project (the “Proposal”) would enhance the likelihood of a prime contract award to Prime and a subcontract award to subcontractor; and

WHEREAS, Prime and subcontractor, pursuant to the terms of this Agreement, have agreed to team in the pursuit of the Project, and

WHEREAS, subcontractor, pursuant to the terms of this Agreement, has agreed to team exclusively with Prime, in pursuit of the Project, and

WHEREAS, Prime and subcontractor believe such a teaming arrangement (the “Agreement”) would be commercially beneficial to both parties for the procurement and performance of the Project;

NOW THEREFORE, in consideration of the mutual covenants and promises herein set forth, the presentation by Prime to the Client of a proposal including subcontractor services as a subcontractor, and other good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the parties hereto agree as follows:

Article I. Proposal Preparation

1. SUBCONTRACTORwill (i) provide appropriate and high-quality personnel and use its best efforts to prepare and submit to Prime such technical and cost data as are required for use in preparing the Proposal to be submitted to the Client which covers the work as mutually agreed by the parties, and as defined in Attachment A.  Such data and support include:

1. Resumes of key personnel to perform on the Project (if requested by Prime);  
   
2. Corporate Capabilities statements;  
   
3. Description of applicable SUBCONTRACTOR products and services;  
   
4. Participation in Prime proposal meetings;  
   
5. Participation in proposal reviews (if requested by Prime);  
   
6. Pricing data;  
   
7. Customer presentation (if requested by Prime); and  
   
8. Providing periodic questions-and-answers via telephone.

2. Prime and SUBCONTRACTOR shall each prepare, in the form specified by the Prime, a Cost proposal for inclusion in the final Proposal.  Prime and SUBCONTRACTOR shall each write portions of the technical portion of the Proposal as agreed to between Prime and SUBCONTRACTOR and provide information regarding its corporate experience and personnel to the other party as needed or required to prepare the final Proposal.

3. Prime and SUBCONTRACTOR shall ensure timely receipt by the other party of all assigned materials prepared by that party for inclusion in the Proposal for submission to the Client

4. Prime shall integrate data and materials furnished by SUBCONTRACTOR with other elements of the Proposal, prepare the final Proposal, and submit the Proposal to the Client. Final discretion and responsibility for decisions affecting the contents of the Proposal shall rest with Prime.

5. Prime shall propose SUBCONTRACTOR as a subcontractor, and shall use reasonable business efforts to obtain Client approval of the Proposal as submitted by Prime, including SUBCONTRACTOR contribution thereto, and to obtain award of the prime contract from the Client.

6. SUBCONTRACTOR shall not offer exclusive professional services/products to other offerors or directly to the Client, for any part of the Project, without prior written agreement from Prime

Article II. Relationship of the Parties

1. The parties shall act as independent contractors and neither party shall act as agent, representative, or partner of the other party; or, except as expressly provided herein, have any authority to bind the other party, for any purpose whatsoever; and the employees of one party shall not be deemed employees of the other.

1. Prime shall be the prime contractor and SUBCONTRACTOR shall be a subcontractor in the performance of a prime contract resulting from the Proposal, if awarded to Prime, subject to the approval provisions in this Agreement.  Prime and SUBCONTRACTOR agree to assume contractual responsibilities as mutually agreed to by the parties after the Client’s analysis of the Proposal.
2. Throughout the Proposal submission and negotiation process, Prime shall operate as the point of contact with the Client.  If required, SUBCONTRACTOR will have the opportunity to be present at all key discussions and conferences with the Client at which SUBCONTRACTOR efforts and contributions will be a topic, subject to Client approval.

1. During the life of this Agreement, SUBCONTRACTOR shall not perform the work required of it under this Agreement for any other Project bidder or for the Client and shall not independently submit a proposal for the Project or any part thereof to the Client.

Article III. Program Performance Activities

1. The parties shall, in good faith, negotiate and execute a subcontract for performance of those portions of the Project which correspond to SUBCONTRACTOR’s contributions to the Proposal (the “Subcontract”), provided that: (1) Prime is awarded the prime contract for the Project (the “Prime Contract”) and (2) the Client approves of the award of such subcontract to ­­­­­­­­­­­­­­­­­­­­ SUBCONTRACTOR. Such Subcontract shall include required flow‑down terms and conditions as they are set forth in the prime contract; applicable contract clauses including, but not limited to, negotiated Liquidated Damage provisions; statutes and regulations as set forth in the prime contract; a provision encompassing the terms and conditions outlined in Article VI.A. below; and such other terms and conditions as may be mutually agreed to. SUBCONTRACTOR further acknowledges that Prime will flow down all applicable provisions of the Prime Contract to ensure compliance with Prime Contract operational capabilities, response time, and similar requirements specified by the Client.
2. Prime and SUBCONTRACTOR recognize the competitive nature of this procurement/Proposal. Each party is assigned primary responsibility for execution of specific delivery functions. Primary responsibility for delivery entails adhering to the approach described in the technical proposal to prepare the delivery functions specified (“Delivery”). As such, SUBCONTRACTOR shall propose prices, in the form specified by Prime, for the performance of assigned delivery functions.  SUBCONTRACTOR acknowledges that Prime’s proposal is made in reliance on these prices. Should the Client, as a part of the negotiations of the Prime Contract, require modifications of the Proposal which consist of or result in price adjustments affecting products and services to be supplied by SUBCONTRACTOR, Prime and SUBCONTRACTOR each agree to negotiate in good faith to achieve mutually acceptable price adjustments.
3. As Prime Contractor, Prime shall have overall program management responsibility, and control and coordinate all activities and deliverables under the contract, including, but not limited to, the final review, approval and delivery of contract deliverables to the Client. SUBCONTRACTOR will, as a subcontractor, provide support in the areas defined in Attachment A.
4. Prime agrees to the continued participation of SUBCONTRACTOR in prime contract options PROVIDED that SUBCONTRACTOR has performed in accordance with its oral and written representations to Prime and the Client, has been approved by the Client for each contract option, and has met the performance standards of the industry.  SUBCONTRACTOR agrees to continue its participation with Prime for all Project related options PROVIDED that Prime has performed in accordance with its oral and written representations to SUBCONTRACTOR and the Client and has meet the standards of the industry. Failure by either party to meet the foregoing shall constitute a refusal or failure to perform in a material fashion a portion of this Agreement as used within Article VIII.D., below.
5. Each party agrees that during the period of performance of this Agreement, and for one year thereafter, neither party hereto shall, without prior written consent of the other party, solicit for hire, or knowingly allow its employees to solicit for hire any of those employees of the other party or its affiliates. Further, both SUBCONTRACTOR and Prime agree to include this provision in any subcontract to be awarded under the terms and conditions of the Agreement.

Article IV. Costs: Indemnity

1. Each party agrees that it shall bear its own costs and expenses of whatsoever nature incurred in the preparation of the Proposal and all components thereof and otherwise in connection with the performance of its obligations under this Agreement.
2. The parties hereby agree (and shall include in the Subcontract provisions stating) that each party shall indemnify the other against any loss, cost, or damage (including reasonable attorneys’ fees but excluding unforeseeable or consequential damages) incurred by the indemnified party as a result of claims or actions brought against the indemnified party and attributable to the breach by the indemnifying party of any of its obligations, warranties or representations under this Agreement or the Subcontract.  To qualify for such indemnity, the indemnified party must give written notice, within five (5) working days of receipt of such claim, to the indemnifying party; and allow the indemnifying party to control the defense and settlement thereof and all related negotiations and fully cooperate with the indemnifying party in such defense and settlement.

Article V. Proprietary and Confidential Information

1. The parties anticipate that, under this Agreement, it may be necessary for either to transfer to the other information of a proprietary or confidential nature (the “Proprietary Information”). Such information shall be clearly identified by the disclosing party at the time of disclosure or pursuant to other agreements between the parties, unless, by its contents and nature it would be considered proprietary or confidential by a reasonable person familiar with the subject matter of the Project or this Agreement. The parties acknowledge that any such information is confidential and/or proprietary.  SUBCONTRACTOR acknowledges that all Client information disclosed to SUBCONTRACTOR by Prime is considered Proprietary Information of Prime.
2. Each party agrees that it will use all reasonable and prudent efforts to protect the Proprietary Information of the other party. Disclosure of such information shall be restricted to those individuals who are directly participating in the preparation of the Proposal and in the Project and as permitted pursuant to Paragraph C. below.
3. Neither party shall make any reproduction, disclosures or use of the other party’s Proprietary Information except as follows: (1) Proprietary Information furnished by Prime may be used by SUBCONTRACTOR solely in performance of its obligations under this Agreement with respect to preparation of materials for the Proposal; (2) Proprietary Information furnished by SUBCONTRACTOR may be used by Prime solely in performance of its obligations under this Agreement with respect to preparation of the Proposal and may be included in the Proposal with the prior written consent of SUBCONTRACTOR; and (3) Proprietary Information may be used as expressly permitted by a written authorization signed by an officer of the disclosing party.
4. Subject to any other agreements between the parties, which shall remain in full force and effect, the limitations on reproduction, disclosure, or use of Proprietary Information shall not apply to, and neither party shall be liable for reproduction, disclosure, or use of, Proprietary Information with respect to which any of the following conditions exists:

1. Prior to the receipt thereof under this Agreement, it has been developed independently by the party receiving it, or was lawfully known to the party receiving it, or has been lawfully received from other sources, including the disclosing party or the Client, provided that such other source did not receive it due to a breach of this Cooperative Agreement or any other agreement between the parties.

2. Subsequent to the receipt thereof under this Agreement (a) it is published by the disclosing party or is disclosed by the disclosing party to third parties, including the Client, without restriction; (b) it has been lawfully obtained by the party receiving it from other sources, including the Client, without restriction, provided that such other source did not receive it due to a breach of this Agreement or any other agreement between the parties; or (c) if such information otherwise comes within the public knowledge or becomes generally known to the public without fault of the receiving party.

1. Neither the execution and delivery of this Cooperative Agreement nor the disclosure of any Proprietary Information by either party to the other shall be construed as granting to the other party either expressly, by implication, estoppel, or otherwise, any license for any purpose under any invention, patent, trademark, or copyright now or thereafter owned or controlled by the disclosing party.
2. Notwithstanding the expiration of the other portions of this Agreement, the obligations and provisions of this Article shall continue unless terminated in writing by both parties.

Article VI. Rights in Materials

1. It is recognized and agreed that the parties may be required, pursuant to the Prime Contract or the Subcontract, to license or otherwise grant to the Client rights to materials, data, and information produced pursuant to the Prime Contract and/or the Subcontract. With respect to any such materials, SUBCONTRACTOR shall take such action as may reasonably be requested by Prime to convey or confirm rights in such materials.

Article VII.  Rights Regarding Copyrights

1. It is mutually agreed that neither party shall acquire directly or by implication any rights in the data and copyrights of the other party hereto, including, but not limited to, copyrights in works of authorship, including software, firmware or other forms of computer programs, created prior to the date of this Cooperative Agreement.
2. Except as provided for in Article VI.A., any rights in data or copyrights in works of authorship, including software, firmware or other forms of computer programs, created by one or more employees of one of the parties hereto during the term of this Agreement shall be the sole property of that party. Copies of data and works of authorship released by the party owning such to the other party hereto (“the receiving party”):
3. shall be treated by the receiving party in accordance with Article V ‑ “Proprietary and Confidential Information” of the Agreement; and
4. shall be treated by the receiving party in accordance with the applicable U.S. Copyright Laws whenever such copies bear a statutory copyright notice.
5. Except as provided for in Article VI.A., it is mutually agreed that any rights in data and copyrights in works of authorship created jointly by one or more employees of one party with one or more employees of the other party in the course of work under this Agreement shall be jointly owned by the parties with each party owning an undivided one‑half interest in all such joint rights in data and copyrights. The cost of preparing, filing, and maintaining registrations for such jointly owned copyrights shall be borne by the party electing to apply for registration. The other party shall, and hereby agrees to, furnish the filing party with all documents, papers, assignments, or other assistance that may be necessary in the filing and maintenance of each such application and registration resulting therefrom.
6. Nothing in this Article VII shall be deemed to supersede or conflict with any rights of the Client under and pursuant to the Prime Contract.

Article VIII. Termination of Agreement

1. Except as otherwise provided in Article V of this Agreement and unless extended by mutual written agreement of the parties, this Agreement shall automatically terminate upon the occurrence of any of the following events, whichever shall first occur:
2. Official response from the Client that it will not award to Prime a prime contract for the Project (but following final resolution of any protest or litigation concerning such determination).
3. Official publication by the Client of the award of a prime contract or contracts for the Project to a bidder or bidders other than Prime (but following final resolution of any protest or litigation concerning such determination)
4. Client disapproval of the selection of SUBCONTRACTOR, or Client direction to Prime to select a contractor other than SUBCONTRACTOR for the work identified as SUBCONTRACTOR’s responsibility in the Proposal; provided that upon Prime’s first receipt of notice (whether written or oral) that the Client intends to take such action, Prime shall so inform SUBCONTRACTOR and to the extent permitted by the Client, SUBCONTRACTOR shall have the opportunity to respond to Client issues causing this disapproval, and collectively with Prime, use prudent business efforts to persuade the Client to select SUBCONTRACTOR.
5. The elapsing of twelve months from the effective date of this Agreement, provided, however, that the Agreement shall be automatically extended if no decision or official announcement of a prime contract award or award of a contract for the work identified as Prime’s and SUBCONTRACTOR’s responsibility in the Proposal has been made by the Client within twelve months from the effective date of this Agreement. Such extension shall continue for a period of 30 days after a decision or official announcement is made by the Client or until terminated by written agreement of the parties.
6. Prior to award, upon mutual agreement by the parties, the Proposal prepared hereunder may be withdrawn, precluding any competitive proposal or effort related to this Project by either party.
7. If either party is purchased by any other business entity that would have a negative or adverse effect on securing a contract with the Client, the other party may terminate this Agreement.
8. If at any time during the term of this Agreement either party refuses or fails to perform in a material fashion any portion of this Agreement, and fails or refuses to correct said action or lack of action within thirty (30) days after receipt of written notice, the other party may, upon thirty (30) days written notice, terminate this Agreement.

Article IX. Limitation of Liability

1. Unless the loss or damage is caused by the misappropriation or wrongful disclosure by either party of the other’s intellectual property rights or confidential business information, neither party shall in any event be liable for any loss of revenue or profits or loss of goodwill or for any other indirect, special, incidental, or consequential damages suffered by the other party in connection with this agreement.  Subject to the foregoing, direct damages shall not exceed reimbursement of the costs and expenses incurred by the damaged party in the preparation of the proposal and performance of this agreement. The parties agree that a breach of the obligations set forth in this agreement by either party would be likely to cause irreparable injury to the other which could not be compensated by money damages alone and that each party shall be entitled to seek and obtain temporary and permanent injunctive relief to prevent such injury.

Article X.  Publicity

1. SUBCONTRACTOR is not authorized to make any press release or any other written or oral public announcement regarding the Project, the Client, the Proposal, or this Agreement, including the Prime Contract or the Subcontract, except with the express written permission of Prime and the Client.  Nothing in this Agreement shall be deemed to authorize either party to make any press release or any other written or oral public announcement regarding any other agreement between the parties, except with the express permission of the other party.

Article XI.  Commitments

1. Nothing in this Agreement shall be deemed to grant to either SUBCONTRACTOR or Prime the right to make commitments for or on behalf of the other party without the express prior written consent of the other party.

Article XII Entire Agreement; Assignment; Governing Law

1. This Agreement contains the entire agreement and understanding between the parties as to a teaming arrangement for the Proposal and supersedes any prior oral or written agreements, commitments, understandings, or communications with respect to the subject matter of this Agreement.  This Agreement may be modified or amended only by a written instrument executed by both Prime and SUBCONTRACTOR. Neither party shall assign this Agreement, in whole or in part, without the prior written approval of the other party. Any action to enforce this Agreement shall be brought in the state of state.

In Witness Whereof, this Cooperative Agreement is duly executed by the duly authorized representatives of the parties as set forth below.

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| Company Name | Subcontractor Name |