

LATeRAL PROGRAM

MEMBERSHIP AGREEMENT

The Agreement is made this 31 day of October, 2014, by and between Purdue University (hereinafter called "PURDUE") and Colfuturo (hereinafter called "MEMBER").

WHEREAS the parties to this Agreement intend to join together in a cooperative effort to support the Latin American Technical, Research and Administrative Leaders Program (hereinafter called "LATeRAL") at PURDUE to address research, development, and innovation needs as well as human and institutional capacity building requirements of LATeRAL MEMBERS and at the same time provide PURDUE with strengthened strategic partnerships toward this goal; and

WHEREAS the partnership covered under this Agreement will further the instructional, research and public service mission of PURDUE in a manner consistent with its status as a non-profit, tax exempt, educational institution and will derive benefit for all members of LATeRAL.

NOW, THEREFORE, for the mutual benefits and considerations each to the other, the parties hereto agree to the following terms and conditions:

A. LATeRAL will operate under the direction of a director ("LATeRAL DIRECTOR"), reporting to the Chief Corporate and Global Partnerships Officer at Purdue University. LATeRAL will be supported jointly by industrial firms, universities, governments, nongovernmental organizations, PURDUE'S Office of Corporate and Global Partnerships, and other organizations.

B. MEMBERSHIP

B.1 The normal membership fee is waived for non-profit organizations, including non-government organizations (NGOs) and universities. In lieu of a monetary membership fee, MEMBER agrees to provide "in kind" contributions in consideration for the benefits derived from MEMBERSHIP in LATeRAL. These contributions include:

B.1.a Financial support for students enrolled in graduate programs at Purdue, including student support grants as described in Appendix I.

B.1.b Potential partnerships with government ministries, corporate foundations or other organizations to leverage available financial resources for graduate student support.

B.2 The annual membership period is July 1 of a given year to June 30 of the following year.

B.3 In cases where MEMBER is acting as an agent/intermediary for a for-profit company, e.g. to manage financial arrangements for employees of said company to enroll in graduate programs at Purdue, the company must also be a LATeRAL member in order to qualify for the advantaged cost model described herein.

C. CONFIDENTIAL INFORMATION

The parties do not intend for the exchange of confidential information as part of the activities covered under this Agreement. If a need for the exchange of confidential information arises during the term of this Agreement, the parties agree to state in writing at the time of delivery that such information is confidential, or if given orally, so state at the time given as confidential and reduce to writing within 30 days of the oral disclosure. Both parties agree to manage confidential information pursuant to a standard of care normally given to sensitive or confidential information. When further warranted or requested by either of the parties hereto, acceptable forms of a Non-Disclosure Agreement will be executed as further evidence of the mutual commitment.

D. INTELLECTUAL PROPERTY

It is anticipated that development leading to commercially viable products/processes will generally be performed by LATeRAL MEMBERS rather than through the LATeRAL Program. If intellectual property is developed through LATeRAL, the following policies shall apply:

D.1 MEMBER does not claim ownership or co-ownership of patent, copyright and trade secret rights which result from research conducted by PURDUE, including graduate students enrolled at PURDUE and supported under the LATeRAL student support grant model.

D.2 In cases involving specific research agreements between the MEMBER and PURDUE, intellectual property agreements will be defined within the specific research agreements.

D.3 No licenses to use background intellectual property rights shall be established by virtue of LATeRAL membership. Any right not expressly granted to MEMBER under this Agreement is expressly reserved by PURDUE.

E. PUBLICATION POLICY

PURDUE students and employees shall have the right to publish in professional journals or at conferences the results of activities performed at PURDUE, including activities under the LATeRAL program.

F. An Industrial Steering Committee (ISC) will be established to comprise one representative from each corporate, dues-paying member of LATeRAL plus additional members, at the discretion of the LATeRAL DIRECTOR. The ISC shall advise the LATeRAL DIRECTOR on:

- (a) The professional development and networking programs conducted by LATeRAL
- (b) LATeRAL programs aimed at fostering public/private partnerships
- (c) Other LATeRAL activities, as identified by LATeRAL DIRECTOR

G. PURDUE agrees to provide LATeRAL MEMBERS with an annual report of LATeRAL activities.

H. NOTICES

Notices and communications will be addressed to the Party to receive such notice or communications at the address given below, or such other address as may hereafter be designated by notice in writing:

If to MEMBER:

If to PURDUE for
fiscal
matters

Sponsored Program Services Contracting
Purdue University
155 S. Grant Street
West Lafayette, Indiana 47907
Phone: 765.494.1058
Email: spscontr@purdue.edu

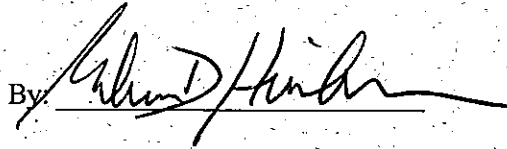
If to PURDUE:
for technical
matters

LATeRAL Director
Purdue University
Office of Global Affairs
Hovde Hall, Room 130
610 Purdue Mall
West Lafayette, IN 47907-2040
Phone: 765.494.3200

- I. MEMBER will not use the name of PURDUE or other LATeRAL MEMBERS or any member of PURDUE or other LATeRAL MEMBERS in any publicity, advertising, or news release without the prior written consent of the other. MEMBER will not state or imply that PURDUE has tested or approved any product or process.
- J. EXPORT CONTROL
The rights and obligations of the parties under this Agreement shall be subject in all respects to United States laws and regulations as shall from time to time govern embargoes and the license and delivery of technology and products abroad, including International Traffic in Arms Regulation and the Export Administration Regulation, as they may be amended from time to time, and any other applicable regulations issued by the United States Department of State, Department of Commerce, and Department of Treasury. If Confidential Information to be disclosed is known to be export controlled, the parties agree, at disclosure, to identify and label the information as export controlled specifying which authority (EAR or ITAR) governs the restriction and providing the Export Control Classification Number (ECCN) for all information restricted under the EAR.
- K. MEMBER shall immediately notify LATeRAL DIRECTOR if MEMBER or any of MEMBER'S employees performing in relation to this Agreement is, or becomes, listed in any Denied Parties List or if MEMBER'S export privileges are otherwise restricted, suspended or revoked in whole or in part by any U.S. Government entity or agency

- L. MEMBER and its agents and employees shall at all times (i) observe all Purdue rules and regulations while on Purdue property, including but not limited to rules and regulations designed to protect the safety of persons and property, and (ii) not violate any Federal or State laws or regulations while on Purdue property.
- M. Each distinct collaboration program or activity, including visiting scholar/scientist activities, will be described in a separate activity agreement drawn up jointly and signed by authorized signatories of each party. Such agreements will specify the names of those individuals on each campus responsible for the implementation of the program and set forth all terms and conditions associated with the activity.
- N. **PERIOD OF AGREEMENT**
This Agreement shall be effective July 1, 2014 and will remain in force for a period of five years. This Agreement may be renewed beyond five years by mutual written agreement. In addition, either party may terminate the Agreement by providing 6-month written notice to the other party.
- O. **MEMBER RESPONSIBILITIES**
Responsibilities of MEMBER are detailed in Exhibit A, Appendix I and Appendix II attached hereto.
- P. **FINANCIAL OBLIGATION AND PAYMENT**
The cost of membership for MEMBER is as described in Article B.1. The financial support provided by MEMBER along with a payment schedule is detailed in Appendix II.
- Q. **NONDISCRIMINATION**
PURDUE and MEMBER agree that no person shall on the grounds of race, color, national origin, gender, sexual orientation, or creed be excluded from participation under the terms of this Agreement.
- R. **MODIFICATION**
The terms of this Agreement may be changed or modified only by written amendment signed by authorized agents of the parties hereto.
- S. **PREVAILING LANGUAGE**
Should this document be executed in two languages, the English version of this Membership Agreement represents the understanding of both Parties. Any other version is provided as a translation. In the event of conflict between the two versions, the English version will prevail.
- T. This instrument contains the entire Agreement between the parties with respect to the subject matter hereof. If MEMBER issues a purchase order to initiate the Project, the terms of this Agreement supersede the terms of the purchase order. No modification to the terms of this Agreement shall be valid unless made in writing and signed by authorized representatives of the parties. This Agreement is governed according to the laws of the State of Indiana.

PURDUE UNIVERSITY (PURDUE)

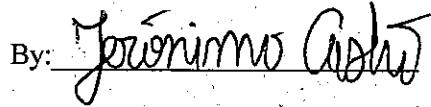
By: 

Printed Name: E. Daniel Hirleman

Title: Chief Corporate & Global
Partnerships Officer

Date: Oct 31, 2014

COLFUTURO (MEMBER)

By: 

Printed Name: Jerónimo Castro Jaramillo

Title: Executive Director

Date: 31st October, 2014

EXHIBIT A

Member Benefits:

- Access to advantaged cost model for graduate students supported by MEMBER, in the form of a student support grant model (described in Appendix I). Specific financial arrangements for each incoming cohort of students will be defined under a separate contract.
- Supported graduate students can participate in professional development and networking activities of LATeRAL
- Invitation for MEMBER to participate in LATeRAL activities, including annual event at Purdue and professional development/networking events
- Invitation for MEMBER to participate in external advisory role
- Opportunities for additional collaboration/partnership activities with Purdue (to be defined in separate partnership agreements)

Member Responsibilities:

- In-kind support, including financial support of graduate students enrolled at Purdue, participation by MEMBER employees in LATeRAL events and advisory activities, and/or other partnership activities to be defined in separate agreements.
- Designated technical and administrative/financial points of contact for interactions with Purdue
- In addition to typical member responsibilities, Colfuturo provides services for students, including information sessions, academic counseling and resource catalog. Services provided for students outside of Bogota promote participation from throughout Colombia.

Purdue Benefits:

- Participation of MEMBER personnel in LATeRAL activities
- Opportunities for additional collaboration/partnership activities with MEMBER (to be defined in separate partnership agreements)
- Potential for business investment in Purdue programs or Indiana business partnerships
- Potential to perform research projects on behalf of LATeRAL

Purdue Responsibilities:

- Administer the initiation, growth, operation and management of the LATeRAL Program (Office of Global Affairs (OGA)).
- Provide logistical support for applicants supported by MEMBER, including information on applications procedures, living costs and on-campus housing options and required documentation for visa applications (Colombia-Purdue Institute (CPI) and International Student Services (ISS))

- Define and implement professional development activities for graduate students participating in the LATeRAL program (CPI, Graduate School, and other programs)
- Designated technical and administrative/financial point of contact for interactions with MEMBER (Sponsored Program Services (SPS), CPI and OGA).
- Upon request, assist MEMBER personnel in making contacts with Purdue faculty and staff for graduate programs, research, technology transfer and educational/training activities (CPI, OGA)

Appendix I. Proposed grant model for graduate students supported by Colfuturo

I.A. Overview

Student support grant model for graduate students in “Latin American Technical, Research and Administrative Leaders (LATERAL)” Program

As a key partner with the Colombia-Purdue Institute, an affiliated organization in Purdue’s Latin American Technical, Research and Administrative Leaders (LATERAL) program, Colfuturo is eligible to receive membership in LATERAL. Member benefits include the proposed graduate student support grant model as well as opportunities to participate in events at Purdue.

Member organizations (universities, companies, agencies, NGOs) in the LATERAL program are eligible to receive an advantaged cost model for support of students enrolled in graduate degree programs at Purdue University. Under this advantaged cost model, the sponsor provides a student support grant to Purdue University, providing funding for stipend, graduate fee remit (and other mandatory fees), medical insurance and a modest program fee to cover costs of administering the program. The administrative cost is included in the proposed budget for 2014-2015. The LATERAL model would reduce the annual sponsor costs substantially with respect to the standard graduate fellowship/scholarship model (tuition/fees/stipend), as no tuition is assessed. All of the sponsor funds go towards supporting the student’s education at Purdue. A worksheet comparing the costs for the student support grant model with those for a standard tuition/stipend model (assuming the same stipend level to the student in each case) is presented in Section I.D.

I.B. LATERAL Program Criteria

The LATERAL graduate student support grant model would be appropriate when the following criteria are met:

- Support is for graduate students
- The support is primarily for training of the student
- The grant does not involve directed research or specific research deliverables to the sponsor
- Intellectual property will be assigned to Purdue, as is typical for graduate student research conducted at the university
- The sponsoring organization is a LATERAL member
- Purdue college/department (in student’s major area) agrees to participate in the program
- Students admitted to graduate degree programs offered by Purdue will submit a Loan-Scholarship application to Colfuturo, following the normal application procedures and meeting all the standard requirements established by Colfuturo.

- Students who are offered a place for full-time graduate studies at Purdue and who are selected as beneficiaries of the Loan-Scholarship Program of Colfuturo will be eligible or considered for the shared financing under this agreement.

I.C. Additional information on LATeRAL program:

<http://www.purdue.edu/globalaffairs/strategic/index.html>

I.D Proposed Funding Models for Colfuturo (MS programs)

A number of MS program at Purdue can be completed in 4 academic year (AY) semesters, i.e. Fall-Spring-Fall-Spring. A more complete description of thesis versus non-thesis options is presented in Section I.E. The baseline funding model for Colfuturo would consist of:

- a) A student support grant from Colfuturo to Purdue, which would cover “sponsor costs” for 4 AY semesters. This grant would include funds for a “quarter-time” research assistantship, which would cover a portion of living expenses for student.
- b) Students would be responsible for obtaining separate funding to cover additional living expenses, medical insurance, mandatory Purdue fees beyond those covered in grant agreement (if applicable), books/supplies and transportation costs. Such funding could be from a loan, family assets, company or other foundations/agencies. Students would be required to show proof of this additional funding in order to obtain US student visas.

In comparison to a standard tuition model, the student support grant reduces the overall cost (sponsor plus student) of a 4-semester program from approximately US \$97,000 (tuition/fees/insurance/living costs) to approximately US \$66,000 (for colleges listed in I.E). Figures quoted are for 4-semester program starting in Fall 2014.

The applicants for the Loan-Scholarship determine the amount to be requested from Colfuturo in accordance with Colfuturo’s policies and procedures. Colfuturo will provide financial support, in accordance with its policies and procedures, i.e. up to USD25,000 annually for a maximum financing of two years, or US \$50,000. In general, a student participating in this program would request the maximum amount (US \$50,000).

In the event that a given student receives supplemental funding from another LATeRAL member organization, arrangements can be made to coordinate the student’s support between Colfuturo and the other LATeRAL member providing the supplemental support.

In the event of early termination of either the main LATeRAL agreement or the student support grant, student supported under the grant will be allowed to complete the semester

in which they are currently enrolled, provided that sufficient funds remain in the grant account.

I.E. Status of Pre-Existing Agreements

Two pre-existing agreements between Colfuturo and Purdue address financial models for graduate students at Purdue with support from Colfuturo. These agreements are:

- a. Collaborative Agreement between Colfuturo and Krannert School of Management (started in 2011). This agreement covers a limited number of students each year for MBA programs in the Krannert School of Management.
- b. Memorandum of Understanding for Cooperation between Purdue University on behalf of its College of Engineering and Colfuturo (2010-2016). This agreement covers students enrolled in PhD and MS programs in the College of Engineering.

Both pre-existing agreements remain in effect through the stated expiration dates, subject to the review, renegotiation and termination provisions in the original agreements.

I.F. Annual Cost Comparison between Standard Tuition/Stipend Model and Student Support Grant Model (4 Academic Year Semesters, starting in 2014-2015)

I.F.1 Standard Tuition/Stipend Model –

The costs per student for a 4 academic semester program under a standard tuition/stipend model is presented below. This information is provided in order to allow comparison to the sponsor and student costs under the LATeRAL student support grant model (described in I.F.2 and I.F.3). All costs are stated in US dollars.

Full Tuition/Stipend Model	
Category	Total Cost (4 AY Semesters)
Tuition	\$56,000
Medical Insurance (sponsor cost)	\$1,476
Additional fees (differential fee for certain colleges, technology fees, student activity fee)	\$4,160 for Engineering (generally less for other colleges, except management)
Medical Insurance (student portion)	\$1,476
Living Expenses	\$24,960
Books and Supplies (estimate)	\$2,800
Transportation (2X annual trips to Colombia)	\$5,000
Total	\$96,662

I.F.2

Student Support Grant Model – 4 AY Semesters, Starting 2014-2015

This section summarizes the sponsor costs per student for the 4 AY semester program (see table below and associated notes). The “total sponsor cost” is the funding required in the student support grant to support a student through the 4-semester program.

The costs to students are itemized in Section I.E.3.

Sponsor Costs per Student

Student Support Grant Model	
Category	Cost - 4 AY Semesters
Graduate fee remit, mandatory student fees and program fee	\$30,340
Medical Insurance (sponsor cost)	\$1,476
Student Stipend	\$18,000
Total Sponsor Cost	\$49,816

Notes:

1. All costs itemized in above table reflect the 4-semester total.
2. "Student Support Grant" costs shown in the table are applicable only during time periods while the student support grant is in place and the funds designated for a given student have not been expended. During each semester covered under the grant agreement for a given student, PURDUE will make monthly stipend payments to the student provided that, for that student, i) COLFUTURO has agreed to future payments to cover the budgeted costs for that semester (up to the maximum committed amount) and ii) COLFUTRO has made previously scheduled payments.
3. The model employs a "quarter-time" stipend of \$1,000 per month (\$9,000 per academic year).
4. Mandatory student fees have been included in the sponsor costs (table above). The budgeted fee rate is sufficient to cover fees, including college differential fee, for the colleges listed in I.E.3.
5. Stated costs reflect 2014-2015 figures; actual costs in subsequent years will be adjusted based on university-approved fees, medical insurance and stipend costs. The graduate fee remit will be at the rate negotiated with the US government for the corresponding time period.

6. Under the student support grant model, Purdue will provide an itemized invoice to the sponsor at intervals described in the Agreement.

7. The program fee is included in table of sponsor costs (in line item with “graduate fee remit”). This fee will be used to cover the costs of logistical support and other programmatic costs associated with the LATeRAL program.

I.F.3 Student Costs Associated with MS programs, under LATeRAL model

As noted earlier, each student will be required to provide funds to supplement their living expenses, along with funds for mandatory student fees (beyond those included in sponsor cost, if applicable), medical insurance, books/supplies and transportation. The costs for various colleges are summarized at the end of this section.

Many departments have MS programs, with both Thesis and Non-Thesis options (not all departments offer Non-Thesis options). Note that specific requirements will vary from department to department.

Non-Thesis MS programs require 30-33 credit hours (typically 10-11 courses), depending on department. This program can typically be completed in 4 AY semesters (Fall-Spring-Fall-Spring). In most departments, graduate students are advised to take no more than 3 courses during an AY semester. Some departments have project/research requirements within their Non-Thesis MS program, and others require additional coursework (beyond 30 hours) and/or specific course sequences that dictate 4 AY semesters in the program (typically without a summer term). In general, non-thesis students would not be considered for supplemental funding (e.g. research assistantship or teaching assistantship).

Thesis MS programs typically require 18 credit hours of formal coursework (6 courses), plus 12 credit hours of thesis research (specific requirements vary by department). The formal coursework can typically be completed in 2 AY semesters (Fall-Spring). Following that, a student would concentrate on thesis research. In some cases, the thesis option could be completed in the same total time as the Non-Thesis program (e.g. 4 AY semesters), although additional work may also be required (e.g. during a summer term). Generally, a thesis-option is recommended for students interested in pursuing a PhD degree or in gaining experience with long-term research/development projects. However, it is important to note that a Thesis option is relatively open-ended, so some research projects may take longer.

Under the framework of a typical “quarter-time” Research Assistantship, a student would spend approximately 10 hours per week on a research project, under the supervision of a professor (thesis advisor). For students pursuing a thesis MS, this time would typically be

focused toward the student's thesis project and the student would receive course credit for a "thesis research" course. Early in their program, each student is encouraged to discuss thesis versus non-thesis options, potential thesis research topics or other research project courses with professors in their department.

It is strongly recommended that a student contact the appropriate Purdue department prior to starting their program in order to determine the relevant options (thesis versus non-thesis) and the typical time required to complete each type of degree. MS degree requirements and typical time to completion vary from department to department. Graduate program information for a given department can be found on that department's web page (accessible through www.purdue.edu, then select appropriate college and follow "departments" link to specific department). Departmental web sites also provide information on areas of specialization, including professors involved in each technical area. Students are strongly encouraged to contact Purdue professors in their area of interest to discuss thesis and non-thesis options as well as specific course recommendations. These discussions can generally be started prior to arrival at Purdue, but should be completed during the first few weeks at Purdue.

Costs: All costs stated within document represent costs for a 4-semester program (e.g. Fall-Spring-Fall-Spring semesters), starting in the 2014-2015 academic year. As noted above, actual time to complete a MS program may vary. Fees (including student fees and graduate fee remit) and medical insurance are set by the university each year.

Student Costs for 4-Semester Program (Fall, Spring, Fall, Spring)

The costs itemized below would apply to students enrolled in the following colleges:

- College of Engineering
- College of Science
- College of Agriculture
- College of Health and Human Sciences
- College of Technology
- College of Liberal Arts

Students enrolled in the Krannert School of Management are covered under a pre-existing agreement between Colfuturo and Purdue.

Itemized Costs for Single Students (based on 2014-2015 costs)

Mandatory Fees, including Differential Fees for colleges listed above: Included in sponsor cost.

Student portion of Health Insurance: \$1,480

Living Expenses (estimated for single student): \$24,960

Books and other course materials (estimated): \$2,800

Transportation – 2x annual trips from/to Colombia (estimated): \$5,000

Total Costs for Student:	\$34,240
Total Stipend Paid to Student (from grant):	<u>(\$18,000)</u>
Net Cost to Student:	\$16,240

Notes:

1. Living costs (shown above) are estimated at \$15,600 per calendar year for single student (prorated for 9 months per year). Married students should add \$6,500 per calendar year for spouse and \$3,250 per child (from Purdue financial aid data).
2. In addition to university-wide mandatory fees, certain colleges also assess “differential fees” for students enrolled in that college. For 2014-2015, the differential fees for the indicated colleges are included in sponsor cost. For students enrolled in MBA programs (Management), the fees are significantly higher, and student would be responsible for these fees.

Appendix II. Student Support Grant Agreement for Students Starting At Purdue in Spring 2015 (“Spring 2015 LATeRAL Cohort”).

The student support grant agreement will follow the terms and conditions set out in the LATeRAL Program Membership Agreement and Appendix I thereof. This grant agreement applies to the students listed below and is in effect for the Spring 2015, Fall 2015, Spring 2016 and Fall 2016 semesters. The participating students will be denoted as “Fall 2014 LATeRAL Cohort” for billing and record-keeping purposes.

The student(s) covered by this agreement is (are):

1. *(Name to be stated here)*
2. *(Name to be stated here)*

It is mutually understood that the listed students plan to enroll as full-time graduate students at Purdue, starting in the Spring 2015 semester.

Colfuturo agrees to provide funding in the amount listed in the table below.

Payment Schedule – Per Student, “Spring 2015 Cohort”	
Payment Date	Payment Amount
March 15, 2015	\$12,454
November 15, 2015	\$12,454
March 15, 2016	\$12,454
November 15, 2016	\$12,454
Total Sponsor Cost	\$49,816

If payment is not received within 30 days of due date, student stipend disbursement will be suspended and enrollment of the student in the subsequent semester will be withheld until payment is received.

Payments should be made in U.S. dollars by wire transfer to:

Purdue University
ACH ABA/Routing Number: 071000013 Swift Code CHASUS33
Account Name: Purdue University Incoming Electronic Payments
Bank Account Number: 5157579
Reference: Purdue #14119918