

## LICENSE AGREEMENT

THIS AGREEMENT made effective as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BETWEEN:

LICENSEE  
[address]  
(the "Licensee")

OF THE FIRST PART

- and -

LICENSOR  
[address]  
(the "Licensor")

OF THE SECOND PART

WHEREAS:

- A. Licensor has developed [product(s)] and has the right to the technology, know-how and trade secrets in connection therewith;
- B. Licensee wishes to obtain from Licensor an exclusive license to manufacture, distribute and sell certain [product(s)] worldwide;
- C. Licensor wishes to grant a license to Licensee to manufacture, distribute and sell such [product(s)];

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

### 1. DEFINITIONS

- 1.1 "Affiliate" means any corporation, firm, association or other business owned or controlled beneficially or directly or indirectly by Licensor or Licensee respectively, its principal officers, directors, supervisory employees or members of their families. Ownership of 50% or more of such business by any one of such persons shall constitute beneficial ownership or control;
- 1.2 "Improvements" means any changes or improvements to the Intellectual Property whether or not patentable or registrable, made by or on behalf of either of the parties hereto during the term hereof, all of which shall automatically be included in the definition of "Intellectual Property" and shall be included in the license granted to Licensee pursuant to Section 2 hereof;
- 1.3 "Intellectual Property" means the Licensed Patents, Technology and all trade marks licensed under this Agreement;
- 1.4 "Licensed Patents" means all patents and all patents issued or issuing on the patent applications, identified on Schedule "A" hereto and all patents corresponding thereto throughout the world;
- 1.5 "Net Price" means the price in U.S. dollars deemed invoiced by Licensee for a Product, as set out in Schedule "B" hereto, less any amount repaid or credited by Licensee because of returned Products. If a Product is not sold for a specified consideration or if the consideration paid for such Product is not readily ascertainable (e.g. the Product is leased or included in a package transaction), its Net Price shall still be as set out in Schedule "B";

- 1.6 "Products" means those [product(s)] set out in Schedule "C" hereto, or such amendments, revisions or replacements to such Schedule as made be made from time to time pursuant to the terms hereof;
- 1.7 "Technology" means all confidential information, data, inventions, processes, know-how, show-how, manufacturing and trade secrets, systems designs, tangible materials, apparatus, methods, computer programs, photographs, drawings, documents, critical non-confidential customer and supplier information (including name, address and contact person), specifications, copyrights and other proprietary technology in whatever form now or during the term of this Agreement owned or controlled by Licensor and licensed to Licensee which relate to the Products;
- 1.8 "Territory" means the world market, [excepting (countries/areas)].

## **2. PATENT AND TECHNOLOGY LICENSE**

- 2.1 Licensor hereby grants , and Licensee accepts, an exclusive license under the Licensed Patents to manufacture, use, distribute and sell the Products and to practice any processes involved in the manufacture or use thereof and employ the Technology to manufacture, use, distribute and sell the Products, in each case, in the Territory and during the term of this Agreement.
- 2.2 Each party agrees that it shall disclose to the other party any Improvements in the Technology that either party develops during the term of this Agreement within sixty (60) days of the conception and reduction to practice of such improvements or within sixty (60) days of the filing of a patent application in the U.S. or elsewhere pertaining to the Improvements.
- 2.3 This agreement relates only to the Products and not to other products currently or hereafter produced by Licensor.