EXCLUSIVE LICENSE AGREEMENT

In this Agreement, ABC Corporation, a corporation organized under the laws of Vietnam, having a principal place of business at 141 Bình Lợi phường 13, Bình Thạnh, Hồ Chí Minh, Vietnam (hereafter “**ABC**”), and XYZ Corporation, a corporation organized under the laws of Delaware, USA, having a principal place of business at 9 East Lockerman Street, Dover, DE 19901 USA (hereafter “**XYZ**”), agree as follows:

Article I - Background

1.1 ABC controls intellectual property relating to [insert description of ABC’s technology] and owns or controls the patents and patent applications listed in Exhibit A hereto which disclose and claim certain aspects of such intellectual property.

1.2 ABC controls certain trade secrets and proprietary know-how relating to ABC’s technology.

1.3 XYZ desires an exclusive license from ABC under ABC’s patents, patent applications, trade secrets and know-how in accordance with the terms of this Agreement, and ABC is willing to grant such a license.

Article II - Definitions

“**Affiliate**” means any corporation or other entity that controls, is controlled by, or is under common control with a Party to this Agreement. A corporation or other entity will be regarded as in control of another corporation or entity if the latter corporation or entity owns or directly or indirectly controls more than fifty percent (50%) of the voting stock or other ownership interest of the former corporation or other entity, or if the latter corporation or entity possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the former corporation or other entity or the power to elect or appoint fifty percent (50%) or more of the members of the governing body of the former corporation or other entity. Rights granted to a corporation or other entity as an Affiliate under this Agreement will automatically terminate if and when the corporation or other entity is no longer an Affiliate under this definition.

“**Confidential Information**” means all know‑how, trade secrets, technical information, specifications, data, formulae, intellectual property or software of a Party relating to or arising out of this Agreement including, without limitation:

* + 1. all communications between the Parties or information of whatever kind whether recorded or not and, if recorded, in whatever medium, relating to or arising out of th this Agreement, whether disclosed prior to or after entering into this Agreement;
    2. any information that the Party indicates in writing is information of a confidential nature or which is marked “confidential” or in such similar fashion; and
    3. all copies and excerpts of the communications, information, notes, patent applications, reports and documents in whatever form referred to in Paragraph (a) or (b) of this definition.

**“Dollar”** or **“$”** means the lawful currency of the United States of America.

**“Effective Date”** means the last date on which all required authorized signatories from both Parties have signed this Agreement.

**“First Commercial Sale”** of any Licensed Product means the first sale for use by an end-user customer of such Licensed Product anywhere in the Licensed Territory.

“**Governmental Agency**” means, any governmental authority that regulates Licensed Products or their design, development, manufacturing, testing or sale.

“**IFRS**” or “**International Financial Reporting Standards**” means the framework of international accounting standards, rules and procedures defined by the IASB and adopted by the United States and Vietnam.

“**Improvements**” means any protectable modification or variation of a Licensed Device, Licensed Process or Licensed Product conceived and reduced to practice in whole or in part during the term of this Agreement, the manufacture, use, sale, offer for sale or import of which would infringe a claim of a Licensed Patent, or any beneficial modification or variation of the Licensed Information transferred pursuant to Paragraph 5.1 of this Agreement conceived and reduced to practice during the term of this Agreement.

“**Licensed Device**” means an apparatus or composition the manufacture, use, sale, offer for sale or import of which infringes or contributes to the infringement of a claim of a Licensed Patent or an apparatus or composition the construction, design or manufacture of which incorporates, is based upon, or is derived from Licensed Information.

“**Licensed Field**” means [insert the definition of the Licensed Field].

“**Licensed Information**” means the proprietary specifications, sketches, drawings, samples, schematics, prototypes, methods, protocols, know-how, trade secrets, data, information, inventions, material, or other intellectual property of any kind, excluding Licensed Patents, is controlled and used by ABC as of the Effective Date, relates to the subject matter of the Licensed Patents, and is disclosed by ABC to XYZ under this Agreement.

“**Licensed Patents**” means applicable rights under all patents listed in Attachment A to this Agreement (including all reissues, extensions, substitutions, confirmations, re-registrations, re-examinations, re-validations, patents of addition, supplementary protection certificates or the equivalents thereof) and under all provisional and non-provisional patent applications (including, without limitation, all continuations, continuations-in-part and divisionals thereof).

“**Licensed Process**” means a process or method the unlicensed performance of which infringes or contributes to the infringement of a claim of a Licensed Patent or a process or method an element of which incorporates, is based upon or is derived from Licensed Information.

“**Licensed Product**” means any embodiment of ABC’s technology which, when sold, otherwise disposed of, or placed into use by or for XYZ (a) is a Licensed Device, (b) performs a Licensed Process, or (c) includes a Licensed Device or a component for performing a Licensed Process which if separated from the product would render the product inoperative for the product’s intended purpose.

“**Licensed Territory**” means Asia, as defined in Exhibit B to this Agreement.

**“Net Sales”** means, with respect to any and all Licensed Product(s), the gross amount invoiced by XYZ or any Sublicensee, to unrelated Third Parties for Licensed Product sales in the Licensed Territory, less the following:

1. Customary trade, quantity and cash discounts allowed;

1. Discounts, refunds, rebates, chargebacks, retroactive price adjustments and similar allowances which effectively reduce the net selling price, all of which appear on XYZ or Sublicensee customer invoices and all of which are limited to reasonable adjustments and allowances;
2. Actual returns or allowances of Licensed Product from XYZ or Sublicensee customers; and

1. Any tax imposed on the sale, delivery or use of the Licensed Product, including, without limitation, sales, import, export, use, excise or value-added taxes and customs duties, provided such charges, taxes and duties were separately stated on XYZ’s or Sublicensee’s invoice, bill, statement or other document to XYZ’s or Sublicensee’s customer upon which payment is made, but excluding any tax on income.

Such amounts will be determined from the books and records of XYZ and Sublicensees (as applicable), maintained in accordance with IFRSconsistently applied and consistent with past practice (and if there is a conflict with consistent application or past practice, the procedure that generates the highest Dollar amount of Net Sales). XYZ further agrees in determining such amounts, it will use XYZ’s then-current standard procedures and methodology, including XYZ’s then current standard exchange rate methodology for the translation of foreign currency sales into U.S. Dollars or, in the case of Sublicensees, such similar methodology, consistently applied. In no instance shall the calculated Net Sales for any Licensed Product be less than the greater of: 1) the Dollar amount of sales for such Licensed Product reported by XYZ or Sublicensee to applicable taxing authorities for tax purposes; or 2) the highest Dollar amount of sales for such Licensed Product reported by XYZ or Sublicensee for any formal external financial reporting purposes.

“**Party**” means ABC or XYZ, and “**Parties**” means ABC and XYZ.

**“Reasonable Commercial Efforts”** means effort, expertise and resources normally used by the Party engaged in the development and commercialization of a medical device product owned or controlled by such Party which is of similar market potential at a similar stage in its development or product life, taking into account issues of safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the product, the profitability of the applicable products, and other relevant factors.

**“Representative(s)”** means with respect to those to whom a Party discloses Confidential Information of the other Party, including but not limited to the employees, lawyers, accountants, auditors, consultants, Affiliates, other licensees or sub-licensees, subcontractors or suppliers of such Party to whom such Party elects to disclose such Confidential Information of the other Party.

“**Sublicensee**” means an Affiliate or Third Party granted rights pursuant to Section 3.2.

“**Third Party**” means any person or entity that is not a Party or an Affiliate of a Party.

**“Valid Claim”** means either (a) a claim of an issued and unexpired patent which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through re-examination, reissue or disclaimer or otherwise; or (b) a claim of a pending patent application, which claim was filed in good faith and has not been abandoned or finally disallowed without the possibility of appeal or refiling of said application.

Article III - License Grant

3.1 **Grant**. Subject to the provisions in this Agreement, ABC hereby grants to XYZ the exclusive license under Licensed Information and Licensed Patents to research, develop, make, have made, use, sell, have sold, offer for sale, and import Licensed Devices and Licensed Products and to practice Licensed Processes for any and all purposes in the Licensed Field and Licensed Territory until this Agreement expires or is terminated.

3.2 **Sublicense**. ABC also grants XYZ the right to grant sublicenses within the scope of the grant in Section 3.1 to Affiliates and to Third Parties. XYZ may grant sublicenses on negotiated terms and conditions that are no less restrictive than the terms and conditions of this Agreement. XYZ may not grant Sublicensees the right to grant further sublicenses. XYZ may exempt any Sublicensee from payment of the Up-Front License Fee required by Section 4.1. XYZ will notify ABC in writing of all Affiliates granted sublicenses. All sublicenses granted to Third Parties must be in writing and a signed copy thereof delivered to ABC within thirty (30) days after execution of each such sublicense.

3.3 **Rights Retained**. Subject to the license grant in Paragraph 3.1, ABC retains rights for any and all purposes outside the Licensed Field in the Licensed Territory, and for any and all purposes outside the Licensed Territory, to all Licensed Information and Licensed Patents and Improvements to research, develop, make, have made, use, sell, have sold, offer for sale, import, export, and license all products and processes.

3.4 **Acknowledgement by XYZ**. XYZ acknowledges that XYZ neither has nor is granted any license to use the Licensed Information for any purpose other than the manufacture of Licensed Products for use and sale in the Licensed Field and Licensed Territory, and neither has nor is granted any license to make, use, sell, offer for sale or import Licensed Products outside of the Licensed Field. XYZ understands that the rights granted to XYZ under this Agreement are conditioned upon XYZ’s agreement to refrain from and to prevent Sublicensees from using Licensed Patents or Licensed Information outside the Licensed Field and the Licensed Territory, and any such activity by XYZ or Sublicensees shall be a material breach of this Agreement.

Article IV - Consideration

4.1 **Up-Front License Fee**. XYZ will pay to ABC within five (5) business days after the Effective Date a one-time, non-refundable, non-creditable license fee of [insert U.S. Dollar amount in words] Dollars (US$\_\_\_\_\_\_\_\_\_\_\_\_\_).

4.2 **Milestone Payments**. XYZ will pay to ABC the following one-time, non-refundable, non-creditable milestone payments of:

1. Upon commencement of [insert description of first milestone], [insert U.S. Dollar amount in words] Dollars (US$\_\_\_\_\_\_\_\_\_\_\_\_\_);
2. Upon commencement of [insert description of second milestone], [insert U.S. Dollar amount in words] Dollars (US$\_\_\_\_\_\_\_\_\_\_\_\_\_);
3. Upon commencement of [insert description of third milestone], [insert U.S. Dollar amount in words] Dollars (US$\_\_\_\_\_\_\_\_\_\_\_\_\_);
4. Upon commencement of [insert description of fourth milestone], [insert U.S. Dollar amount in words] Dollars (US$\_\_\_\_\_\_\_\_\_\_\_\_\_);
5. Upon commencement of [insert description of fifth milestone], [insert U.S. Dollar amount in words] Dollars (US$\_\_\_\_\_\_\_\_\_\_\_\_\_);

Each milestone payment from XYZ to ABC will be made in immediately available funds on or before thirty (30) calendars days after occurrence of each relevant triggering event.

4.3 **Royalties**. XYZ will pay to ABC a royalty of [insert percentage in words] percent ([insert corresponding numbers]%) of the Net Sales of each Licensed Product sold or otherwise disposed of by or for XYZ or a Sublicensee.

4.4 **Earned Royalties on Other Dispositions of Licensed Products**. The phrase “otherwise disposed of” as used in conjunction with Licensed Products shall mean (a) Licensed Products not sold but delivered by XYZ or a Sublicensee to any and all Third Parties (including deliveries for export) regardless of the basis for compensation, if any, (b) Licensed Products sold or otherwise transferred to an Affiliate of XYZ, and (c) Licensed Products put into use by XYZ or a Sublicensee for any purpose other than routine testing and development activities. For clarity but not by limitation, demonstration samples provided to customers of XYZ or Sublicensees, even if at no charge to such customer, will earn ABC a royalty on such samples.

4.5 **Alternative Stipulated Value if Net Sales Value Cannot be Determined**. If Licensed Products are not being offered for sale by or for XYZ or a Sublicensee, or the Net Sales of Licensed Products cannot be determined by the highest value generated from: (a) the Net Sales definition; or (b) IFRS, then the stipulated value for purposes of calculating royalties owed by XYZ on Net Sales of Licensed Products otherwise disposed of by XYZ or Sublicensees for purposes of calculating royalty amounts owed to ABC shall be two hundred percent (200%) of XYZ’s or the applicable Sublicensee’s direct cost of such Licensed Products otherwise disposed of.

4.6 **Date of Sale**. A Licensed Product shall be considered sold on the date of shipment or the date of an invoice, whichever is earlier. A Licensed Product shall be considered otherwise disposed of on the date of shipment.

4.7 **Minimum Annual Royalties**. XYZ shall pay to ABC in advance a minimum annual royalty (the “**Minimum Annual Royalty**”) for each full calendar year beginning at First Commercial Sale of [insert amount in words] Dollars (US$[insert corresponding number]). The Minimum Annual Royalty shall be paid in four (4) equal installments each year, one installment being due on each first day of January, April, July and October of each calendar year until expiration or termination of this Agreement. Royalties accruing under Paragraph 4.3 hereof during each calendar quarter shall be credited against the Minimum Annual Royalty installment paid for that quarter. In the event of expiration or termination of this Agreement before December 31 of any calendar year, the unpaid installments for that calendar year shall be due and payable on the effective date of expiration or termination; provided, however, if ABC has been alleged to have materially breached this Agreement, such unpaid installments will be made by XYZ to an escrow account pending final resolution of the dispute regarding such alleged breach by ABC.

4.8 **Royalty Reports and Payments**. Within forty-five (45) days after the end of each calendar quarter, XYZ shall send to ABC a written report setting forth all Licensed Products sold or disposed of during the preceding quarter, or in the case of the first such report, since First Commercial Sale of the first Licensed Product, the Net Sales of such Licensed Products, any currency conversion calculation and the calculation of royalties payable under Section 4.3. Each such report shall be accompanied by payment from XYZ to ABC of the royalties due pursuant to Paragraph 4.3 hereof, less the Minimum Annual Royalty installment already paid for such current calendar quarter. A final report shall be sent to ABC within sixty (60) days after termination or expiration of this Agreement.

4.9 **Books and Records; Audits**. Each Party shall keep good and accurate books of account sufficient to permit determination of the amounts due hereunder. Upon written request sent by a Party (in this instance, the **“Auditing Party”**) to the other Party (in this instance, the **“Audited Party”**) at the address in Section 13.10, the Audited Party will permit an independent auditing firm selected by the Auditing Party and approved by the Audited Party, such approval not to be unreasonably withheld, to have access during normal business hours to such of the records of the Audited Party as may be reasonably necessary to verify the accuracy of payments relating to amounts paid or payable under this Agreement in respect of any calendar year ending not more than thirty-six (36) months prior to the date of such audit request. Except as described below, all such audits will be conducted at the expense of the Auditing Party and not more than once in each calendar year. In the event the independent auditing firm concludes that additional payments of any kind as required by this Agreement were owed to the Auditing Party during such period, the additional amounts, plus accrued interest as described in the next Paragraph, will be paid within thirty (30) days of the date the Auditing Party delivers to the Audited Party such independent auditing firm’s written report so concluding. The fees charged by such accountant will be paid by the Auditing Party, unless the audit discloses that the amounts that should have been payable by the Audited Party for the financial year or part thereof exceed a minimum of Five Thousand Dollars ($5,000) and are more than five percent (5%, where such 5% also exceeds $5,000) more than the amounts actually paid for such period, in which case the Audited Party will pay the reasonable fees and expenses charged by the independent auditing firm. The Parties agree that all information subject to audit is confidential and that each Auditing Party will cause the independent auditing firm to retain all such information in confidence and report to the Auditing Party only the accuracy or inaccuracy of the reports rendered pursuant to Paragraph 4.7 hereof. XYZ will ensure each Sublicensee is contractually obligated to permit ABC, when the Auditing Party, to conduct an audit of the Sublicensee’s records in accordance with this Section 4.9.

4.10 **Late Payments**. If either Party fails to pay any payment due under this Agreement on or before the date such payment is due, such late payment shall bear simple interest, to the extent permitted by applicable law, at ten percent (10%) per annum or the highest legally-allowed rate if such legal limit is less than ten percent (10%), and any attorney fees and related time and expenses for cost of collection. Interest will be calculated on the number of days the relevant payment is delinquent, from and including the date payment is due through and including the date upon which the owed Party has collected immediately available funds in such owed Party’s own account.

4.11 **Taxes**. If XYZ or a Sublicensee is required to withhold tax from any payment due to ABC, XYZ or the Sublicensee shall pay such withholding tax to the appropriate governmental entity or authority. XYZ or the Sublicensee is entitled to deduct such tax from the amounts due and payable to ABC. ABC, XYZ and all Sublicensees will take reasonable and appropriate steps to minimize the amount of any withholding tax payable in the performance of this Agreement, including providing such certificate or documentation required to obtain a reduction to or credit for any withholding tax.

Article V - Confidentiality

5.1 **Delivery of Licensed Information from ABC to XYZ**. Within sixty (60) days after the Effective Date, ABC shall commence delivery to XYZ such Licensed Information which, in the opinion of ABC, is necessary or useful in the manufacture, use or sale of Licensed Devices and Licensed Processes in the Licensed Field. Such Licensed Information shall be in writing to the extent possible, or, where written transfer is not feasible, shall be disclosed orally or by demonstration at ABC’s facilities; provided, however, that XYZ shall directly pay (or reimburse XYZ) for any out-of-pocket costs of XYZ in effecting such transfer of the Licensed Information, where the total of such payment and/or reimbursement will not exceed [insert dollar amount in words] (US$[insert corresponding number]).

5.2 **Licensed Information Remains Property of Licensee**. XYZ agrees that all Licensed Information shall remain the property of ABC and shall not be distributed to any Third Party without the prior written consent from ABC.

5.3 **Confidentiality of Licensed Information**. XYZ agrees to keep all Licensed Information confidential and to treat all Licensed Information with the same degree of care accorded XYZ’s own proprietary or confidential information. XYZ shall not disclose any Licensed Information to anyone other than Representatives of XYZ who have a reasonable need for access thereto, and XYZ will advise each such Representative of the confidential nature of the Licensed Information and of the procedures required to protect the confidentiality of such Licensed Information. Specific aspects or details of Licensed Information shall not be deemed to be within the public domain merely because the Licensed Information is embraced by general disclosures in the public domain. In addition, any combination of Licensed Information shall not be considered in the public domain merely because individual elements thereof are in the public domain unless the combination and its principles are in the public domain.

5.4 **Disclosures of Confidential Information**. Either Party that wishes to publish or disclose (such Party, a **“Disclosing Party”**) to any Third Party, including any independent contractors, any or all Confidential Information of the other Party (such Party, an **“Affected Party”**), must do so with the advance execution of a binding written confidentiality agreement between the Third Party and the Disclosing Party and advance approval of the Affected Party. (For clarity, either Party may disclose the existence of this Agreement to Third Parties, and for further clarity, all Licensed Information shall be deemed to be Confidential Information except as otherwise provided below.) In addition to the above, no Disclosing Party shall disclose to any Third Party, or use for any purpose other than as provided in this Agreement (which includes the exercise of any rights or the performance of any obligations hereunder), any Confidential Information of any Affected Party, unless such Disclosing Party can demonstrate that such information:

1. Was known to the Disclosing Party or to the public prior to disclosure to the Disclosing Party by the Affected Party, as shown by contemporaneous written records;
2. Becomes known to the public from a source other than the Disclosing Party, as long as the Disclosing Party had not breached confidentiality obligations in this Agreement by disclosing such information to such source prior to such public knowledge that resulted in such public knowledge;
3. Is disclosed to the Disclosing Party on a non-confidential basis by a Third Party having a legal right to make such disclosure;
4. Is required to be disclosed by law or judicial order; provided, however, the Disclosing Party shall promptly notify the Affected Party and shall not disclose any information without the Affected Party’s prior written consent or until the Affected Party has exhausted any legal actions that Affected Party may take to prevent or limit the requested disclosure; or
5. Is independently developed by the Disclosing Party where the Representative(s) of such Disclosing Party involved in such independent development did not have access to Confidential Information of the Affected Party.

Such obligations of confidentiality and non-use shall survive expiration or termination of this Agreement for a period of three (3) years from the effective date of such expiration or termination; provided, however, that to the extent any Licensed Information constitutes a trade secret (as defined under applicable law) of the Affected Party, the restrictions set forth herein shall remain in effect for so long as such information remains a trade secret. For clarity, computer source code of a Disclosing Party shall be considered a trade secret of such Disclosing Party for purposes of this Agreement.

5.5 **Allowed Disclosures**. A Disclosing Party may disclose Confidential Information belonging to an Affected Party to the extent such disclosure is reasonably necessary in the following instances:

1. prosecuting or defending litigation;
2. complying with applicable governmental regulations;
3. disclosure on a “need to know” basis to Representatives of such Disclosing Party who agree via written and signed agreements to be bound by similar terms of confidentiality and non-use at least equivalent in scope to those set forth in this Agreement; and
4. disclosure (subject to the advance written approval from the Affected Party) to any *bona fide* potential or actual investor or collaborator, investment banker, acquirer, merger partner, or other potential or actual financial partner; provided that each such disclosee must be bound in writing by similar terms of confidentiality and non-use at least equivalent in scope to those set forth in this Agreement.

Article VI - Term and Termination

6.1 **Term; Expiration; Trade Secrets**. This Agreement shall be effective on the Effective Date and shall expire on the date of expiration of the last-to-expire Valid Claim of the Licensed Patents unless extended or earlier terminated pursuant to the terms hereof.

6.2 **Post-Expiration.** Upon expiration, if XYZ or a Sublicensee is selling Licensed Products that embody Licensed Information, the license to XYZ under Licensed Information will become nonexclusive, royalty-free and indefinite, provided XYZ and any Sublicensees continue to comply with Article V with respect to such Licensed Information. This Agreement shall remain in effect for so long as such Licensed Information remains a trade secret and is used by XYZ or a Sublicensee.

6.3 **Automatic Termination**. This Agreement shall automatically terminate in the event (1) the assets of XYZ are seized or attached in conjunction with any action against XYZ by a Third Party, or (2) XYZ is dissolved, or (3) a verified attempt to assign this Agreement is made by XYZ without the prior written and signed consent of ABC.

6.4 **Termination for Material Breach including Non-Payment**. This Agreement may be terminated by either Party for a material breach of this Agreement by the other Party. If the breach has not been remedied by the offending Party within sixty (60) days after written notice to the offending Party by the offended Party of the alleged breach, this Agreement will automatically terminate. For clarity, non-payment by XYZ of rightfully-owed royalties or Minimum Annual Royalties shall be considered material breaches of this Agreement, provided that ABC has given thirty (30) written notice of non-payment to XYZ prior to delivering sixty (60) day written notice of termination of this Agreement for non-payment, and further provided that after three (3) separate notices from ABC for non-payment by XYZ that XYZ subsequently resolves and prevents termination, any subsequent non-payment by XYZ will give ABC the right, but not the obligation, to terminate this Agreement immediately upon written notice to XYZ.

6.5 **XYZ Right to Fulfill Contracts for Sale**. In the event of expiration or termination of this Agreement, XYZ shall have the right to complete all contracts for the sale of Licensed Products under which XYZ is obligated on the effective date of expiration or termination provided XYZ pays royalties on such sales as required in Article IV hereof and provided all such sales by XYZ are completed within six (6) months after the effective date of such expiration or termination of this Agreement.

6.6 **Survival of Obligations**. Upon expiration or termination of this Agreement, the obligations that by their nature are intended to survive expiration or termination of this Agreement, will survive to the extent necessary to effect the purposes thereof. XYZ agrees that upon termination of this Agreement, and upon expiration of this Agreement if XYZ or a Sublicensee is not selling Licensed Products embodying Licensed Information, XYZ will discontinue use of all Licensed Information that remains Confidential Information. Further, upon ABC’s written request, XYZ will upon ABC’s election either (i) return all Confidential Information to ABC at ABC’s expense, within thirty (30) days; or (ii) certify to ABC in writing within thirty (30) days the destruction of all Confidential Information provided to XYZ by ABC, except that one archive copy and related data backups of Confidential Information may be maintained by ABC’s legal counsel (and without continued access by anyone other than the legal counsel of such Recipient) to confirm compliance with the ongoing confidentiality obligations of this Agreement.

6.7 **Termination Not The Only Remedy**. The right of either Party to terminate under the provisions of this Article shall not be an exclusive remedy, and either Party shall be entitled, if the circumstances warrant, alternatively or cumulatively, to damages for breach of this Agreement, to an order requiring performance of the obligations of this Agreement, or to any other legally available remedy.

6.8 **No Challenge**. To the extent legally enforceable, XYZ covenants and agrees that XYZ will not, directly or indirectly, challenge or contest the validity or enforceability of the Licensed Patents or any component thereof. If XYZ alleges in any complaint, affirmative defense or counterclaim that any claims of the Licensed Patents are invalid or unenforceable, ABC, in addition to any other remedies that ABC may have at law or in equity, which shall be cumulative with any remedies set forth herein, may immediately terminate this Agreement, at ABC’s discretion, upon written notice to XYZ, which termination shall be deemed termination for default.

Article VII - Improvements

7.1 **Disclosure of ABC Improvements to XYZ**. ABC agrees to disclose to XYZ all Improvements which ABC obtains, discovers or develops during the first [insert number of years / in words and numbers]) years of this Agreement and which ABC has the right to disclose and license without payment to any Third Party. Improvements which relate solely to Licensed Information will be disclosed only if, in the opinion of ABC, such Improvements would be necessary or useful in the manufacture, use or sale of Licensed Devices, Licensed Processes or Licensed Products in the Licensed Field and the Licensed Territory. Such disclosures shall be subject to the obligations of confidentiality of Article V. Within sixty (60) days after each such disclosure, XYZ may elect by written notice to ABC to add any such Improvements to Licensed Patents or Licensed Information as appropriate. Improvements not so elected shall not be disclosed or used by XYZ.

7.3 **Disclosure of XYZ Improvements to ABC** XYZ agrees to disclose to ABC all Improvements which XYZ obtains, discovers or develops during the Exclusive Term which XYZ has the right to disclose and license without payment to any Third Party. XYZ further agrees to grant, and does hereby grant to ABC, an irrevocable, royalty-free, fully-paid-up, non-exclusive license, with the right to grant sublicenses, under all such XYZ Improvements outside the Licensed Field and outside the Licensed Territory. Upon expiration or termination of this Agreement, the license granted to ABC by this Section 7.3 will automatically extend to the Licensed Field and Licensed Territory.

Article VIII ‑ Warranty and Indemnity

8.1 **ABC Representations & Warranties**. ABC represents and warrants that ABC owns or controls the Licensed Patents, that ABC has the right to enter into this Agreement, that ABC is not a party to any existing assignments, grants, licenses, encumbrances, obligations or agree­ments, written or oral, inconsistent with this Agreement, and that ABC has no actual knowledge of any basis for invalidity or unenforceability of such Licensed Patents. ABC further represents that, as of the Effective Date, ABC has not granted any license to any Third Party under any Licensed Patent in the Licensed Field and Licensed Territory.

8.2 **ABC Disclaimers**. Nothing in this Agreement shall be construed as:

(a) a warranty or representation by ABC as to the valid­ity, enforceability or scope of any Licensed Patent; or

(b) a warranty or representation that anything made, used, sold, or otherwise disposed of pursuant to this Agreement is or will be free from infringement of patents or other intangible rights of Third Parties; or

(c) a requirement that ABC shall file any patent applica­tion, secure any patent, or maintain any patent in force, except that as of the Effective Date, ABC is current on all patent maintenance fees for all Licensed Patents in the Licensed Territory, and that ABC shall continue to timely pay all patent maintenance fees on all Licensed Patents in the Licensed Territory during the Exclusive Term as such fees become due; or

(d) an obligation on ABC to bring or prosecute actions or suits against Third Parties for alleged infringement of the Licensed Patents; or

(e) an obligation to furnish any manufacturing or technical information to XYZ except as specifically provided herein; or

(f) granting by implication, estoppel, or otherwise, any license or rights under patents, trade secrets, know-how, copyrights, or other intangible rights of ABC other than the Licensed Patents licensed pursuant to Paragraph 3.1 hereof and the Licensed Information transferred pursuant to Paragraph 5.1 hereof.

8.3 **No Product Warranty from ABC**. ABC makes no representations, extends no warranties of any kind, either express or implied, and assumes no responsibilities whatever with respect to manufacture, use, sale or other disposition by XYZ or XYZ’s customers or transferees or their subsequent customers of products or methods incorporat­ing or made by use of inventions licensed under this Agreement or any information which may be furnished by ABC under this Agree­ment.

8.4 **XYZ Waiver & Release**. XYZ HEREBY WAIVES, RELEASES AND RENOUNCES ANY AND ALL WARRANTIES, GUARANTEES, OBLIGATIONS, LIABILITIES, RIGHTS AND REMEDIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO THE USEFULNESS OR FREEDOM FROM DEFECTS OF THE LICENSED DEVICES AND LICENSED PROCESSES, INCLUDING, BUT NOT LIMITED TO, (a) ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS, (b) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE IN THE TRADE, and (c) ANY OBLIGATION, RIGHT, LIABILITY, CLAIM OR REMEDY FOR (1) LOSS OF USE, REVENUE OR PROFIT, OR ANY OTHER DAMAGES, (2) INFRINGEMENT OF THIRD PARTY INTANGIBLE PROPERTY RIGHTS, and (3) INCIDENTAL OR CONSEQUENTIAL DAMAGES.

8.5 **XYZ Indemnity**. XYZ will defend and hold ABC harmless against all claims, liabilities, damages, expenses, or losses arising (a) out of use by XYZ, XYZ’s transferees or customers or their subsequent customers of inventions licensed or information furnished under this Agree­ment or (b) out of any manufacture, use, sale or other disposition by XYZ, XYZ’s transferees or customers or their subsequent customers of products made by use of or incorporating such inventions or information.

8.6 **Third Party Infringements**. In the event XYZ becomes aware of a Third Party infringing a Licensed Patent by manufacture, use, sale, offer for sale or import of a Licensed Product in the Licensed Field and Licensed Territory, and XYZ desires to abate such infringement, XYZ shall provide written notice thereof to ABC. Unless, within ninety (90) days after such notice, ABC agrees in writing to take action against such Third Party to abate such infringement, XYZ shall have the right but not the obligation to bring an action against such Third Party for alleged infringement of a Licensed Patent in XYZ’s name, and in the name of ABC if required by law. ABC agrees to cooperate with XYZ in any such action at XYZ’s expense, including prompt and ongoing reimbursement by XYZ of all out-of-pocket costs incurred by ABC in such action. If XYZ receives any funds from the Third Party as a result of such action or a settlement thereof, after deducting XYZ’s and ABC’s expenses associated with such action, XYZ shall pay to ABC one‑half (1/2) of the remaining balance of such funds.

Article IX – Patent Marking

10.1 **XYZ Obligation to Mark**. XYZ shall mark all Licensed Products, on a visible surface thereof or, if impractical, on tags, labels, manuals, and other materials with which Licensed Products are sold, with the appropriate numbers of the Licensed Patents.

Article X – Dispute Resolution

10.1 **Initial Dispute Resolution**. In the event of a dispute, controversy or claim under or relating to this Agreement (a **“Dispute”**), the Parties shall refer such Dispute to the Chief Executive Officers of ABC and XYZ for attempted resolution by good faith negotiations within sixty (60) days after such referral is made.

10.2 **Dispute Resolution if Initial Attempts are Unsuccessful.** In the event the executives described in Paragraph 10.1 are unable to resolve any such Dispute within such sixty (60) day period, except for those matters involving patent validity, any other dispute, controversy or claim arising under, out of or relating to this Agreement and any subsequent amendments of this Agreement, including, without limitation, its formation, validity, binding effect, interpretation, performance, breach or termination, as well as non-contractual claims, shall first be submitted to mediation in accordance with the WIPO Mediation Rules. Unless otherwise mutually agreed upon in writing by the Parties, the place of mediation shall be Geneva, Switzerland. The language to be used in the mediation shall be English. If, and to the extent that, any such dispute, controversy or claim has not been settled pursuant to the mediation within sixty (60) days of the commencement of the mediation, it shall, upon the filing of a Request for Arbitration by either Party, be referred to and finally determined by arbitration in accordance with the WIPO Expedited Arbitration Rules. Alternatively, if, before the expiration of the period of sixty (60) days, either Party fails to participate or to continue to participate in the mediation, the dispute, controversy or claim shall, upon the filing of a Request for Arbitration by the other Party, be referred to and finally determined by arbitration in accordance with the WIPO Expedited Arbitration Rules. Unless otherwise mutually agreed upon in writing by the Parties, the place of arbitration shall be Geneva, Switzerland. The governing language of this Agreement and the language to be used in the arbitral proceedings shall be English. The dispute, controversy or claim referred to arbitration shall be decided in accordance with the laws of the United States and of the State of New York. Notwithstanding the above, either Party may, at such Party’s sole discretion, seek injunctive relief in the courts of any jurisdiction as may be necessary and appropriate to protect such Party’s proprietary or confidential information.

Article XI – Commercially Reasonable Efforts

11.1 **Commercially Reasonable Efforts / Required Performance by XYZ**. XYZ acknowledges ABC’s reliance upon XYZ’s performance under this Agreement for a considerable portion of the expected benefit from the Licensed Patents and Licensed Information in the Licensed Field and Licensed Territory. XYZ, therefore, agrees, in addition to payment of Minimum Annual Royalties pursuant to Paragraph 4.6 hereof, to exercise Reasonable Commercial Efforts to develop, expand, promote, and satisfy demand for Licensed Products in the Licensed Field and Licensed Territory. XYZ shall be presumed to have met XYZ’s obligation under this Paragraph if XYZ achieves the following performance steps, and expends the following monies in pursuit of such Reasonable Commercial Efforts:

(a) . . . .;

(b) . . . .; and

(c) . . . ..

Failure to satisfy the obligations of this Article XI shall be a material breach of this Agreement.

Article XII ‑ Assignment

12.1 **Assignment**. This Agreement has been entered into by ABC in reliance upon the particular qualifications of XYZ and is personal to XYZ. Neither this Agreement, nor any rights or obligations hereunder, may be assigned, pledged or encumbered by XYZ without the express prior written and signed approval of ABC, provided, however, that each of the Parties may, without such consent, assign this Agreement and its rights and obligations hereunder to its Affiliates or in connection with the transfer or sale of all or substantially all of the portion of its business to which this Agreement relates, or in the event of its merger or consolidation or change in control or similar transaction or, in the case of ABC, (a) the creation of a special purpose corporation or design and development limited partnership, or (b) transfer of the right to receive future royalties in exchange for a lump sum payment, for tax or estate planning purposes or otherwise. Any permitted assignee will assume all obligations of its assignor under this Agreement in writing and signed prior to the assignment. Any purported assignment in violation of the preceding sentences is and will be void.

Article XIII ‑ Miscellaneous

13.1 **Waivers**. A waiver of any breach of any provision of this Agree­ment shall not be construed as a continuing waiver of other breaches of the same or other provisions of this Agreement.

13.2 **No Agency**. Nothing herein shall be deemed to create an agency, employment relationship, joint venture or partnership arrangement between the Parties hereto.

13.3 **Entire Agreement**. This Agreement constitutes the entire agreement and understanding of the Parties with regard to the subject matter hereof and merges and supersedes all prior and contemporaneous discussions, negotiations, understandings and agreements between the Parties concerning the subject matter hereof. Neither Party shall be bound by any definition, condition, warranty, right, duty or covenant other than as expressly stated in this Agreement or as subsequently set forth in a written document signed by both Parties.

13.4 **Governing Law**. This Agreement shall be interpreted and construed, and the legal relations created herein shall be determined, in ac­cordance with the laws of the State of New York (excluding conflicts of laws) and the United States of America.

13.5 **Amendments**. This Agreement may be amended only by a written document signed by all required authorized representatives of the Parties.

13.6 **Necessary Acts**. Each Party hereto agrees to execute, acknowledge and deliver all such further instruments, and to do all such further acts, as may be necessary or appropriate to carry out the intent and purposes of this Agreement.

13.7 **Headings**. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the mean­ing or interpretation of this Agreement.

13.8 **Unenforceable Provisions**. Should any part or provision of this Agreement be held unenforceable or in conflict with the law of any jurisdiction, the validity of the remaining parts or provisions shall not be af­fected by such holding. In the event a part or provision of this Agreement held unenforceable or in conflict with law affects consideration to either Party, the Parties agree to negotiate in good faith amendment of such part or provision in a manner consistent with the intention of the Parties as expressed in this Agreement.

13.9 **Force Majeure**. If either Party is affected by any extraordinary, unexpected and unavoidable event, including, without limitation, acts of God, hurricanes, floods, fires, riots, terrorism, war, accidents, deaths, breakdown of plant or equipment, lack or failure of transportation facilities, unavailability of equipment, sources of supply or labor, raw materials, power or supplies, or by the reason of any law, order, proclamation, regulation, ordinance, demand or requirement of the relevant government or any sub-division, authority or representative thereof (provided that in all such cases the Party claiming relief on account of such event can demonstrate that such event was extraordinary, unexpected and unavoidable by the exercise of reasonable care) (**“*Force Majeure*”**), the affected party will as soon as reasonably practicable notify the other Party of the nature and extent thereof and take all reasonable steps to overcome the *Force Majeure* and to minimize the loss occasioned to that other Party. Neither Party will be deemed to be in breach of this Agreement or otherwise be liable to the other Party by reason of any delay in performance or nonperformance of any of its obligations hereunder to the extent that such delay and nonperformance is due to any *Force Majeure* of which it has notified the other Party and the time for performance of that obligation will be extended accordingly. Notwithstanding the foregoing sentence, should the *Force Majeure* continue for more than three (3) months, then the other Party shall have the right to terminate this Agreement immediately upon written notice of termination delivered to the affected Party.

13.10 **Notices**. Any consent, notice or report required or permitted to be given or made under this Agreement by one of the Parties hereto to the other Party will be delivered in writing by one of the following means: personal delivery, e-mail (with express, non-automated confirmation from the addressee of the receipt of such e-mail), or written document sent prepaid via Registered or Certified Mail or by a reputable, commercial courier, and addressed to such other Party at the address indicated below, or to such other address as the addressee will have last furnished via written notice to the addressor. Each such notice will be effective as of the date of the receipt or refusal of such notice by the receiving Party.

If to ABC:

[insert full address for courier delivery]

Attention: [insert]

E-mail: [insert]

If to XYZ:

[insert full address for courier delivery]

Attention: [insert]

E-mail: [insert]

13.11 **Counterparts**. This Agreement may be executed by original, facsimile or scanned/PDF signature in several counterparts, each and all of which shall be deemed to be originals, each and all of which shall constitute one and the same Agreement, and each and all of which shall be enforceable against the Parties actually executing such counterparts.

13.12 **Press Releases** **&** **Disclosures**. Neither Party will submit for written or oral publication any document, data, or other information generated and provided by the other Party during the term of this Agreement without first obtaining the prior written consent of the other Party, which consent will not be unreasonably withheld, especially as it relates to releases required for local fiscal reporting laws, filing regulations or stock rules relating to the Party or any Affiliate of the Party. The contributions of each Party will be noted in all publications, presentations, and press releases.

13.13 **Publicity.** Until the later of First Commercial Sale by XYZ of the first Product, neither Party will disclose to the public, any information about this Agreement, including its existence, without the prior written consent from the other Party, which decision regarding consent will be communicated no later than twenty (20) days after the date of receipt of the request, except where required for local fiscal reporting laws, filing regulations or stock exchange rules relating to the Party or any Affiliate of the Party. Furthermore, neither Party shall use in advertising, publicity, or otherwise the name or any trademark of the other Party without prior written consent.

IN WITNESS WHEREOF, each Party has executed this Agreement by all required authorized representative(s) of such Party, effective as of the Effective Date, but the last date of the earliest signatures by both Parties on any electronic version(s) (if earlier than the dates on the originals) will be deemed the Effective Date of this Agreement.

|  |  |  |
| --- | --- | --- |
| **ABC Authorized Signature(s)**:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Printed Name & Title (below):  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date signed: \_\_\_\_\_ /\_\_\_\_\_\_\_\_\_\_\_\_ /\_\_\_\_\_\_\_  Day / Month / Year  **ABC name & contact information**:  Printed legal name of ABC:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Address of ABC (physical Street Address, City, State/Province, ZIP/Postal Code & Country)  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  E-mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Fax: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  | **XYZ Authorized Signature(s)**:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Printed Name & Title (below):  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date signed: \_\_\_\_\_ /\_\_\_\_\_\_\_\_\_\_\_\_ /\_\_\_\_\_\_\_  Day / Month / Year  **XYZ name & contact information:**  Printed legal name of XYZ:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Address of XYZ (physical Street Address, City, State/Province, ZIP/Postal Code & Country)  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  E-mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Fax: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**EXHIBIT A**

**LICENSED PATENTS**

**Note: the patents below comprise the Licensed Patents:**

**Issued Patents:**

1. [insert information and date issued]

**Filed Patent Applications:**

1. [insert information and date filed]

**Patent Applications to be filed:**

1. [insert information and date filed]

**EXHIBIT B**

**LICENSED TERRITORY**

**Note: the countries in Asia listed below comprise the Licensed Territory:**

1. [insert list of countries]