CERIM
Central Europe Research to Innovation Models

LICENSE AGREEMENT TEMPLATE

CENTRAL EUROPE
COOPERATING FOR SUCCESS.

EUROPEAN UNION
EUROPEAN REGIONAL DEVELOPMENT FUND

© Copyright CERIM

This project is implemented through the CENTRAL EUROPE Programme co-financed by the ERDF.

Directory

License Agreement 3
1. Subject Matter 3
2. Extent of License 3
2.1 Exclusive or Non-Exclusive 3
2.2 Territory 3
2.3 Sub-License 3
2.4 Improvements 3
2.5 Term 3
3. Fees 3
3.1 Lump Sums 3
3.2 Royalties 3
4. Infringement 3
5. General Considerations 3
5.1 Representations and Warranties 3
5.2 Licensor and Licensee Obligations 3
6. Governing Law 3

The License Agreement Template provides the basic structure of such a contract. Please note that it is highly recommended to consider counselling an attorney if you consider a license agreement.

LICENSE AGREEMENT

License agreement between
..... (“Licensor“) and ..... (“Licensee“).
The License Agreement is made effective by the signature of both parties by .....date)

The content of the agreement as followed.

1. SUBJECT MATTER

The content of this License Agreement is ……[product or processes etc.] (“Licensed Good”) which is under the property right of …..……
[name and number of the respective IPR(s)] of the Licensor].
The Licensee is permitted by the Licensor to use the Licensed Good in order to [please specify - produce, practice or sell the Licensed Good]. To enable the use of the Licensed Good the Licensor will support the Licensee with necessary consulting and training fractions .....[please specify].

The Licensee and its authorised users commit the confidential agreements:

(a) .....
(b) .....

.

2. EXTENT OF LICENSE

Please chose the appropriate options in the boxes

2.1 Exclusive or Non-Exclusive

The Licensee has an exclusive right in terms of conditions of this License Agreement to [produce, practice or sell] the Licensed Good [worldwide/in a specific territory].

The Licensee accepts a non-exclusive right in terms of conditions of this License Agreement to [produce, practice or sell] the Licensed Good [worldwide/in a specific territory].

If the Licensor agrees with a third party about the respective Licensed Good to provide more favourable conditions, the Licensor obligates to renew the present License Agreement and to give the Licensee the same favourable conditions as to the third party.

2.2 Territory

The licensed territory is ..... The Licensee is not permitted to make, use or sell the Licensed Good outside this territory.

2.3 Sub-License

The Licensee has the right to grant sub-license in its territory. Revenues from the sub-license have to be shared with the Licensor to..... percent [%]. The sub-license will end with termination of the head-license. Any sub-license agreement needs the prior permission of the Licensor.

2.4 Improvements

Changes and Improvements by the Licensee

All improvements to the Licensed Good have to be reported by the Licensee to the Licensor. Improvements in this sense include any advances which can be directly used or applied by the Licensed Good and which are patentable. If the Licensor participated in this development he/she possess the right to be considered as part of a joint venture as well as the right to be licensed to the new technology. Both parties agree to undertake further negotiation processes in good faith.

Improvements by the Licensor

The Licensors agrees to inform the Licensee about all improvements to the Licensed Good. The Licensee has the right to be licensed to the respective new technology by the conditions of this License Agreement.

2.5 Term

The License Agreement ends at the.....[date].

3. FEES

Please chose the appropriate options

3.1 Lump Sums

The Licensor and the Licensee agree about a lump sum in the amount of .....[amount and currency]. The lump sum has to be paid within the first .....weeks after signing this License Agreement. Therewith the license is fully-paid-up and no further financial requirements will emerge.

3.2 Royalties

The Licensor and the Licensee agree about regular payments in the form of license royalties. [License royalties can refer to the Licensees sales, gross sales or net sales. The conditions need to be further negotiated and specified.]

4. INFRINGEMENT

In case of financial disadvantages following an infringement due to a third party producing, practicing or selling the Licensed Good without permission by the Licensor, the parties shall meet for agreement over appropriate actions. Licensee and Licensor will share the costs of eventually necessary legal effects by 25% and 75% respectively.

5. GENERAL CONSIDERATIONS

5.1 Representations and Warranties

The Licensor represents and warrants the Licensee :

a) Licensor owns the Licensed Good and its legal property rights, which gives the right to grant the respective license. The Licensor possess the contractual right to grant the License in case of improvements of the Licensed Good.

b) The Licensed Good and its property rights are valid accordingly to the knowledge of the Licensor at the date of signature.

c) The use of the Licensed Good is to be implemented pursuant to the knowledge of Licensor without any exceptions.

d) The Licensee will have no liabilities or obligations to the Licensor's IPR-portfolio or License improvements.

e) On the request from the licensee, the Licensor will provide the Licensee access to the Licensed Good and facilities and trainings agreed upon in the contract without further consideration.

f) The Licensor will inform the Licensee immediately in case legal changes affecting the Licensed Good emerge.

5.2 Licensor and Licensee Obligations

Licensor Obligations

a) The Licensor provides the relevant technology required for the use of the Licensed Good

b) The Licensor maintains the power of the license in the territory.

Licensee Obligations

a) The Licensee will undertake all necessary steps to successfully manufacture and market the Licensed Good in the present territory.

b) The Licensee takes properly care of the entrusted Licensed Good and other properties of the Licensee.

6. GOVERNING LAW

This Agreement will be interpreted and construed according to, and governed by, the laws of.....Any dispute regarding this agreement shall be examined under jurisdiction of these laws.

Licensor	**Licensee**
[City and date]	[City and date]
_____	_____
[Company X]	[Company Y]
[Name of Representative]	[Name of Representative]