

LETTER OF INTENT RE LICENSING OF TECHNOLOGY

[date]

[Name of Addressee]

[address]

Re: *Licensing of* _____

Dear Sirs:

This Letter of Intent will confirm our discussions and set forth our mutual understanding regarding the proposed licensing of _____ [*describe the technology to be licensed*] (the "Technology") from _____ [*insert name of party who holds title to the technology*] (the "Licensor") to _____ [*insert name of party to whom the technology is being licensed*] (the "Licensee").

1. **Grant of License**

The Licensor will license its intellectual property rights in the Technology to the Licensee, including all pending or issued patent rights, technical know-how, and rights to inventions made by the Licensor for which patents have not yet been filed. [*if appropriate:*] The Licensee will have the right to sublicense the rights granted by the Licensor.

2. **Research**

The Licensor will sponsor research at _____ [*name of facility or institution, if different from Licensee*] to further the development of the Technology, [to a maximum of \$_____]. The Licensor may at its option offer one or more of the Licensee's research and development personnel the opportunity to serve on a scientific / technical advisory board with respect to the Technology, and may offer consulting contracts to certain of these personnel to further its business interests.

3. **Financial and Contractual Terms**

- (a) The Licensee will pay the Licensor an up-front license fee of \$_____ upon execution of a final license agreement negotiated between the parties.
- (b) [*choose appropriate option:*] The [Licensor / Licensee] will pay all future patent expenses, including filing, prosecution, and enforcement expenses.
- (c) The license will terminate on a country-by-country basis upon the expiration date of the last patent to expire in that country.
- (d) The Licensor will sponsor a research and development program at _____ [*name of facility or institution, if different from Licensee*] for an amount, including indirect costs, not to exceed \$_____.
- (e) The Licensee will pay the Licensor a royalty on sales of products or services covered by the patent rights, calculated as _____% of all [gross / net] sales.

4. **Conduct of the Parties**

- (a) Prior to execution of the final licensing and sponsored research agreements, the Licensor will continue to diligently pursue prosecution of its current patent portfolio. The Licensor will not allow any patent rights to go abandoned during this time, without first contacting the Licensee.

THIS IS A 3-PAGE DOCUMENT.