



EXECUTIVE DOCUMENT SUMMARY

State Form 41221 (R10/4-06)

Instructions for completing the EDS and the Contract process.

1. Please read the guidelines on the back of this form.
2. Please type all information.
3. Check all boxes that apply.
4. For amendments / renewals, attach original contract.
5. Attach additional pages if necessary.

1. EDS Number: A293-6-21FUND-15-241	2. Date prepared: 12/14/2015
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3. CONTRACTS & LEASES

<input type="checkbox"/> Professional/Personal Services	<input type="checkbox"/> Contract for procured Services
<input checked="" type="checkbox"/> Grant	<input type="checkbox"/> Maintenance
<input type="checkbox"/> Lease	<input type="checkbox"/> License Agreement
<input type="checkbox"/> Attorney	<input type="checkbox"/> Amendment# _____
<input type="checkbox"/> MOU	<input type="checkbox"/> Renewal # _____
<input type="checkbox"/> QPA	<input type="checkbox"/> Other APPLIED

FISCAL INFORMATION

4. Account Number: 43010-52900.572100	5. Account Name: IN 21ST CENTURY RESEARC
6. Total amount this action: \$50,000.00	7. New contract total: 50,000.00
8. Revenue generated this action: \$0.00	9. Revenue generated total contract: \$0.00
10. New total amount for each fiscal year:	
Year 2016	\$50,000.00
Year _____	\$ _____
Year _____	\$ _____
Year _____	\$ _____

TIME PERIOD COVERED IN THIS EDS

11. From (month, day, year): 12/15/2015	12. To (month, day, year): 12/15/2016
13. Method of source selection:	
<input type="checkbox"/> Bid/Quotation	<input type="checkbox"/> Emergency
<input type="checkbox"/> RFP# _____	<input checked="" type="checkbox"/> Other (specify) APPLIED
<input type="checkbox"/> Negotiated	<input type="checkbox"/> Special Procurement

35. Will the attached document involve data processing or telecommunications system Yes: IOT or Delegate has signed off on contract

36. Statutory Authority (Cite applicable Indiana or Federal Codes):
I.C. 5-28-18

37. Description of work and justification for spending money. (Please give a brief description of the scope of work included in this agreement.)
Purpose of this Grant is to enable the Grantee to perform, coordinate and supervise to completion the experiments, studies and commercialization plans as described in the research proposal contained in its grant application package submitted to the US Dept of Defense, Office of Naval Research, in connection with Grantee's federal SBIR/STTR Phase I Grant Award No. N00014-15-P-1112. Elevate Venture is the administering entity of this agreement for the benefit of IEDC.

38. Justification of vendor selection and determination of price reasonableness:
Grant is provided from the State through IEDC to the companies that are awarded for federal SBIR/STTR Phase I Grant, as a match. The maximum Grant amount to each Grantee shall not exceed \$50,000 on Phase I. The Grant Fund shall be used to develop surface treatments for the US Department of Defense. This includes solving the DoD's most complex corrosion and wear problems. IBC Materials & Technologies, Inc. and IBC Costings Technologies, Inc. have managed to commercialize and scale up technologies developed for Defense applications, including Plasma Electrolytic Oxidation (PEO) CoreTough™ coatings designed for wear resistance.

39. If this contract is submitted late, please explain why: (Required if more than 30 days late.)

40. Agency fiscal officer or representative approval 	41. Date Approved 1/8/2016	42. Budget agency approval AC	43. Date Approved 1/15/16
44. Attorney General's Office approval	45. Date Approved	46. Agency representative receiving from AG	47. Date Approved

AGENCY INFORMATION	
14. Name of agency: Economic Development Corp	15. Requisition Number: 000005810
16. Address: IN Economic Development Corp Central Office 1 N CAPITOL AVE STE 700 INDIANAPOLIS, IN 46204-2040	
AGENCY CONTACT INFORMATION	
17. Name: Georgia Chang	18. Telephone #: 317/230-8903
19. E-mail address: gchana@iedc.in.gov	
COURIER INFORMATION	
20. Name: Jackie Addison	21. Telephone #: (317)234-8741
22. E-mail address: jcaddison@iedc.in.gov	
VENDOR INFORMATION	
23. Vendor ID # 0000199953	25. Telephone #: (765) 482-9802
24. Name: IBC MATERIALS & TECHNOLOGIES	26. Address: 902 HENDRICKS DR LEBANON, IN 46052
27. E-mail address: info@ibccoatings.com	
28. Is the vendor registered with the Secretary of State? (Out of State Corporations, must be registered) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
29. Primary Vendor: M/WBE/IN-Vetera Minority: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Women: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No IN-Veteran <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	30. Primary Vendor Percentages 100.0 %
31. Sub Vendor: M/WBE/IN-Veteran Minority: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Women: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No IN-Veteran <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	32. If yes, list the %: Minority: _____ % Women: _____ % IN-Veteran _____ %
33. Is there Renewal Language in <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	34. Is there a "Termination for Convenience" clause in the document? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



**PHASE I FUNDING
GRANT AGREEMENT BETWEEN
INDIANA ECONOMIC DEVELOPMENT CORPORATION
AND
IBC MATERIALS & TECHNOLOGIES, LLC**

This Grant Agreement ("Agreement") is made and entered into by and between the Indiana Economic Development Corporation (the "IEDC"), for and on behalf of the Indiana Twenty-First Century Research and Technology Fund (the "Fund"), and IBC Materials & Technologies, LLC, an Indiana limited liability company ("Grantee"), and shall be dated as of the date of execution by the last signatory hereto (the "Effective Date"). Elevate Ventures, Inc. ("Elevate") is the administering entity of this Agreement for the benefit of the IEDC. The parties hereto agree as follows:

1. Purpose of Agreement; Scope of Work.

The purpose of this Agreement is to enable the IEDC to make a grant (the "Grant") from the Fund to Grantee in the amount of FIFTY THOUSAND AND 00/100 DOLLARS (\$50,000.00) (the "Grant Amount"), subject to the terms and conditions of this Agreement and Grantee's compliance with its obligations described herein. Grantee will use its best efforts to perform, coordinate and supervise to completion the experiments, studies and commercialization plans (the "Project") as described in the research proposal contained in its grant application package submitted to the U.S. Department of Defense, Office of Naval Research, in connection with Grantee's federal SBIR/STTR Phase I Grant Award No. N00014-15-P-1112, copies of which were provided to Elevate prior to the Effective Date (the "Proposal"), and the contents of which are incorporated herein by reference. The Grant shall be used exclusively in accordance with the provisions of this Agreement and Indiana Code § 5-28-16 *et. seq.* (establishing the Fund) and any rules adopted thereunder, for the implementation and furtherance of the Project and for no other purpose. Modification of the Project description or the Proposal will only be allowed in accordance with Section 11 of this Agreement or by a written amendment to this Agreement executed by both parties.

2. Term.

The term of this Agreement (the "Term") shall commence on the Effective Date and shall remain in effect until the end of the calendar year following the twelve (12) month anniversary of the Effective Date (the "Expiration Date"). Grantee may use the Grant funds only for allowable business costs and expenses incurred for the Project beginning on or after the Effective Date through the Expiration Date.

3. Reporting Requirements.

3.1 Grantee shall submit to Elevate copies of all materials that are required to be submitted by Grantee to a federal agency as part of Grantee's federal SBIR/STTR Phase I grant within fifteen (15) days following the date such materials are required to be filed with the federal agency. With respect to any materials submitted by Grantee to a federal agency as part of Grantee's federal SBIR/STTR Phase I grant prior to the Effective Date, Grantee shall submit to Elevate any such materials within fifteen (15) days following the Effective Date.

3.2 During the Term and for the one (1) year period following the Expiration Date, Grantee shall deliver to Elevate reports summarizing Grantee's technology development, business development, and other indicators of economic impact (such as job creation, leveraging results, etc.) on a form provided by Elevate, as may be amended from time to time; provided that such disclosure need not include trade

secrets or confidential proprietary data relating to Grantee's Intellectual Property (as hereinafter defined). To the extent applicable, Grantee shall also provide Elevate with a copy of any published patent applications, issued patents and copies of any publications and/or presentations issued during the applicable reporting period or, if preferred and approved by Elevate, a summary of the foregoing. Grantee shall submit these commercialization reports concurrently with each set of financial statements delivered pursuant to Section 3.3.

3.3 During the Term and for the one (1) year period following the Expiration Date, Grantee shall deliver to Elevate as soon as available, but in any event not later than ninety (90) days after the end of each calendar year, the unaudited balance sheet, income statement and statement of cashflows of Grantee for such calendar year, setting forth in each case in comparative form the figures for the comparable periods of the previous calendar year.

3.4 With reasonable promptness, Grantee shall submit to Elevate such other data and information relating to the business, operations, affairs, financial condition, assets, properties or prospects of Grantee as Elevate may from time to time reasonably request, including without limitation specific detail regarding Grantee's use of the Grant funds.

3.5 Failure of Grantee or its Principal Investigator (as defined in Section 11.2 below) to comply with the reporting requirements set out in Sections 3.1, 3.2, 3.3 and/or 3.4 shall be grounds for the suspension and/or termination of this Agreement and the reimbursement of the Grant Amount as set forth in Sections 23 and 7 hereof, respectively.

3.6 To the extent permitted by applicable law, the IEDC and Elevate, and their respective representatives, agree to hold in confidence any information disclosed to them by Grantee under this Agreement which is either identified in writing as confidential or not generally known by or available to the public.

4. Disbursement.

In accordance with the terms of this Agreement, the Grant Amount shall be disbursed promptly after the full execution of this Agreement. As required by Indiana Code § 4-13-2-14.8 and notwithstanding any other law, rule or custom, a person or company which has a contract with the IEDC or the State of Indiana or submits invoices to the IEDC or the State of Indiana for payment shall authorize in writing the direct deposit by electronic funds transfer of all payments by the State of Indiana to the person or company. The written authorization must designate a financial institution and an account number to which all payments are to be credited.

5. Other Disbursement Items.

5.1 Grant payments may be held by Grantee in the short term in interest bearing accounts until needed to pay the expenses of the Project. Disbursements from the Fund are intended solely for use in paying business cost and expenses generated in connection with the implementation and furtherance of the Project. Grantee shall not use Grant funds as investments to generate significant amounts of interest. If any amount of the Grant Amount disbursed from the Fund to Grantee is not required for the implementation or furtherance of the Project, Grantee shall notify Elevate and the IEDC in writing and return such amount to the IEDC as promptly as practicable.

5.2 After the completion of the Project, any unexpended funds drawn by Grantee must be returned promptly to the IEDC. Furthermore, no Grant funds may be expended after the Expiration Date,

and any drawn funds unexpended as of the Expiration Date must be returned promptly to the IEDC.

6. Grantee Responsibilities.

6.1 Grantee has full responsibility for the conduct of the Project supported under this Grant and for adherence to the conditions set forth in this Agreement. Although Grantee is encouraged to seek the advice and opinion of Elevate and/or the IEDC on special problems that may arise, such advice does not diminish Grantee's responsibility for making sound scientific and administrative judgments and should not, and does not, imply that the responsibility for operating decisions ever transfers to either Elevate or the IEDC. It is further understood that Grantee shall make such operating decisions based upon its own investigations, knowledge and experience and not in reliance upon the advice or opinion of Elevate or the IEDC. Grantee is responsible during the Term of this Agreement for notifying Elevate and the IEDC of any significant problems relating to the scientific, administrative or financial aspects of the Project.

6.2 By acceptance of this Grant, Grantee agrees to comply with each of the requirements set forth in this Agreement and to the prudent management of all expenditures and actions affecting the Grant. Documentation for expenditures or actions affecting the Grant must reflect appropriate organizational reviews or approvals in accordance with Grantee's internal governance requirements and procedures, which reviews and approvals should be made in advance of the action. Grantee's internal organizational reviews are intended to help assure that expenditures are allowable, necessary and reasonable for the implementation and furtherance of the Project, and that the proposed action:

- (i) is consistent with Grant terms and conditions as set forth herein;
- (ii) represents effective utilization of resources;
- (iii) does not constitute a significant Project change; and
- (iv) is consistent with Grantee's organizational policies and procedures.

7. Reimbursement.

Grantee shall reimburse the IEDC the full amount of the Grant upon the occurrence of any of the following events:

- (i) Grantee moves the Project (or any business resulting from the Project) outside the State of Indiana during the Term of the Agreement or within two (2) years following the Expiration Date;
- (ii) Grantee makes a misstatement of a material fact on either the Proposal or any of the reports required by Section 3 of this Agreement;
- (iii) An event of default occurs under Grantee's federal SBIR/STTR Phase I grant agreement; or
- (iv) Grantee defaults under the terms and conditions of this Agreement and a non-mutual termination results under Section 23.

8. Equipment.

8.1 Title to Equipment. Unless otherwise specified herein, title to equipment purchased or fabricated with Grant funds shall be purchased for use in the Project, shall vest in Grantee upon acquisition, and shall be free of all claims, liens, or encumbrances of the IEDC. Grantee shall be responsible for all insurance and liability related to such equipment. Such equipment is subject to the conditions established in Section 8.2 below.

8.2 Conditions for Acquisition and Use of Equipment. Grantee will assure that each purchase of equipment is:

- (i) necessary for the Project;
- (ii) made because such equipment is not otherwise reasonably available and accessible on commercially reasonable terms without purchase; and
- (iii) acquired in the ordinary course of Grantee's business.

9. Publications.

9.1 The IEDC will not restrict Grantee, the Principal Investigator or associated investigators involved in the Project from presenting or publishing results of the Project, provided that all such presentations and publications shall be made in a commercially reasonable, prudent manner so as to protect any Intellectual Property or other confidential or proprietary information of Grantee.

9.2 During the Term, Grantee will use its best efforts to acknowledge IEDC support in any publication (including World Wide Web pages) of any material based on or developed under the Project, and during all news media interviews, including popular media such as radio, television and news magazines.

9.3 During the Term, Grantee will use its best efforts to assure that a copy of every publication of which Grantee is aware and which is based on or developed under this Grant, clearly labeled with the Proposal number and other appropriate identifying information, is submitted to Elevate promptly after publication.

10. Intellectual Property and Commercialization.

10.1 The IEDC will not make any claim to, or take any interest in, any inventions, improvements, information, data, know-how, findings, recommendations, proposals, trade secrets, patents, by whatever name described and by whatever form therein, secured, developed, written or produced (collectively "Intellectual Property") by Grantee and collaborators in connection with the Project.

10.2 Grantee recognizes that the publication of results and the commercialization of innovative technology developed with Grant funds received from the Fund are of fundamental importance to the IEDC and the State of Indiana. Grantee agrees to diligently pursue the commercialization of any patented technology and/or copyrightable works produced under this Agreement.

10.3 Grantee recognizes that the Fund's primary objectives are to support proposals for economic development to (i) increase the success of Indiana institutions of higher education, Indiana businesses and Indiana nonprofit corporations and organizations in securing research funding and investment capital, (ii) transfer and develop research and technologies into marketable products, (iii) assist with diversifying Indiana's economy by focusing investment in targeted industry clusters requiring high skill, high wage workers, and (iv) encourage an environment of innovation and cooperation among universities and businesses to promote research and commercialization activity. Grantee agrees that all activities supported with Fund dollars will further efforts toward accomplishing one or more of these objectives.

10.4 Elevate and the IEDC are interested in measuring the long-term outcomes of Grantee and

the Project. To gather this information, Elevate and/or the IEDC may periodically request information from Grantee after Grantee's reporting requirements have terminated. The information regarding success of Grantee and the Project will not be as detailed as required in the reporting requirements. Grantee shall cooperate in tracking such outcomes and use commercially reasonable best efforts in providing the requested information.

10.5 Grantee expressly represents and warrants to the IEDC that it is statutorily eligible to receive these monies and it expressly agrees to repay all monies paid to it under this Agreement, should a legal determination of its ineligibility be made by any court of competent jurisdiction.

11. Prior Approval Requirements.

Grantee is required to notify Elevate whenever there are significant changes in the Project or in its direction as stipulated as follows:

11.1 Change in the objectives or scope of the Project. The IEDC intends to provide flexibility to Grantee in the pursuit of its technology development/commercialization goals. However, a proposed change in the phenomenon or phenomena under study or the objectives of the Project stated in the Proposal or agreed modifications thereto should be communicated in writing to Elevate by Grantee along with any required federal agency approval for modification of the Project as part of Grantee's federal SBIR/STTR Phase I grant. Approval of such changes by the IEDC, if granted, will be memorialized by a written amendment to this Agreement.

11.2 Absences or Change of the Principal Investigator. The Project will be performed under the direction of Dr. Solomon Berman (the "Principal Investigator"). If the Principal Investigator plans to or becomes aware that he/she will: (1) devote substantially less effort to the work than anticipated in the approved Proposal (defined as a reduction of 25% or more in time); (2) sever his/her connection with Grantee; or (3) be absent for a continuous period of three (3) months or more, or otherwise relinquish active direction of the Project, he/she shall, in writing, advise Elevate of such circumstance. In the event of any of the above occurring, Grantee and Elevate will attempt to identify and secure a mutually acceptable substitute. In the event a mutually acceptable substitute is not found, the Agreement may be suspended or terminated in accordance with Section 23.

12. Confidentiality of State Information.

Grantee understands and agrees that data, materials and other information disclosed to Grantee by the IEDC, Elevate or any of their respective representatives may contain confidential and protected data; therefore, Grantee promises and assures that data, material and other information gathered, based upon or disclosed to Grantee for the purpose of this Agreement and which are marked as confidential will not be disclosed to others or discussed with other parties without the prior written consent of the IEDC or Elevate, as applicable.

13. Access to Records, Audit, and Site Visits.

13.1 Grantee and its permitted subgrantees or subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred under this Agreement ("Records") for inspection by Elevate and the IEDC or by any of their respective authorized representatives, and reasonable requests for copies thereof shall be furnished to Elevate and the IEDC, if requested. Grantee and its permitted subgrantees or subcontractors, if any, shall make all Records available at their respective offices at all reasonable times during the Term of this Agreement and for one

(1) year following Expiration Date or until a state or federal audit has been completed and all audit exceptions cleared, whichever is later.

13.2 If Elevate or the IEDC determines that fraud or other criminal misconduct has occurred with the Grant funds disbursed to Grantee from the IEDC, the IEDC will consider Grantee in default of a material provision of this Agreement and will terminate this Agreement in accordance with Section 23. Grantee will be responsible for reimbursement to the IEDC of the full amount required under Section 7 at the time of the termination.

13.3 Elevate and the IEDC, and their respective authorized representatives, shall have the right, at all reasonable times, to make site visits to: (1) review Project accomplishments and to confer with the Principal Investigator and permitted subgrantees or subcontractors, if any; (2) to audit Records and management control systems; and (3) to provide such technical assistance as may be required. If any site visit is made on the premises of Grantee or any subgrantee or subcontractor under the Grant, Grantee shall provide and shall require its subgrantees and subcontractors to provide all reasonable facilities and assistance for the safety and convenience of Elevate and the Fund or their respective representatives in the performance of their duties. All site visits and evaluations shall be performed in such a manner that will not unduly delay work on the Project. Grantee will be given at least one (1) week prior notice before any site visit.

14. Compliance with Laws.

14.1 Grantee agrees to comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of regulations thereunder after execution of this Agreement shall be reviewed by the IEDC and Grantee, and Elevate to the extent applicable, to determine whether the provisions of this Agreement require formal modification.

14.2 Grantee and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State of Indiana, as set forth in Indiana Code § 4-2-6 *et seq.*, the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If Grantee is not familiar with these ethical requirements, Grantee should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at <http://www.in.gov/ethics/>. If Grantee and/or its agents violate any applicable ethical standards, the IEDC may, in its sole discretion, terminate this Agreement immediately upon notice to Grantee. In addition, Grantee may be subject to penalties under Indiana Code § 4-2-6-12.

14.3 Grantee certifies by entering into this Agreement that neither it nor any of its principals is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments or other liabilities to the IEDC or the State of Indiana. Further, Grantee agrees that any payments in arrears and currently due to the IEDC or the State of Indiana may be withheld from payments due to Grantee. Additionally, payment of the Grant may be suspended by the IEDC until Grantee is current in the foregoing payments to the IEDC or the State of Indiana, whichever the case may be, and has submitted proof of such payments to the IEDC.

14.4 Grantee warrants that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana pending, and agrees that it will immediately notify Elevate and the IEDC of any such actions.

14.5 If a valid dispute exists as to Grantee's liability or guilt in any action initiated by the IEDC or the State of Indiana or its agencies, and the IEDC decides, as a result, to delay, withhold, or deny payments under the Grant, Grantee may request that it be allowed to continue to receive such payments without delay. Grantee must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties.

14.6 Any payments that may be delayed, withheld, denied, or applied under this Section shall not be subject to penalty or interest under Indiana Code § 5-17-5.

14.7 Grantee warrants that Grantee and its subgrantees and subcontractors, if any, shall obtain and maintain all required permits, licenses, and approvals, as well as comply with all health, safety, and environmental statutes, rules, or regulations in the performance of the Project. Failure to do so is a material breach of this Agreement and grounds for immediate suspension or termination of the Grant under Section 23.

14.8 Grantee hereby affirms that it is properly registered with, and owes no outstanding reports to, the Indiana Secretary of State and that it is in good standing with the Indiana Department of Revenue. Grantee also affirms that (A) there are no outstanding enforcement actions against it by the IEDC or agencies of the State of Indiana, and (B) there are no significant workforce issues pending against Grantee. The below named signatory(ies) hereby warrant that they are authorized to make such affirmations to the IEDC.

14.9 Grantee agrees that the State of Indiana may confirm, at any time, that no liabilities exist to the IEDC or the State of Indiana, and, if such liabilities are discovered, that the IEDC or the State of Indiana may bar Grantee from contracting with the IEDC or the State of Indiana in the future, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liabilities to the IEDC or the State of Indiana and has submitted proof of such payment to the IEDC or the State of Indiana.

15. Compliance with Telephone Solicitations Act.

As required by Indiana Code § 5-22-3-7:

15.1 Grantee and any principals of Grantee certify that:

(i) Grantee, except for de minimis and nonsystematic violations, has not violated the terms of:

- (A) Indiana Code § 24-4.7 [Telephone Solicitation of Consumers],
- (B) Indiana Code § 24-5-12 [Telephone Solicitations], or
- (C) Indiana Code § 24-5-14 [Regulation of Automatic Dialing Machines]

in the previous three hundred sixty-five (365) days, even if Indiana Code § 24-4.7 is preempted by federal law; and

(ii) Grantee will not violate the terms of Indiana Code § 24-4.7 for the duration of this Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.

15.2 Grantee and any principals of Grantee certify that no affiliate or principal of Grantee or any agent acting on behalf of Grantee or on behalf of an affiliate or principal of Grantee:

- (i) except for de minimis and nonsystematic violations, has violated the terms of Indiana Code § 24-4.7 in the previous three hundred sixty-five (365) days, even if Indiana Code § 24-4.7 is preempted by federal law; and
- (ii) will violate the terms of Indiana Code § 24-4.7 for the duration of the Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.

16. Conflict of Interest.

16.1 As used in this Section, (a) "immediate family" means the spouse and the unemancipated children of an individual; (b) "Interested Party" means (i) the individual executing this Agreement; (ii) an individual who combined with his immediate family has an equity interest of one percent (1%) or more of Grantee, if Grantee is not an individual; or (iii) any member of the immediate family of an individual specified under clause (i) or (ii); and (c) "Commission" means the Indiana State Ethics Commission.

16.2 The IEDC may cancel this Agreement without recourse to Grantee if any Interested Party is (i) an employee of the State of Indiana or the IEDC, (ii) a state officer or special state appointee of the IEDC under Indiana Code § 4-2-6, or (iii) a public servant of the IEDC under Indiana Code § 35-44-1.

16.3 The IEDC will not exercise its right of cancellation under Section 16.2 above if Grantee gives the IEDC an opinion by the Commission indicating that the existence of this Agreement and the employment, election or appointment by the State of Indiana or the IEDC of the Interested Party does not violate any statute or code relating to the ethical conduct of employees, officers and special state appointees of the IEDC. The IEDC may take action, including cancellation of this Agreement, consistent with an opinion of the Commission obtained under this Section 16.

16.4 Grantee has an affirmative obligation under this Agreement to disclose to the IEDC when an Interested Party is or becomes an employee, officer or special state appointee of the State of Indiana or the IEDC. The obligation under this Section 16.4 extends only to those facts that Grantee knows or reasonably could know.

17. Maintaining a Drug Free Workplace.

17.1 Grantee hereby covenants and agrees to make a good faith effort to provide and maintain a drug free workplace during the Term of this Agreement, and that it will give written notice to Elevate and the IEDC within ten (10) days after receiving actual notice that Grantee or an employee of Grantee in the State of Indiana has been convicted of a criminal drug violation occurring in Grantee's workplace.

17.2 It is further expressly agreed that a false certification, a violation of the certification or the failure of Grantee to comply, in good faith, with the terms of this Section shall constitute a material breach of this Agreement, and shall entitle the IEDC to impose, or otherwise may result in, sanctions including but not limited to the termination of this Agreement in accordance with Section 23, and/or debarment of grant opportunities with the Fund, the IEDC and the State of Indiana for up to three (3) years.

17.3 In addition to the provisions of the above paragraphs, if the total Grant amount set forth in this Agreement is in excess of \$25,000.00, Grantee hereby further agrees that this Agreement is expressly subject to the terms, conditions and representations of the following certification:

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. Pursuant to its delegated authority, the Indiana Department of Administration is requiring the inclusion of this certification in all contracts with and grants from the State of Indiana in excess of \$25,000.00. No grant of a contract shall be made, and no contract, purchase order or agreement, the total amount of which exceeds \$25,000.00, shall be valid, unless and until this certification has been fully executed by Grantee and made a part of the contract or agreement as part of the agreement documents.

Grantee certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in Grantee's workplace and specifying the actions that will be taken against employees for violations of such prohibition; and
- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) Grantee's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation, and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace.
- C. Notifying all employees in the statement required by clause (A) above that as a condition of continued employment the employee will (1) abide by the terms of the statement, and (2) notify Grantee of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying the Fund, in writing, within ten (10) days after receiving notice from an employee under clause (C)(2) above, or otherwise receiving actual notice of such conviction;
- E. Within thirty (30) days after receiving notice under clause (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) take appropriate personnel action against the employee, up to and including termination; or (2) require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of clauses (A) through (E) above.

18. Funding Cancellation. When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Agreement, this Agreement shall be canceled. A determination by the Director of State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

19. Non-Discrimination.

Pursuant to Indiana Code § 22-9-1-10 and in keeping with the purposes of the Civil Rights Act of 1964,

the Age Discrimination in Employment Act, and the Americans with Disabilities Act, Grantee and its subgrantees and subcontractors, if any, shall not discriminate against any employee or applicant for employment to be employed in connection with the performance of this Agreement, with respect to hiring, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of his or her race, color, religion, sex, age, disability, national origin or ancestry or status as a veteran. A breach of this covenant shall be regarded as a material breach of this Agreement. Acceptance of this Agreement also signifies compliance with the applicable federal and state laws and regulations prohibiting the aforementioned discrimination in the provision of services.

20. Notices and Other Communications.

Whenever any notice, statement, or other communication shall be sent to Elevate, the IEDC and/or Grantee, it shall be sent to the following addresses unless otherwise specifically advised in writing by such party:

IEDC: Attn: Chief Investment Officer
Elevate Ventures, Inc.
50 East 91st Street, Suite 213
Indianapolis, IN 46240

With a copy to: Attn: General Counsel
Indiana Twenty-First Century Research and Technology Fund
C/O Indiana Economic Development Corporation
One North Capitol Avenue, Suite 700
Indianapolis, IN 46204

Grantee: Attn: President
IBC Materials & Technologies, LLC
902 Hendricks Drive
Lebanon, IN 46052

Notices, statements or other communications shall be deemed delivered when received. As required by Indiana Code § 4-13-2-14.8, payments to Grantee shall be made via electronic funds transfer in accordance with the instructions filed by Grantee with the Indiana State Auditor's Office, unless an exception to such requirement is approved by the IEDC and the State of Indiana. Payments shall be deemed delivered upon being transmitted pursuant to the written instructions of Grantee.

21. Order of Precedence.

Any inconsistency or ambiguity in this Agreement shall be resolved by giving precedence in the following order: (1) this Agreement, (2) the IEDC guidelines and (3) the Fund guidelines.

22. Extension of Agreement.

Grantee may request in writing that the Expiration Date of this Agreement be extended; provided, however, that the amount of Grant funds disbursed under this Agreement shall not exceed the Grant Amount. Prior to the Expiration Date, the IEDC, through a duly authorized representative, may approve or deny such request in its sole and unreviewable discretion. Documentation approving an extension shall be attached hereto as an addendum. If the Expiration Date is extended, the Expiration Date shall be extended for all purposes. A denial of an extension request shall in no way affect the survival of certain

terms of this Agreement as provided for in Section 23.1.

23. Suspensions, Termination and Survival of Terms.

23.1. Unless otherwise terminated or modified as expressly permitted hereunder, this Agreement will remain in force during the Term stated in Section 2. Notwithstanding anything contained herein to the contrary, provisions of this Agreement which by their nature contemplate rights and obligations of the parties to be enjoyed or performed after the expiration or termination of this Agreement, shall survive until their purposes are fulfilled.

23.2. In the event that Grantee defaults, fails to perform or breaches any provision of this Agreement, the IEDC may suspend or terminate this Agreement upon providing thirty (30) days' prior written notice to Grantee, if Grantee fails to cure such breach or nonperformance (if curable) within such period.

23.3 This Agreement may be suspended or terminated by the mutual written agreement of the IEDC and Grantee, if it is determined by both parties that the Project should be suspended or terminated. If the IEDC and Grantee are unable to reach an agreement on the status of the Project, the IEDC reserves the right to suspend or terminate the Agreement. In the event of any suspension or termination of this Agreement as provided in this Section 23.3, Grantee shall immediately notify the federal agency referenced in Section 1 hereof which awarded Grantee's federal SBIR/STTR Phase I grant.

23.4 No costs incurred during a suspension period or after the effective date of a termination will be allowable, except those costs which, in the opinion of the IEDC, Grantee could not reasonably avoid or eliminate, or which were otherwise authorized by the suspension or termination notice, provided such costs would otherwise be allowable under the terms of the Grant.

23.5 Within thirty (30) days of termination of this Agreement under this Section 23, Grantee shall furnish a summary of progress under the Grant and an itemized accounting of costs incurred prior to such termination date pursuant to 23.4 above. Final allowable costs under a termination settlement shall be in accordance with the terms of the Grant, including this Section 23, giving due consideration to the progress of the Project under the Grant.

23.6 Failure to complete the Project and expend the Grant funds and/or other State of Indiana, IEDC, local and/or private funds, if applicable, in accordance with this Agreement may be considered a material breach, and shall entitle the IEDC and the State of Indiana to impose sanctions against Grantee including, but not limited to, suspension of all Grant payments and/or suspension of Grantee's participation in State of Indiana or IEDC programs until such time as all material breaches are cured to the IEDC's satisfaction. Sanctions may also include repayment of all State of Indiana or IEDC funds expended, whether or not they are held or were expended for this Project.

24. Assignment.

This Agreement binds Grantee's successors and assignees to all terms and conditions of this Agreement. Grantee shall not assign, subgrant or subcontract the whole or any part of the Project unless it was specifically identified in the original Proposal or has been approved in writing by the IEDC.

25. Hold Harmless.

Grantee shall indemnify, defend, and hold harmless the IEDC, the Fund, the State of Indiana, Elevate and

their respective agents, officers, employees and representatives from all claims and suits for loss or damage to property, including the loss of use thereof, and injuries to or death of persons, including without limitation any officers, agents, employees and representatives of Grantee or its subgrantees or subcontractors, and from all judgments recovered therefor and for expenses in defending any such claims or suits, including court costs, attorneys' fees, and for any other expenses caused by an act or omission of Grantee and/or its subgrantees, subcontractors, agents, officers or employees in connection with the performance of this Agreement.

26. Debarment and Suspension.

Grantee certifies, by entering into this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Agreement by any federal agency or department, the IEDC, or any agency or political subdivision of the State of Indiana. The term "principal" for purposes of this Agreement is defined as an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of Grantee.

27. Penalties; Interest; Attorneys' Fees.

The IEDC will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorneys' fees, except as authorized by Indiana law, in part, if applicable, Indiana Code § 5-17-5, Indiana Code § 34-54-8, and Indiana Code § 34-13-1. Notwithstanding the provisions contained in Indiana Code § 5-17-5, the parties hereto stipulate and agree that any liability resulting from any failure of the IEDC to make a disbursement from the Fund as required hereunder shall be based solely on the amount of funding originating from the IEDC or the State of Indiana and shall not be based on funding from federal or other sources.

28. Authority to Bind Grantee.

Notwithstanding anything in this Agreement to the contrary, the signatory(ies) of Grantee represents that he/she has been duly authorized to execute contracts on behalf of Grantee and has obtained all necessary approvals from the home office of Grantee, if applicable, to make this Agreement fully binding upon Grantee when his/her signature is affixed hereto and is not subject to home office acceptance.

29. Representations Concerning Application.

Grantee represents and warrants that the representations, statements and all other matters contained in the Proposal materials and this Agreement are true and complete in all material respects. It shall be considered a material breach of this Agreement if such representations, statements and other matters were not true and complete at the time such representations, statements and other matters were made.

30. Miscellaneous.

30.1 The headings in this Agreement are intended solely for convenience or reference and will be given no effect in the construction or interpretation of this Agreement.

30.2 This Agreement supersedes all prior oral and written proposals and communications, if any, and sets forth the entire agreement of the parties with respect to the subject matter hereof and may not be altered or amended except in writing, signed by an authorized representative of each party hereto (following requisite IEDC approval).

30.3. The construction and enforcement of this Agreement shall be governed by the laws of the State of Indiana, without regard to principles of choice of law, and the venue for any court action shall be the circuit or superior court of Marion County, Indiana or the United States District Court of the Southern District of Indiana and Grantee hereby consents to the personal jurisdiction of said courts.

30.4. No waiver of any default, failure to perform, condition, provision or breach of this Agreement will be deemed to imply or constitute a waiver of any other like default, failure to perform, condition, provision or breach of this Agreement.

30.5. If any paragraph, term, condition or provision of this Agreement will be found, by a court of competent jurisdiction, to be invalid or unenforceable, or if any paragraph, term, condition or provision is found to violate or contravene the laws of the State of Indiana, then the paragraph, term, condition or provision so found will be deemed severed from this Agreement, but all other paragraphs, terms, conditions and provisions will remain in full force and effect.

30.6. The parties to the Agreement, in the performance of this Agreement, will be acting in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of any other party for any purposes whatsoever. No party will assume any liability for any injury (including death) to any persons, or any damage to any property arising out of the acts or omissions of the agents, employees or subagents of any other party.

30.7. Grantee shall be responsible for providing all necessary unemployment and workers' compensation insurance for Grantee's employees.

30.8. Grantee is required to comply with the provisions of 45 CFR Part 46, as such may be amended from time to time, as if this Grant was funded with federal funds and is responsible for the protection of the rights and welfare of any human subjects involved in the research, development and related activities supported by this Grant, and for compliance with any other federal and/or state statutes and regulations pertaining to the use of human subjects in research.

30.9. Grantee is required to comply, as applicable, with the Animal Welfare Act, as amended, 7 U.S.C. 2131-2156, and is responsible for assuring the humane care, handling, and treatment of vertebrate animals held or used for any activities supported by this Grant, and for compliance with any other federal and/or state statutes and regulations pertaining to the use of vertebrate animals in research.

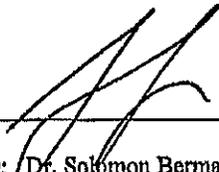
31. Non-Collusion and Acceptance.

The undersigned attest(s) under the penalties for perjury that he or she is the contracting party, or that he or she is the representative, agent, member or officer of the contracting party, that he or she has not, nor has any other member, employee, representative, agent or officer of the firm, company, corporation or partnership represented by him or her, directly or indirectly, to the best of his or her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he or she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of the Agreement.

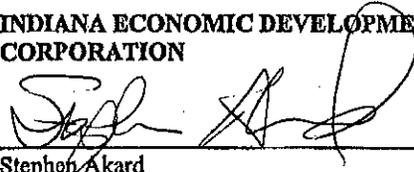
[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates entered below.

IBC MATERIALS & TECHNOLOGIES, LLC

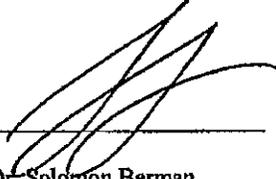
BY: 
PRINTED: Dr. Solomon Berman
TITLE: President
DATE: 12/9/2015

INDIANA TWENTY-FIRST CENTURY RESEARCH AND TECHNOLOGY FUND

INDIANA ECONOMIC DEVELOPMENT CORPORATION

Stephen Akard
Chief of Staff

S.A.
12/11/15

DATE: 12/11/15

BY: 
PRINTED: Dr. Solomon Berman
TITLE: Principal Investigator
DATE: 12/9/2015

STATE BUDGET AGENCY CERTIFICATION PURSUANT TO INDIANA CODE § 5-28-16-2


Brian E. Bailey, Director
Indiana State Budget Agency

DATE: 1/15/16

ACKNOWLEDGED BY:

ELEVATE VENTURES, INC.


Ting Gootee
Chief Investment Officer