

License Agreement

This License Agreement (“Agreement”) is entered into between the University of Rochester, an educational institution chartered by the State of New York having its principal offices at 611 Hylan Building, Box 270142, Rochester, New York 14627-0142 (“University”), and LICENSEE NAME, a TYPE OF LICENSEE duly organized under the laws of STATE, having its principal offices at LICENSEE ADDRESS (“LICENSEE”).

Recitals

WHEREAS, With the exception of certain rights reserved to the United States Government, University is the owner of certain Patent Rights (as later defined herein), and has the right to grant licenses under said Patent Rights; and

WHEREAS, University desires to have such Patent Rights developed and commercialized to benefit the public and is willing to grant licenses thereunder; and

WHEREAS, LICENSEE desires to obtain field-specific non-exclusive license rights to the Patent Rights under the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants contained in this Agreement, the parties hereto agree as follows:

1. Definitions

For the purposes of this Agreement, the terms, words, and phrases, when used in the singular or plural, specifically defined in this section, shall have the meanings given to them in this section.

1.1 “Affiliate(s)” means any corporation or other business entity that controls, is controlled by or is under common control with LICENSEE. For this purpose, “control” means the possession of the power to direct or cause the direction of the management and the policies of an entity whether through ownership directly or indirectly of fifty percent (50%) or more of the stock entitled to vote, and for nonstock organizations, the right to receive over fifty percent (50%) of the profits by contract or otherwise, or if not meeting the preceding requirement, any company owned or controlled by or owning or controlling such party at the maximum control or ownership right permitted in the country where such entity exists.

1.2 “Confidential Information” means the collection of technical information related to the Patent Rights that is not generally known or available to the public. All technical information, including unpublished patent applications, office actions and correspondence, related to the Patent Rights disclosed in confidence by the University to the LICENSEE shall be presumed to be Confidential Information of the University.

1.3 “Date of First Commercialization” means the date on which an initial transfer by LICENSEE of a Licensed Product is made in exchange for cash or some other consideration to which value can be assigned for the purpose of determining Net Sales.

1.4 “Effective Date” means the date upon which this Agreement is effective, which is EFFECTIVE DATE.

1.5 “Exhibit” means an appendix or exhibit identified by a section number that is attached to this Agreement, each of which is hereby incorporated by reference.

1.6 “Licensed Field” means LICENSED FIELD DEFINITION.

1.7 “Licensed Product(s)” means any product, apparatus, method, or system, the production, manufacture, sale, offer for sale, lease/loan, use, import or practice of which would infringe one or more Valid Claims of Patent Rights.

1.8 “Licensee” means LICENSEE and its Affiliate(s), as defined in Section 1.1, now or hereafter in existence.

1.9 “Net Sales” shall include the gross amounts received by LICENSEE, or for non-cash and partial-cash sales, Net Sales shall include the fair market value of non-cash consideration received by LICENSEE, from any third party for the sale, lease/loan, or other disposition or use of Licensed Products to or by such third party less the sum of the following:

1.9.1 cash discounts and other trade discounts allowed in amounts customary in the trade and actually taken;

1.9.2 sales, import, export, excise, and value-added taxes and customs and tariff duties and/or use taxes or other governmental fees or assessments directly imposed and with reference to particular sales;

1.9.3 outbound transportation prepaid or allowed, costs of insurance and packing from the place of manufacture to customer’s premises; and

1.9.4 amounts allowed or credited on returns or replacements.

1.10 “Patent Rights” means the patent(s) and patent application(s) identified in Exhibit 1.10, and all applications for United States or foreign patents based on or claiming priority to such patent(s) or application(s), any patents granted on said United States or foreign applications, and any continuations, continuations-in-part, divisions, patents of addition, reissues, reexaminations, or extensions of any of the foregoing, issued during the term of this License Agreement and provided that University is the owner, applicant, or assignee thereof.

1.11 “Valid Claim” means a claim of any issued and unexpired Patent Rights, which has not been disclaimed, revoked or held unpatentable, invalid or unenforceable by a final decision of a court or other governmental agency of competent jurisdiction, which decision is unappealable or unappealed within the time allowed for appeal, and which claim is otherwise enforceable.

2. Grant of License

2.1 License Grant. Subject to the terms and conditions of this Agreement, University hereby grants to **LICENSEE**, subject to any rights the United States Government may possess under § 37 CFR 401, and **LICENSEE** hereby accepts, a nonexclusive, worldwide right and license to use and practice the Patent Rights, only in the Licensed Field, during the term of this Agreement.

2.2 The grant in Section 2.1 shall be further subject to, restricted by and nonexclusive with respect to:

2.2.1 the use of the Patent Rights by University for noncommercial research, teaching, patient care and other educationally related purposes;

2.2.2 the use of the Patent Rights by the inventors thereof for noncommercial research, teaching, patient care and other educationally related purposes at nonprofit academic or research institutions.

2.3 Right to Sublicense. **LICENSEE** shall have the right to enter into sublicensing agreements for the rights, privileges and licenses granted under Section 2.1 during the term of this Agreement. The implied license an end-user obtains to use Licensed Product for its intended purpose shall not be considered a sublicense for purposes of this Agreement.

2.4 Requirements of Sublicenses. **LICENSEE** agrees that any sublicenses granted by it shall provide that the obligations to University of Sections 2, 6, 7, 8.1, 9, 11, 12.1, 12.2, 12.4, 12.5 and 12.12 of this Agreement shall be binding upon the sublicensee as if it were a party to this Agreement; provided that University shall consider in good faith any requests made by **LICENSEE** to amend this Agreement in order to achieve conformity with any sublicense agreement negotiated by **LICENSEE**. **LICENSEE** agrees to attach copies of these Sections to any such sublicense agreements. Within thirty (30) days after execution or modification of a sublicense agreement, as authorized herein, **LICENSEE** shall forward to University a fully executed copy of such sublicense agreement or modification. For a sublicense agreement, the notification shall include the name of the sublicensee, the date of the sublicense agreement, the sublicensed patent rights, the sublicensed fields and if there is a sublicense modification, the nature of the modification.

Financial and other obligations under a sublicense shall not be more favorable to the sublicensee than to the present **LICENSEE**, except that any payments and royalties

required for any sublicenses granted may be reasonably adjusted or omitted so long as the totality of all said payments and royalties is not more favorable to the sublicensee than to the LICENSEE for the corresponding subset of sublicensed patent rights or sublicensed fields granted to said sublicensee.

3. Payments and Royalties

3.1 License Issue Royalty. LICENSEE shall pay University a non-refundable and non-creditable license issue royalty of AMOUNT Dollars (\$AMOUNTNO1) within thirty (30) days from the execution of this Agreement.

3.2 License Maintenance Royalty. LICENSEE further agrees to pay University a license maintenance royalty of AMOUNT Dollars (\$AMOUNTNO2) per calendar year or part thereof during which this Agreement is in effect starting in calendar year YEAR. The license maintenance royalty shall be due and payable on December 31 of each such calendar year.

The license maintenance royalty shall be due and payable at the end of the calendar year quarter (December 31) when royalty reports and payments are due as described in Section 6.2 for each year this Agreement is in effect. The royalties on licensed products described in Section 3.3 that accrue during the same annual period that the annual license maintenance royalty is due shall be credited against said annual license maintenance royalty for the year in question.

In no event may the royalty payments described in Section 3.3 be deferred and royalties described in Section 3.3 are only creditable against the annual license maintenance royalty for the calendar year in which royalties are incurred.

3.3 Royalties on Licensed Products. LICENSEE shall pay to University a royalty in the amount of a RATE percent (RATENO%) of LICENSEE's Net Sales for Licensed Products, such payments to be made in accordance with Section 6.2 of this Agreement.

3.4 Royalties on Licensed Products Sold by Sublicensee(s). LICENSEE shall pay to the University a total of twenty-five percent (25%) of any and all payments or other consideration received by LICENSEE from any and all sublicensee(s) in consideration for LICENSEE's grant of a sublicense of any of the Patent Rights to said sublicensee(s), including but not limited to sublicense issue fees, royalties and other revenues from said sublicensee(s).

Moreover, payments received from sublicensee(s) for patent prosecution will be paid to the University to equally reduce the amounts due from the LICENSEE under Section 5.2.

Payments received from sublicensee(s) for and directly identifiable with bona fide (i) arrangements for funding research and development activities, and (ii) reimbursements of specified expenses actually incurred, such as expenses for consulting fees and product registration and regulatory costs, will not be subject to the payment of royalties to the

University under this Agreement, provided such payments as received in this Section are not in lieu of or creditable to current or future payments of fees or royalties from sublicense(s).

3.5 Single Royalty. In no event shall more than one royalty be due hereunder with respect to any unit of Licensed Product even if covered by more than one patent included in the Patent Rights.

3.6 Payment Terms. All payments shall be paid in United States dollars in Rochester, New York. If any currency conversion shall be required in connection with the calculation and payment of royalties hereunder, calculations required to ascertain amounts due University and any currency conversions necessary to make payment of amounts due University shall be made using the United States dollar buying price quoted for such conversion into United States dollars in the *Wall Street Journal* on the last day of the accounting period during which such payment becomes due or on the day transfer of funds is actually made, whichever day has the rate most favorable to University.

3.7 Royalty Term. **LICENSEE**'s obligation to pay royalties to University shall continue until the expiration of the last to expire Valid Claim, or any patent term extension thereof, of Patent Rights that cover such Licensed Product.

3.8 Withholding of Taxes. In the event that **LICENSEE** is required to withhold any tax for the tax or revenue authorities in any country regarding any payment to University due to the laws of such country, such amount shall be deducted from the royalty or other payment to be made by **LICENSEE**, and **LICENSEE** shall notify University and promptly furnish University with copies of any tax certificate or other documentation evidencing such withholding.

4. Due Diligence

4.1 Diligence. As an inducement to University to enter into this Agreement, **LICENSEE** agrees to use all reasonable efforts and diligence to proceed with the development, manufacture, and sale or lease of Licensed Product and to diligently develop markets for the Licensed Product. University may terminate this Agreement if neither **LICENSEE** nor a sublicensee has sold Licensed Product after the date beginning two (2) years from the Effective Date of this Agreement, provided however, that **LICENSEE** shall have the right to cure within a ninety (90) day period following written notice from University.

4.2 Development Report. **LICENSEE** shall deliver to University, within sixty (60) days after the end of each calendar year, a report summarizing the efforts of **LICENSEE** and its Affiliates and its sublicensee(s) to develop and commercialize Licensed Products. Such report shall include, as a minimum, information (e.g., summary of work completed, summary of work in progress, current schedule of anticipated events or milestones and market plans for introduction of Licensed Product) sufficient to enable University to satisfy reporting requirements of the United States Government and for

University to ascertain progress by **LICENSEE** toward meeting the diligence requirements of this Section 4.

5. Patent Prosecution

5.1 University Patent Filing. University shall prepare, apply for, seek prompt issuance of, and maintain during the term of this Agreement the Patent Rights using patent counsel selected by University. In connection with the foregoing, University shall keep **LICENSEE** fully informed as to the status of patent matters described in this Section 5.1, including without limitation, by providing **LICENSEE** the opportunity to fully review and comment on any documents which will be filed in any patent office, and providing **LICENSEE** copies of any substantive documents that University receives from such patent offices promptly after receipt, including all patent office actions, notice of all interferences, reissues, re-examinations, oppositions or requests for patent term extensions.

5.2 **LICENSEE** shall be responsible to pay all reasonable and documented fees and costs directly incurred by University relating to the filing, prosecution, and maintenance of the Patent Rights. As of the Effective Date of this Agreement, such fees and costs subject to reimbursement by **LICENSEE** amount to \$AMOUNT. University shall notify **LICENSEE** in writing promptly, and consult with **LICENSEE**, before discontinuing payment of any fees and costs relating to the filing, prosecution and maintenance of the Patent Rights.

5.3 **LICENSEE** acknowledges that University may be required to disclose to **LICENSEE** Confidential Information related to the Patent Rights that is considered to be University's intellectual property. **LICENSEE** agrees to take reasonable precautions to protect such Confidential Information and preserve its confidential or proprietary status. **LICENSEE** shall use at least the same degree of care and precaution as is customarily used to protect its own Confidential Information.

6. Reports and Records

6.1 Development Report. **LICENSEE** shall provide to University an annual report detailing the development of Patent Rights into commercial product(s), as described in Section 4.3 above.

6.2 Payments and Royalty Reports. After the first commercial sale of a Licensed Product, **LICENSEE**, within sixty (60) days after March 31, June 30, September 30 and December 31, of each year, shall deliver to University true and accurate reports, in the format described in Exhibit 6.2, of the amounts received by **LICENSEE** during such quarter and the amount of royalties due on such amounts so received. With each such report submitted, **LICENSEE** shall pay to University the royalties due and payable under this Agreement. If no royalties shall be due, **LICENSEE** shall so report.

6.3 Books and Records. **LICENSEE** shall keep full, true and accurate books of account containing all particulars that may be necessary for the purpose of showing the

amounts payable to University under this Agreement for a period of three (3) calendar years after the year in which such event or sales occurred. Said books of account shall be kept at LICENSEE's principal place of business or the principal place of business of the appropriate division of LICENSEE to which this Agreement relates. LICENSEE shall provide University with pertinent sections of its own internal accounting report, such internal accounting to be performed at a minimum annually during that three-year period, for the purpose of verifying the accuracy of amounts payable to University.

6.4 Audit Request. At the request and expense of University, LICENSEE shall permit an independent, certified public accountant appointed by University, and reasonably acceptable to LICENSEE, during normal business hours, upon at least five (5) business days prior notice and no more than once every twelve (12) months, to examine those records and all other material documents for the purpose of verifying LICENSEE's royalty statement or compliance with other payments due under this Agreement, for a period of three years after such royalties or other payments have accrued. Results of any such examination shall be made available to both parties. Should such inspection lead to the discovery of a greater than five percent (5%) discrepancy in reporting to University's detriment, LICENSEE agrees to pay the full cost of such inspection

6.5 Charges on Late Payments. The royalty payments set forth in this Agreement shall, if overdue, bear a late charge until payment at a per annum rate equal to one percent (1.0%) above the prime rate in effect at the JP Morgan Chase Bank on the due date. The payment of such late charge shall not foreclose University from exercising any other rights it may have as a consequence of the lateness of any payment.

6.6 Confidentiality of Reports and Records. Except as otherwise provided or permitted in this License Agreement, University agrees to use its reasonable efforts to maintain confidentiality of all information of or about LICENSEE that University gains as a result of reports, records or audits provided by or obtained according to Section 6. University shall use at least the same degree of care and precaution as is customarily used to protect its own confidential information.

7. Termination

7.1 Term. This Agreement shall be effective as of the Effective Date and shall continue in full force and effect until the last to expire Valid Claim of the Patent Rights, or any extension of patent terms thereof, unless sooner terminated as provided in this Agreement.

7.2 Unilateral Termination. This Agreement may be terminated by LICENSEE upon ninety (90) days prior written notice to University.

7.3 Termination for Non-payment. Should LICENSEE fail to make any payment not being contested by LICENSEE in good faith to University under this Agreement within thirty (30) days after such payments are due and payable, University shall have the right to terminate this Agreement effective on sixty (60) days prior written

notice, unless **LICENSEE** shall make all such payments to University within said sixty (60) day period.

7.4 Termination for Other Breaches. Upon any material breach or default of this Agreement by **LICENSEE**, other than those occurrences set out in Section 7.2 and 7.3, which shall always take precedence in that order over any material breach or default referred to in this Section 7.4, University shall have the right to terminate this Agreement and the rights, privileges and license granted hereunder effective on ninety (90) days prior written notice to **LICENSEE**, unless **LICENSEE** shall have cured any such material breach or default prior to the expiration of such ninety (90) day period.

7.5 Effect of Termination. Upon the termination of this Agreement for any reason, nothing herein shall be construed to release either party from any obligation that matured prior to the effective date of such termination. In addition, all provisions of this Agreement that by their terms require performance by one or both parties following expiration or termination of this Agreement shall survive such expiration or termination. Such provisions shall include, but not be limited to, Sections 1, 6.2, 6.3, 6.4, 7.5, 9, 11, 12.1, 12.2, 12.3, 12.4, 12.5, 12.11 and 12.12.

8. Infringement

LICENSEE shall promptly inform University in writing of any alleged or threatened infringement of the Patent Rights by a third party of which it becomes aware.

9. Indemnification, Warranties and Product Liability

9.1 Indemnification by Licensee. **LICENSEE** shall, at all times during the term of this Agreement and thereafter, indemnify, defend and hold University, its trustees, directors, officers, employees and affiliates, harmless against all claims, proceedings, demands and liabilities of any kind whatsoever initiated by a third party, including reasonable legal expenses and reasonable attorney fees, to the extent such arise out of **LICENSEE**'s performance of any of its obligations, or exercise of any of its rights under this Agreement, including without limitation **LICENSEE**'s offering, marketing or selling of Products, including but not limited to claims or liabilities associated with the death of or injury to any person or persons, damage to property, or resulting from the production, manufacture, sale, use, lease, consumption or advertisement of the Product(s), other than claims based on the actual or alleged infringement of any third party's rights by the Patent Rights.

9.2 Insurance. **LICENSEE** shall obtain and carry in full force and effect commercial general liability insurance which shall protect **LICENSEE** and University with respect to events for which **LICENSEE** is obligated to indemnify University under Section 9. Such insurance shall be written by a reputable insurance company authorized to do business in the State of New York, shall be endorsed to include University as an additional named insured thereunder, shall be endorsed to include product liability coverage when and if a Product is sold, and shall require thirty (30) days written notice to be given to University prior to any cancellation or material change thereof. The limits of such

insurance with respect to claims for personal injury and property damage shall not be less than One Million Dollars (\$1,000,000) per occurrence/Two Million Dollars (\$2,000,000) aggregate at the primary level and Three Million Dollars (\$3,000,000) per occurrence/aggregate at the excess level. At University's request, which shall not be more frequently than annually, **LICENSEE** shall provide University with Certificates of Insurance evidencing the coverage required herein. The minimum amounts of insurance required under this Agreement shall not in any way limit the liability or indemnification obligations of **LICENSEE** under this Agreement.

9.3 NO WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, UNIVERSITY, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES, AND AFFILIATES MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN, VALIDITY OR NON-INFRINGEMENT OF PATENT RIGHTS AND ANY RELATED CLAIMS, ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT KNOWN OR DISCOVERABLE. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY UNIVERSITY THAT THE PRACTICE BY **LICENSEE** OF THE LICENSE GRANTED HEREUNDER SHALL NOT INFRINGE THE PATENT OR OTHER RIGHTS OF ANY THIRD PARTY. IN NO EVENT SHALL UNIVERSITY, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES AND AFFILIATES BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGE OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER UNIVERSITY SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY THEREOF.

9.4 University represents and warrants as set forth below:

9.4.1 Authorization and Enforcement of Obligations. University has the full legal right to enter into the Agreement and to perform its obligations hereunder and to the best of its knowledge and belief does not and will not have any obligations to any third party that conflict with or are inconsistent with this Agreement. This Agreement has been duly executed and delivered by a duly authorized representative of University, and constitutes a legal, valid and binding obligation, enforceable against University in accordance with its terms.

9.4.2 Ownership. With the exception of certain rights reserved to the United States Government, to the best of its knowledge and belief (i) University is the sole and exclusive owner of all rights in the Patent Rights, (ii) University has the right and power to grant the license in the Patent Rights contemplated by this Agreement, (iii) the Patent Rights are not subject to any lien, claim, security interest or encumbrance whatsoever, and (iv) there is no action, claim or proceeding presently

pending or, to University's knowledge, threatened with respect to the Patent Rights or the license being granted hereby.

10. Regulatory Filing

Licensee shall take responsibility for the preparation and submission of all applications relating to any required regulatory approval of the Licensed Product(s) in the countries in which it is sold.

11. Terms of the Agreement

University and **LICENSEE** shall not disclose any terms or conditions of the Agreement or any financial information received from the other party to any third party without the prior consent of the other party except as required by law. Notwithstanding the foregoing, prior to, or after the Effective Date, **LICENSEE** and University may agree in writing upon the substance of information that can be used to describe the terms of this transaction, and **LICENSEE** and University may disclose such information, as modified by mutual agreement from time to time, without the other party's consent.

12. Miscellaneous

12.1 Use of Name.

12.1.1 No party shall not use the name of the other party, nor any adaptation thereof, nor the names of any of their employees, in any advertising, promotional or sales literature without the prior written consent obtained from the other party, or said employee, in each case, except that **LICENSEE** may state that Patent Rights are licensed from University.

12.1.2 Nothing in Section 12.1.1 shall prevent **LICENSEE** from factually describing itself as a **LICENSEE** of the Patent Rights in connection with: (i) submissions made to governmental authorities to facilitate the issuance of marketing approvals for Products; (ii) its negotiation of arrangements for consulting, development, manufacturing, testing and commercialization with respect to Products, provided that such use is pursuant to appropriate confidentiality obligations; (iii) its efforts to secure financing at any time during the term of this Agreement; or (iv) required disclosures in compliance with applicable laws or regulations (including the disclosure requirements of the U.S. Securities and Exchange Commission, NASDAQ or any other stock exchange on which securities issued by **LICENSEE** are traded) or order by a court or other regulatory body having competent jurisdiction.

12.2 Independent Contractor. **LICENSEE** and University are not partners or joint venturers under this Agreement and nothing herein shall be construed as causing them to be such. Neither party shall have no authority to act in the other party's name,

and no authority to act for the other party's benefit except as is expressly provided for in this Agreement.

12.3 Notices. Any notice or other communications required or permitted to be given under or in connection with this Agreement shall be deemed to have been sufficiently given if in writing and personally delivered or sent by registered or certified mail (return receipt requested), facsimile transmission (receipt verified), express courier service (signature required), or telegram, prepaid, to the party for which such notice is intended, at the address set forth for such party below (or at such other address for a party as shall be specified by like notice; provided, that notices of a change of address shall be effective only upon receipt thereof):

If to University, to: University of Rochester
Office of Technology Transfer
611 Hylan Building, Box 270142
Rochester, NY 14627-0142
tel: 585-275-3998
fax: 585-473-6717

with a copy to: Vice President & General Counsel
University of Rochester
266 Wallis Hall
Rochester, NY 14627

If to LICENSEE, to: NOTICE1
[REDACTED]
with a copy to: NOTICE2
[REDACTED]

If sent by personal delivery, facsimile transmission, express courier service, or telegram, the date of such notice shall be deemed to be the date on which such notice or request has been given. If sent by registered or certified mail, the date of such notice shall be deemed to be the date three business days after the date of mailing.

12.4 Export Controls. It is understood that University and LICENSEE are subject to United States laws and regulations (including the Arms Export Control Act, as amended and the Export Administration Act of 1979) controlling the export of technical data, computer software, laboratory prototypes and other commodities. LICENSEE's obligations hereunder include, without limitation, compliance with applicable United States export laws and regulations. The transfer of certain technical data and commodities may require a license from an agency of the United States Government and/or written assurances by LICENSEE that LICENSEE shall not export data or commodities to certain foreign countries without prior approval of such agency. University neither represents that a license shall not be required nor that, if required, it shall be issued.

12.5 Assignment; Binding Effect. Neither party shall assign its rights or duties

