

# INTELLECTUAL PROPERTY LICENCE AGREEMENT

This Licence Agreement is made as of this \_\_ day of \_\_, 19\_\_ (the "Effective Date")

## BETWEEN:

[NAME OF LICENSOR]  
a body corporate incorporated under the laws of \_\_\_\_\_  
having a place of business at [address],  
("Licensor")

and

[NAME OF LICENSEE]  
a body corporate incorporated under the laws of \_\_\_\_\_  
having a place of business at [address]  
("Licensee")

## WHEREAS:

- A. Licensor owns a portfolio of patents and patent applications generally directed to \_\_\_\_\_;
- B. Licensor is willing to licence Licensee the exclusive right to use the Licensor Technology to develop and sell Product in the Territory (as hereinafter defined); and
- C. Licensee wishes to accept such licence.

NOW THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the sufficiency of which is hereby acknowledged, the parties to this Agreement mutually agree as follows:

## ARTICLE 1 - DEFINITIONS

1.1 For purposes of this Agreement, the following initially capitalised terms in this Agreement, whether used in the singular or plural, shall have the following meanings, unless the context clearly requires otherwise:

- (a) "Affiliate" shall mean, with respect to either party hereto, any corporation, company, partnership, joint venture or any other entity which directly or indirectly controls, is controlled by, or is under common control with such party. For purposes of this definition, "control" shall mean direct or indirect ownership of at least \_\_\_\_ percent (\_\_\_%) of the outstanding voting securities of such Affiliate.
- (b) "Agreement" shall mean this Licence Agreement, including all Schedules hereto.
- (c) "Business Day" shall mean a day on which banks are open for business in the United Kingdom.
- (d) "Confidential Information" shall mean all Licensor Know-How, and all technical and scientific know-how and information, pre-clinical and clinical trial results, computer programs, knowledge, technology, means, methods, processes, practices, formulas, techniques, procedures, designs, drawings, apparatus, written and oral representations of data, specifications, and all other scientific, clinical, regulatory, marketing, financial and commercial information or data, whether communicated in writing, verbally or electronically, which is provided by one party to the other party in connection with this Agreement. When Confidential Information is disclosed in a manner other than in writing, it shall be reduced to written form, marked "Confidential" and transmitted to the receiving party within \_\_ Business Days of disclosure to the receiving party.

- (e) "Control" or "Controlled", when used in connection with intellectual property rights, shall mean the legal authority or right of a party hereto to grant a licence or sub-licence of intellectual property rights to another party hereto, or to otherwise disclose proprietary or trade secret information to such other party, without breaching the terms of any agreement with a Third Party or misappropriating the proprietary or trade secret information of a Third Party. Information that is generally known or available to the public as of the Effective Date, or which becomes known or available to the public through no fault of the party, shall not be deemed Controlled by a party hereto.
- (f) "Improvement" shall mean any enhancement of or improvement to \_\_\_\_\_ developed, invented or acquired by, or coming under the Control of, Licensor during the course or term of this Agreement.
- (g) "Licensor Know-How" shall mean \_\_\_\_\_ [brief description of licensor's special expertise, methods, etc.]
- (h) "Licensor Patents" shall mean \_\_\_\_\_ [list].
- (i) "Licensor Technology" shall mean the Licensor Patents, Licensor Know-How and Improvements.
- (j) "Live Claim" shall mean a claim of any issued, unexpired patent which has not been withdrawn, cancelled or surrendered, or held invalid or unenforceable by a court of competent jurisdiction in a final, unappealable decision.
- (k) "Net Sales" shall mean the gross amount invoiced by Licensee and its Affiliates and Sub-licensees on account of sales of Product to Third Parties in the Territory.
- (l) "Payment Period" shall mean a calendar quarter ending on March 31st, June 30th, September 30th, or December 31st; provided, however, that the first Payment Period under this Agreement shall include the period from \_\_\_\_\_ to \_\_\_\_\_.
- (m) "Product" shall mean \_\_\_\_\_ [brief description of the product].
- (n) "Sub-licensee" shall mean any person, corporation, unincorporated body, or other entity that is not an Affiliate of Licensee and to whom Licensee grants a sub-licence of the rights granted to Licensee pursuant to this Agreement.
- (o) "Territory" shall mean \_\_\_\_\_ [country or countries for which the licence is being granted].
- (p) "Third Party" shall mean any person, corporation, unincorporated body, or other entity other than Licensor and Licensee and their respective Affiliates and Sub-licensees.

## ARTICLE 2 – GRANT OF LICENCE

2.1 Licensor hereby grants to Licensee an exclusive licence to develop, make, use, market, sell, and distribute Product in the Territory under the Licensor Technology, subject to the terms and conditions set forth in this Agreement.

2.2 The rights and licences granted hereunder shall be sub-licensable by Licensee subject to the terms and conditions set forth in this Agreement, provided that Licensee remains responsible to Licensor under this Agreement and each Sub-licensee confirms in writing to Licensee that it agrees to be bound by all of the terms and conditions contained in this Agreement.

### **ARTICLE 3 - ROYALTIES**

3.1 In consideration of the rights and licences granted under the Licensor Technology:

- (a) Licensee shall pay to Licensor a royalty of £\_\_\_\_\_ on the Net Sales of Product in the Territory (“Royalties”).
- (b) Royalties shall be payable on Net Sales of Product in the Territory, on a country by country basis, beginning upon the later of \_\_\_\_\_[date] and the date of issuance of a Licensor Patent in such country in the Territory, and continuing on a Product by Product basis until the first of the following to occur: