Dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_20[●]

1. [*Full legal name of the RPO*]

and

(2) [*Full legal name of the Licensee*]

**MODEL EXCLUSIVE LICENCE AGREEMENT TO A SPIN-OUT COMPANY**

**MODEL EXCLUSIVE licence agreement TO A SPIN-OUT COMPANY**

**This Agreement** dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20[●] is between:

1. **[●]** (the “**RPO**”), [an academic institution incorporated *or* established under [statute *or* charter in Ireland,]] whose [principal address *or* registered office] is at [●]; and
2. **[●] [LIMITED][INC.]** (the “**Licensee**”), [a company incorporated in [●] under registration number [●],] whose [principal place of business *or* registered address] is at [●].

**Background:**

1. The RPO has developed certain technology and owns certain intellectual property rights relating to [●], including the IP and the Know-how.
2. The Licensee was incorporated on [●] and is a spin-out company of the RPO.
3. The Licensee wishes to acquire rights under the IP and to use the Know-how for the development and commercialisation of Licensed Products in the Field and in the Territory, all in accordance with the provisions of this Agreement.

**The Parties agree as follows:**

1. **Definitions**

*1.1 Definitions.* In this Agreement, the following words shall have the following meanings:

|  |  |
| --- | --- |
| **Affiliate** | In relation to a Party, means any entity or person that Controls, is Controlled by, or is under common Control with that Party. |
| **[Assignment Fee]** | [Has the meaning given in Clause 6.6(b).] |
| **Bribery Event** | A breach by a Party and/or its Affiliates and/or their respective officers, directors, employees and representatives of the Criminal Justice (Corruption Offences) Act 2018 and/or any corresponding anti-bribery or anti-corruption legislation in the Territory. |
| **Claims** | All demands, claims and liability (whether criminal or civil, in contract, tort (including negligence) or otherwise) for losses, damages, legal costs and other expenses of any nature whatsoever and all costs and expenses (including legal costs) incurred in connection therewith. |
| **Commencement Date** | [●]. |
| **Confidential Information** | 1. All IP and Know-how; and
2. All other technical or commercial information that:
3. in respect of information provided in documentary form or by way of a model or in other tangible form, at the time of provision is marked or otherwise designated to show expressly or by necessary implication that it is imparted in confidence;
4. in respect of information that is imparted orally, any information that the Disclosing Party or its representatives informed the Receiving Party at the time of disclosure was imparted in confidence; and
5. any copy of any of the foregoing.
 |
| **Control** | Direct or indirect beneficial ownership of 50% (or, outside a Party’s home territory, such lesser percentage as is the maximum, permitted level of foreign investment) or more of the share capital, stock or other participating interest carrying the right to vote or to distribution of profits of that Party, as the case may be. |
| **Diligent and Reasonable Efforts** | Exerting such efforts and employing such resources as would normally be exerted or employed by a reasonable third party company for a product of similar market potential at a similar stage of its product life, when utilising sound and reasonable scientific and business practice and judgement in order to develop the product in a timely manner and maximise the economic return to the Parties from its commercialisation. |
| **Disclosing Party** | Has the meaning given in Clause 3. |
| **Field** | [*●*]. |
| **[Investment]** | [Actual receipt by the Licensee of at least €[●] as the purchase price for a subscription of shares in the Licensee [in a single transaction].] |
| **IP** | Any and all of the intellectual property rights and relevant applications for intellectual property rights referred to in Schedule 1 Part A, (including, with respect to any patents, any continuations, continuations in part, extensions, reissues, divisions, and any supplementary protection certificates and similar rights that derive priority from the foregoing). |
| **Know-how** | Technical information in the Field developed by the RPO and relating directly to the inventions claimed in the IP, as described in the attached Schedule 1 Part B. |
| **Licensed Products** | [Any and all products that are manufactured, sold or otherwise supplied by the Licensee or its sub-licensee(s) (including any Affiliate(s) of the Licensee) and which (a) are within any Valid Claim of the IP; and/or (b) incorporate, or their development makes use of, any of the Know-how.] |
| **[Net Receipts]** | [The amount of any payment (excluding value added tax), and the value of any non-monetary receipt, obtained by, or due to, the Licensee or its Affiliate(s), in relation to the development or sub-licensing (including the grant of any option over a sub-licence) of any of the IP and Know-how, and including any of the following:1. up-front, milestone (whether at the stage of development, marketing or otherwise), success, bonus, maintenance and periodic (including annual) payments and royalty payments due under any sub-licence agreement;
2. payments in respect of the funding of research or development activities related to any Licensed Product, to the extent that such payments exceed a reasonable level of payment for such activities;
3. where any sub-licence is to be granted under cross-licensing arrangements, the value of any third party licence obtained under such arrangements;
4. any premium paid over the fair market value of shares, options or other securities in respect of any of the share capital of the Licensee or its Affiliate(s) (such fair market value to be determined on the assumption that the RPO had not granted, nor agreed to grant, any rights to the Licensee in respect of any of the IP and Know-how);
5. any loan, guarantee or other financial benefit made or given other than on normal market terms; and
6. any shares, options or other securities obtained from a third party.]
 |
| **[Net Sales Value]** | [The invoiced price of Licensed Products sold or otherwise supplied by the Licensee or its Affiliate(s) to independent third parties in arm’s length transactions exclusively for money or, where the sale or other supply is not at arm’s length, the price that would have been so invoiced if it had been at arm’s length, after deduction of all documented:1. normal trade discounts actually granted and any credits actually given for rejected or returned Licensed Products;
2. costs of packaging, insurance, carriage and freight, provided in each case that the amounts are separately charged on the relevant invoice;
3. Value Added Tax or other sales tax; and
4. import duties or similar applicable government levies,

provided that such deductions do not exceed reasonable and customary amounts in the markets in which such sales or other supplies occurred. Sales and other supplies between any of the Licensee, its Affiliates and sub-licensees shall not be considered for the purposes of this definition unless there is no subsequent sale or other supply to a person who is not the Licensee, its Affiliate or sub-licensee.] |
| **[Option]** | [Has the meaning given in Clause 6.6(a).]  |
| **Parties** | The RPO and the Licensee; and “**Party**” shall mean either of them. |
| **Principal Investigator** | [●]. |
| **Receiving Party** | Has the meaning given in Clause 3. |
| **Territory** | [●] . |
| **Valid Claim** | A claim of a patent or patent application that has not expired or been held invalid or unenforceable by a court of competent jurisdiction in a final and non-appealable judgment. |

1. **Grant of rights**

*2.1 Licences.* The RPO hereby grants to the Licensee, subject to the provisions of this Agreement:

1. an exclusive licence to use the IP to develop, manufacture, have manufactured, use and sell or otherwise supply Licensed Products only in the Field in the Territory; and
2. a non-exclusive licence to use the Know-how to develop, manufacture, have manufactured, use and sell or otherwise supply Licensed Products only in the Field in the Territory.

*2.2 Formal licences.* The Parties shall execute such formal licences as may be necessary or appropriate for registration with intellectual property offices and other relevant authorities in particular territories. In the event of any conflict in meaning between any such licence and the provisions of this Agreement, the provisions of this Agreement shall prevail. Prior to the execution of the formal licence(s) (if any) referred to in this Clause 2.2 the Parties shall so far as possible have the same rights and obligations towards one another as if such licence(s) had been granted. The Parties shall use reasonable endeavours to ensure that, to the extent permitted by the relevant authorities, this Agreement shall not form part of any public record.

*2.3 Sub-licensing*.

1. The Licensee shall be entitled to grant sub-licences of its rights under this Agreement to any of its Affiliates without the need for any further consent from the RPO, provided that the Licensee complies with the conditions set out in paragraph (i) to (v) of Clause 2.3(b) in respect of any such sub-licence.
2. Subject to Clause 2.3(a), the Licensee shall not be entitled to grant sub-licences of its rights under this Agreement, except with the prior written consent of the RPO, which consent shall not be unreasonably withheld. Where the RPO gives its consent, the Licensee shall be entitled to grant sub-licences of its rights under this Agreement to any person, provided that:
	1. the sub-licence shall include obligations on the sub-licensee which are equivalent to the obligations on the Licensee under this Agreement and limitations of liability that are equivalent to those set out in this Agreement;
	2. the sub-licence shall not permit the sub-licensee to further sub-license any of its rights to the IP and/or the Know-how;
	3. the sub-licence shall terminate automatically on the termination of this Agreement for any reason;
	4. within thirty (30) days of the grant of any sub-licence the Licensee shall provide to the RPO a true copy of it; and
	5. the Licensee shall be responsible for any breach of the sub-licence by the sub-licensee, as if the breach had been that of the Licensee under this Agreement, and the Licensee shall indemnify the RPO against any losses, damages, costs, claims or expenses which are awarded against or suffered by the RPO as a result of any such breach by the sub-licensee.

*2.4 Reservation of rights.*

1. The RPO reserves for itself and its Affiliates the [exclusive], irrevocable, worldwide, royalty-free right to use the Know-how and the IP in the Field for the purposes of research that is not directed to the development of commercial products and services, publication and teaching.
2. Except for the licences expressly granted by Clause 2.1, the RPO reserves all its rights. Without prejudice to the generality of the foregoing, the RPO grants no rights to any intellectual property other than the IP and the Know-how, and reserves all rights under the IP and the Know-how outside the Field.

*2.5 Provision of Know-how.*

1. Within thirty (30) days of the Commencement Date, the Parties shall agree in writing the arrangements by which the RPO (through the Principal Investigator) shall make available the Know-how to the Licensee*.*
2. The RPO shall not have any obligation to provide any technical support in relation to any of the IP or the Know-how. However, if the Licensee wishes the RPO to provide any such support, the Licensee shall give the RPO written notice thereof. The RPO shall respond to such notice within fourteen (14) days, or within such other period as the Parties may agree to be reasonable in the circumstances, by confirming in writing whether or not it is willing and able to provide such support on reasonable commercial terms to be agreed between the Parties in writing.
3. **Confidentiality**

*3.1 Confidentiality obligations.* Each Party (the “**Receiving Party**”) undertakes from the Commencement Date:

1. to maintain as secret and confidential all Confidential Information obtained directly or indirectly from the other Party (the “**Disclosing Party**”) in the course of or in anticipation of this Agreement and to respect the Disclosing Party’s rights therein;
2. to use such Confidential Information only for the purposes of this Agreement;
3. to disclose such Confidential Information only to those of its employees, contractors and sub-licensees pursuant to this Agreement (if any) to whom and to the extent that such disclosure is reasonably necessary for the purposes of this Agreement; and
4. to ensure that all those to whom disclosure of or access to such Confidential Information has been given, including its officers, directors, employees and professional advisers, comply with the provisions of this Agreement, and the Receiving Party shall be liable to the Disclosing Party for any breach of this Agreement by any of the foregoing.

*3.2 Exceptions to obligations.* The provisions of Clause 3.1 shall not apply to Confidential Information which the Receiving Party can demonstrate by reasonable, written evidence:

1. was, prior to its receipt by the Receiving Party from the Disclosing Party, in the possession of the Receiving Party and at its free disposal; or
2. is subsequently disclosed to the Receiving Party without any obligations of confidence by a third party who has not derived it directly or indirectly from the Disclosing Party; or
3. is independently developed by the RPO by individuals who have not had any direct or indirect access to the Disclosing Party’s Confidential Information; or
4. is or becomes generally available to the public through no act or default of the Receiving Party or its agents, employees, Affiliates or sub-licensees.

*3.3 Disclosure in accordance with legal obligations.* To the extent that the Receiving Party is required to disclose any of the Disclosing Party’s Confidential Information by order of a court or other public body that has jurisdiction over it or under other legal obligations, such as under a *bona fide* freedom of information request, it may do so, provided that, before making such a disclosure the Receiving Party shall, unless the circumstances prohibit:

1. inform the Disclosing Party of the proposed disclosure as soon as possible, in any event, no later than five (5) working days after becoming aware of the proposed disclosure; and
2. permit the Disclosing Party to make representations (written or otherwise) in respect of the disclosure and/or confidential treatment of the Confidential Information.
3. **Additional Licensee obligations**

4.1 *Compliance with applicable laws, etc.* The Licensee shall in exercising its rights under this Agreement:

1. comply with all applicable laws, regulations and other similar instruments in the Territory and shall at all times be solely liable and responsible for such due observance and performance; and
2. permit, and shall use its best endeavours to obtain permission for, the RPO at all reasonable times and on reasonable notice to enter any place used for the development, manufacture, use or storage of the Licensed Products to inspect the methods of development, manufacture, use or storage.

*4.2* *Licensee restrictions.* The Licensee shall not, and shall ensure that its Affiliates and sub-licensees do not:

1. use the name, any adaptation of the name, any logo, trademark or other device of the RPO, in any advertising, promotional or sales materials without prior written consent obtained from the RPO in each case;
2. do, or omit to do, anything to diminish the rights of the RPO in the IP or the Know-how or impair any registration of the IP;
3. use any child labour in the manufacture or distribution of the Licensed Products, and where third parties are to manufacture or distribute those Licensed Products the Licensee shall procure from those third parties written confirmation that they shall not use any child labour in the manufacture or distribution of the Licensed Products; or
4. engage in conduct in any Territory that would reasonably be construed as a Bribery Event.
5. **Payments**
	1. [*Initial payments*. Within thirty (30) days of the Commencement Date, the Licensee shall:
6. pay to the RPO the non-refundable[, non-deductible] lump-sum of [●] Euro (€[●]) [*or* which shall be an advance against royalties due under Clauses 5.3 and 5.4]; and
7. reimburse all of the costs and expenses incurred by the RPO in respect of drafting, applying for and prosecuting the IP prior to the Commencement Date.]

*5.2* [*Milestone payments.* Upon achievement of the each of the milestone events set out in the following table, the Licensee shall pay to the RPO the amount(s) set out next to such milestone event in the table:]

|  |  |
| --- | --- |
| *Milestone event* | *Amount to be paid* |
|  |  |
|  |  |
|  |  |

*5.3* [*Royalties on Net Sales Value*. The Licensee shall pay to the RPO a royalty of [●] per cent ([●]%) of the Net Sales Value of all Licensed Products, or any part thereof, sold or otherwise supplied by Licensee or its Affiliates.]

*5.4* [*Royalties on Net Receipts.* The Licensee shall pay to the RPO a royalty of [●] per cent ([●]%) of Net Receipts.]

*5.5* [*Annual licence fees.* On each anniversary of the Commencement Date (or such other date(s) as may be agreed to by the Parties in writing), the Licensee shall pay to the RPO the annual licence fee of [●] Euro (€[●]). If the Licensee fails to pay any such amount by such date, the RPO may in its sole and absolute discretion either (a) convert the exclusive licence granted under Clause 2.1 into a non-exclusive licence, or (b) elect to treat such non-payment as a material breach under Clause 9.2(b)(i); in either case by issuing a written notice to the Licensee to inform the Licensee of its decision.]

*5.6* [*Non-monetary consideration; referral to expert*. Where the Licensee accepts Net Receipts in the form of shares in a sub-licensee or other non-monetary receipts, the Licensee shall pay the royalty due under this Agreement to the RPO on such Net Receipts by determining the equivalent cash value of such shares or other non-monetary receipts. If the Parties disagree as to the cash value of such shares or non-monetary receipts, such disagreement shall be referred to an independent expert who shall be appointed and act in accordance with the provisions of Schedule 2 and whose decision shall be final and binding on the Parties.]

5.7 [*Combination Products.* If any Licensed Products are incorporated in any other product (“**Combination Product**”) supplied by the Licensee and the Licensed Product is not priced separately from the Combination Product, the Net Sales Value of such Licensed Product shall be deemed to be the fair market value of the Licensed Product in the country of sale when sold separately or, where the products are not sold separately, that proportion of the Net Sales Value of the Combination Product which is attributable to the Licensed Product, comparing the [manufacturing cost] of the Licensed Product with that of the Combination Product, as in the following formula: Net Sales Value of Licensed Product = ([manufacturing cost] of Licensed Product divided by total [manufacturing cost] of Combination Product) x Net Sales Value of Combination Product.]

*5.8* [*Minimum royalties.* If the royalties payable under Clause 5.3 and Clause 5.4 are less than [●] Euro (€[●]) (“**Minimum Royalty**”) in any calendar year, the Licensee shall pay to the RPO the amount by which such royalties are less than the Minimum Royalty within sixty (60) days of the end of such calendar year, failing which the RPO shall be entitled to terminate this Agreement and all licences granted under this Agreement by notice in writing to the Licensee given at any time after the expiry of the said sixty (60) day period. If this Agreement ends on any day other than the end of a calendar year, the Minimum Royalty due for that year shall be reduced pro-rata, i.e. the minimum amount due shall be the Minimum Royalty for a complete year multiplied by the number of days of the final calendar year during which this Agreement was in force, and divided by three hundred and sixty five (365) days.]

5.9 [*Royalties to third parties.* If, during the continuation of this Agreement, the Licensee considers it necessary to obtain a licence from any third party (“**Third Party Licence**”) in order to avoid infringing such third party’s intellectual property rights in the course of manufacture or sale of Licensed Products, the royalties paid under the Third Party Licence shall be treated as a deductible item when calculating Net Sales Value provided that the amount of royalty payable by the Licensee to the RPO in any quarterly period shall not be reduced by more than 50% of the amount which would have been payable in the absence of this Clause. The deductions referred to in this Clause shall only be made where the infringement of the third party intellectual property rights arises from the use of the IP in accordance with the provisions of this Agreement, and not from the use of any other intellectual property that the Licensee chooses to use in the manufacture or sale of any Licensed Product.]

*5.10* [*Payment frequency*. Royalties due under this Agreement shall be paid within thirty (30) days of the end of each quarter ending on 31 March, 30 June, 30 September and 31 December, in respect of sales or other supplies of Licensed Products made and Net Receipts generated during such quarter and within thirty (30) days of the termination of this Agreement.]

*5.11 Payment terms.* All sums due under this Agreement:

1. are exclusive of value added tax which where applicable will be paid by the Licensee to the RPO in addition;
2. shall be paid in Euro in cash by transferring an amount in aggregate to the following account: number [●], sort code [●], account name [●], held with [●] Bank plc, [*address*], and in the case of sales or sub-licence income received by the Licensee in a currency other than Euro, the royalty shall be calculated in the other currency and then converted into equivalent Euro at the buying rate of such other currency as quoted by [●] Bank plc in Dublin as at the close of business on the last business day of the quarterly period with respect to which the payment is made;
3. shall be made without deduction of income tax or other taxes, charges or duties that may be imposed, except insofar as the Licensee is required to deduct the same to comply with applicable laws. The Parties shall cooperate and take all steps reasonably and lawfully available to them, at the reasonable expense of the RPO, to avoid deducting such taxes and to obtain double taxation relief. If the Licensee is required to make any such deduction it shall provide the RPO with such certificates or other documents as it can reasonably obtain to enable the RPO to obtain appropriate relief from double taxation of the payment in question; and
4. shall be made by the due date, failing which the RPO may charge interest on any outstanding amount on a daily basis at a rate equivalent to [●] per cent ([●]%) above the [●] Bank plc base lending rate then in force in Dublin.

*5.12 Exchange controls.* If at any time during the continuation of this Agreement the Licensee is prohibited from making any of the payments required hereunder by a governmental authority in any country, then within the prescribed period for making the said payments in the appropriate manner, the Licensee shall use its best endeavours to secure from the proper authority in the relevant country permission to make the said payments and shall make them within seven (7) days of receiving such permission. If such permission is not received within thirty (30) days of the Licensee making a request for such permission then, at the option of the RPO, the Licensee shall deposit the royalty payments due in the currency of the relevant country either in a bank account designated by the RPO within such country or such royalty payments shall be made to an associated company of the RPO designated by the RPO and having offices in the relevant country designated by the RPO.

*5.13* [*Royalty statements*. The Licensee shall send to the RPO at the same time as each royalty payment is made in accordance with Clause 5.3 or Clause 5.4 a statement setting out, in respect of each territory or region in which Licensed Products are sold or supplied, the types of Licensed Product sold or supplied, the quantity of each type sold or supplied, and the total Net Sales Value, and the total Net Receipts in respect of each type and sub-licensee, expressed both in local currency and Euro and showing the conversion rates used, during the period to which the royalty payment relates.]

*5.14* [*Records.*

1. The Licensee shall keep at its normal place of business detailed and up to date records and accounts showing (i) the quantity, description and value of Licensed Products sold or otherwise supplied by it, and (ii) the amount of sub-licensing revenues received by it in respect of Licensed Products, in each case on a country by country basis, and being sufficient to ascertain the payments due under this Agreement.
2. The Licensee shall make such records and accounts available, on reasonable notice, for inspection during business hours by an [independent chartered accountant] nominated by the RPO for the purpose of verifying the accuracy of any statement or report given by the Licensee to the RPO under this Clause 5. The [accountant] shall be required to keep confidential all information learnt during any such inspection, and to disclose to the RPO only such details as may be necessary to report on the accuracy of the Licensee’s statement or report. The RPO shall be responsible for the accountant’s charges unless the [accountant] certifies that there is an inaccuracy of more than [five per cent (5%)] in any royalty statement, in which case the Licensee shall pay his charges in respect of that inspection.
3. The Licensee shall ensure that the RPO has the same rights as those set out in this Clause 5.14 in respect of any person that is sub-licensed under the IP or Know-how pursuant to this Agreement.]
4. **Commercialisation**

*6.1 General diligence.* The Licensee shall be exclusively responsible for the technical and commercial development and manufacture of Licensed Products and shall use Diligent and Reasonable Efforts to develop and commercially exploit Licensed Products to the maximum extent in the Field and throughout the Territory.

*6.2 Annual Report.*

1. Without prejudice to the generality of the Licensee’s obligations under Clause 6.1, the Licensee shall provide at least annually to the RPO an updated, written statement (the “**Annual Report**”) that shall set out the past, current and projected activities taken or planned to be taken by the Licensee and its Affiliates and sub-licensees (if any) to bring Licensed Products to market and maximise the sale of Licensed Products in the Field throughout the Territory, including whether and when any milestone events referred to in this Agreement have been performed or are likely to be performed by the Licensee.
2. The RPO’s receipt or approval of any Annual Report shall not be taken to waive or qualify the Licensee’s obligations under Clause 6.1.

*6.3 Referral to expert.* If the RPO considers at any time during the period of this Agreement that the Licensee has without legitimate reason failed to comply with its obligations under Clause 6.1, the RPO shall be entitled to refer to an independent expert the following questions:

1. whether the Licensee has complied with its obligations under Clause 6.1; and if not
2. what specific action the Licensee should have taken ("**Specific Action**") in order to have so complied.

*6.4 Appointment of expert.* The independent expert shall be appointed in accordance with the provisions of Schedule 2 and his decision shall be final and binding on the Parties.

*6.5 Consequences of expert’s decision.* If the expert determines that the Licensee has failed to comply with its obligations under Clause 6.1, and if the Licensee fails to take the Specific Action within six (6) months of the expert giving his decision in accordance with Schedule 2, the RPO shall be entitled, by giving, at any time within three (3) months after the end of that six (6) month period, not less than three (3) months' notice to terminate this Agreement and the licences granted to the Licensee under Clause 2.1.

*6.6* [*Possible assignment of the IP to the Licensee*.

1. Conditional upon the Licensee achieving each of the milestone events set out in the following table [by the relevant date set out next to such milestone events] (together, the “**Pre-Conditions**”), the Licensee shall have the option (the “**Option**”) to have the RPO’s rights in the IP assigned to the Licensee:

|  |  |
| --- | --- |
| *Milestone event* | *Date by which milestone event must be achieved* |
| [Receipt by the Licensee of the Investment] | [●] |
|  |  |
|  |  |

1. If the Licensee achieves all of the Pre-Conditions [by the dates specified in the table set out in Clause 6.6(a)] and wishes to exercise the Option, the Licensee, within [●] days of the date on which the Licensee achieve all of the Pre-Conditions (the “**Option Period**”), shall:
2. give to the RPO written notice of its wish to exercise the Option (the “**Exercise Notice**”), together with reasonable evidence to verify that all of the Pre-Conditions have been achieved; and
3. [pay to the RPO a lump-sum amount equal to [●] Euro (€[●]) *AND/OR* issue to the RPO [●] new, fully paid-up shares of €[●] each in the Licensee without charge to the RPO] (the “**Assignment Fee**”) at the same time as sending the Exercise Notice.
4. If the Licensee exercises the Option prior to the expiry of the Option Period in accordance with Clause 6.6(b), and subject to the RPO’s receipt of the Assignment Fee in full, with effect from the date of the Exercise Notice:
5. the RPO shall assign its rights in the IP to the Licensee;
6. the Licensee shall have a non-exclusive, royalty-free right to use the Know-how;

1. the Licensee shall grant to the RPO a non-exclusive, perpetual, irrevocable, worldwide, royalty-free and fully paid-up licence under the IP for the purposes of publication, teaching, and research that is not directed to the development of commercial products and services;
2. if the Licensee wishes to assign, or otherwise grant any rights in or to, the IP to any third party, the Licensee shall ensure that such third party (A) is bound by the RPO’s rights set out in Clause 6.6(c)(iii), and (B) undertakes to ensure that any subsequent owners of the IP are likewise bound by those rights;

1. this Agreement shall terminate and, subject as provided in this Clause 6.6(c) and in Clause 9.3 and except in respect of any accrued rights, neither Party shall be under any further obligation to the other; and
2. each Party shall do all acts, and execute all documents, as may be reasonably necessary to give full effect to the provisions of this Clause 6.6(c).
3. If the Licensee does not achieve all of the Pre-Conditions [by the dates specified in the table set out in Clause 6.6(a)], or if the Licensee achieves all of the Pre-Conditions by the relevant dates but fails to exercise the Option prior to the expiry of the Option Period in accordance with Clause 6.6(b), the Option shall immediately lapse without further notice or action. In such circumstances, the RPO shall have no further obligation to assign its rights in the IP to the Licensee.]
4. **Intellectual property**

*7.1* [*Obtain and maintain the patents (if any) comprising the IP .* The Licensee shall at its own cost and expense:

1. endeavour to obtain valid patents in the name of the RPO pursuant to each of the patent applications listed in Schedule 1 so as to secure the broadest monopoly reasonably available;
2. co-operate with the RPO and its licensee(s) outside the Field (if any);
3. consult with the RPO in relation to all changes to patent claims or specifications that would have the effect of reducing or limiting the extent of the patent coverage;
4. ensure that the RPO shall receive copies of all correspondence to and from the relevant patent offices in respect of the patents, including copies of all documents generated in or with such correspondence; and
5. pay all renewal fees in respect of the patents as and when due,

provided that if the Licensee wishes to abandon any such application or not to maintain any such patents (or to cease funding such application or patents) it shall give three (3) months’ prior written notice to the RPO and on the expiry of such notice period the Licensee shall cease to be licensed under the patent application or patent identified in the notice.]

*7.2 Infringement of the IP.*

1. Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement of any of the IP in the Field, and the Parties shall consult with each other to decide the best way to respond to such infringement.
2. If the Parties fail to agree on a joint programme of action for responding to such infringement, including how the costs of any such action are to be borne and how any damages or other sums received from such action are to be distributed, then the Licensee shall be entitled to take action against the third party at its sole expense, subject to the following provisions of this Clause 7.2.
3. Before starting any legal action under Clause 7.2(b), the Licensee shall consult with the RPO as to the advisability of the action or settlement, its effect on the good name of the RPO, the public interest, and how the action should be conducted.
4. If the alleged infringement is both within and outside the Field, the Parties shall also co-operate with the RPO’s other licensees (if any) in relation to any such action.
5. The Licensee shall reimburse the RPO for any reasonable expenses incurred in assisting it in such action. The Licensee shall pay the RPO royalties, in accordance with Clause 5, on any damages received from such action as if the amount of such damages after deduction of both Parties’ reasonable expenses in relation to the action were Net Receipts.
6. The RPO shall agree to be joined in any suit to enforce such rights subject to being indemnified and secured in a reasonable manner as to any costs, damages, expenses or other liability and shall have the right to be separately represented by its own counsel at its own expense.
7. If, within six (6) months of the Licensee first becoming aware of any potential infringement of the IP, the Licensee is unsuccessful in persuading the alleged infringer to desist or fails to initiate an infringement action, the RPO shall have the right, at its sole discretion, to prosecute such infringement under its sole control and at its sole expense, and any damages or other payments recovered shall belong solely to the RPO.

*7.3 Infringement of third party rights.*

1. If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party, alleging infringement of third party rights in the manufacture, use or sale of any Licensed Product or use of any IP, that Party shall promptly provide full details to the other Party, and the Parties shall discuss the best way to respond.
2. The Licensee shall have the right but not the obligation to defend such suit to the extent it relates to activities in the Field and shall have the right to settle with such third party, provided that if any action or proposed settlement involves the making of any statement, express or implied, concerning the validity of any IP, the consent of the RPO must be obtained before taking such action or making such settlement.
3. **Warranties and liability**

*8.1 Warranties by RPO*. The RPO warrants and undertakes as follows:

1. subject to Clause 8.2(b), it is the registered proprietor of, or applicant for, the IP; and
2. it has not done, and shall not do nor agree to do during the continuation of this Agreement, any of the following things if to do so would be inconsistent with the exercise by the Licensee of the rights granted to it under this Agreement, namely:
	1. granted or agreed to grant any rights in the IP in the Field in the Territory to any other person; and
	2. assigned, mortgaged, charged or otherwise transferred any of the IP in the Field in the Territory or (subject to Clause 10.3(b)) any of its rights or obligations under this Agreement.

*8.2 Acknowledgements.* The Licensee acknowledges and agrees that:

1. the inventions claimed in the IP, and the Know-how, are at an early stage of development. Accordingly, specific results cannot be guaranteed and any results, materials, information or other items (together “**Delivered Items**”) provided under this Agreement are provided ‘as is’ and without any express or implied warranties, representations or undertakings. As examples, but without limiting the foregoing, the RPO does not give any warranty that Delivered Items are of merchantable or satisfactory quality, are fit for any particular purpose, comply with any sample or description, nor are viable, uncontaminated, safe or non-toxic, accurate, up to date or complete; and
2. the RPO has not performed any searches or investigations into the existence of any third party rights that may affect any of the IP or Know-how.
	1. *No other warranties.*

(a) Each of the Licensee and the RPO acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.

(b) Without limiting the scope of Clause 8.3(a), the RPO does not make any representation nor give any warranty or undertaking:

* 1. as to the efficacy or usefulness of the IP or Know-how; or
	2. as to the scope of any of the IP or that any of the IP is or will be valid or subsisting or (in the case of an application) will proceed to grant; or
	3. that the use of any of the IP or Know-how, the manufacture, sale or use of the Licensed Products or the exercise of any of the rights granted under this Agreement will not infringe any other intellectual property or other rights of any other person; or
	4. that the Know-how or any other information communicated by the RPO to the Licensee under or in connection with this Agreement will produce Licensed Products of satisfactory quality or fit for the purpose for which the Licensee intended or that any product will not have any latent or other defects, whether or not discoverable; or
	5. as imposing any obligation on the RPO to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the IP; or
	6. as imposing any liability on the RPO in the event that any third party supplies Licensed Products to customers located in the Territory.

*8.4 Indemnity*. The Licensee shall indemnify the RPO against all third party Claims that may be asserted against or suffered by the RPO and which relate to:

1. the use by the Licensee or any of its Affiliates or sub-licensees of any of the IP or Know-how;
2. the development, manufacture, use, marketing or sale of, or any other dealing in, any of the Licensed Products, by the Licensee or any of its Affiliates or sub-licensees, or subsequently by any customer or any other person, including claims based on product liability laws; or
3. a breach by the Licensee of any laws or regulations in the Territory, including any Bribery Event.

*8.5 Conditions for indemnity.* If the RPO seeks indemnification pursuant to Clause 8.4, the RPO shall provide prompt written notice to the Licensee of the initiation of any action or proceeding that may reasonably lead to a claim for indemnification. Upon receipt of such notice, the Licensee shall have the right to assume the defence and settlement of such action or proceeding, provided that it shall not settle any action or proceeding without the RPO’s prior written consent. The RPO and the Licensee shall co-operate with each other in the defence of such claim.

*8.6 Liability of Parties.*

1. To the extent that either of the Parties has any liability in contract, tort (including negligence), or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 8.6. However, the limitations and exclusions of liability set out in this Clause 8.6 shall not apply to any indemnity given under Clause 8.4.
2. The aggregate liability of the RPO shall be limited to an amount equal to the total income that the RPO has received from the Licensee (less any expenses that the RPO has incurred in obtaining, maintaining or defending the IP) during the period of [●] years preceding the date on which the liability arises, or [●], whichever is the higher.
3. In no circumstances shall either Party be liable for any loss, damage, costs or expenses of any nature whatsoever incurred or suffered by the other Party or its Affiliates that is (i) of an indirect, special or consequential nature; or (ii) any loss of profits, revenue, business opportunity or goodwill.
4. Nothing in this Agreement excludes any person’s liability to the extent that it may not be so excluded under applicable law, including any such liability for death or personal injury caused by that person’s negligence, or liability for fraud.

*8.7 Insurance.* Without limiting its liabilities under this Agreement, the Licensee shall take out with a reputable insurance company and maintain at all times during the term of this Agreement public and product liability insurance including against all loss of and damage to property (whether real, personal or intellectual) and injury to persons including death arising out of or in connection with this Agreement and the Licensee’s and its Affiliates’ and sub-licensees’ use of the IP or Know-how and use, sale of or any other dealing in any of the Licensed Products. Such insurances may be limited in respect of one claim provided that such limit must be at least six million five hundred thousand Euro (€6.5 million). Product liability insurance shall continue to be maintained by the Licensee for a further six (6) years from the end of the term of this Agreement.

1. **Duration and termination**

*9.1 Commencement and termination by expiry.* This Agreement, and the licences granted hereunder, shall come into effect on the Commencement Date and, unless terminated earlier in accordance with this Clause 9, shall continue in force until the later of:

1. the date on which all the IP have expired or been revoked without a right of further appeal; or
2. the tenth (10th) anniversary of the first commercial sale of a Licensed Product in the Territory,

and on such date this Agreement, and the licences granted hereunder, shall terminate automatically by expiry.

*9.2 Early termination.*

1. The Licensee may terminate this Agreement at any time on [twelve (12) months’] notice in writing to the RPO.
2. Either Party may terminate this Agreement at any time by notice in writing to the other Party (the “**Other Party**”), such termination to take effect as specified in the notice:
3. if the Other Party is in material breach of this Agreement and, in the case of a breach capable of remedy within ninety (90) days, the breach is not remedied within ninety (90) days of the Other Party receiving notice specifying the breach and requiring its remedy; or
4. if: (A) the Other Party becomes insolvent or unable to pay its debts as and when they become due; (B) an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction); (C) a liquidator, examiner, receiver, receiver manager or trustee is appointed in respect of the whole or any part of the Other Party’s assets or business; (D) the Other Party makes any composition with its creditors; (E) the Other Party ceases to continue its business; or (F) as a result of debt and/or maladministration the Other Party takes or suffers any similar or analogous action.
5. The RPO may terminate this Agreement by giving written notice to the Licensee, such termination to take effect forthwith or as otherwise stated in the notice:
	1. if the Licensee fails to pay any amount due under this Agreement by the relevant due date; or
	2. in accordance with the provisions of Clause 6.5; or
	3. [if there is any change of Control of the Licensee; or]
	4. if a Bribery Event occurs in relation to the Licensee, any of its Affiliates or their respective officers, directors, employees and representatives.
6. [This Agreement shall automatically terminate immediately and without further notice if the Licensee exercises the Option and pays the Assignment Fee, in each case in accordance with Clause 6.6(b).]
7. A Party’s right of termination under this Agreement, and the exercise of any such right, shall be without prejudice to any other right or remedy (including any right to claim damages) that such Party may have in the event of a breach of contract or other default by the other Party.

*9.3 Consequences of termination.*

1. Upon termination of this Agreement for any reason otherwise than in accordance with Clause 9.1 [or Clause 6.6]:
	1. the Licensee and its sub-licensees shall be entitled to sell, use or otherwise dispose of [(subject to payment of royalties under Clause 5)] any unsold or unused stocks of the Licensed Products for a period of six (6) months following the date of termination;
	2. the Licensee shall no longer be licensed to use or otherwise exploit in any way, either directly or indirectly, the IP, in so far and for as long as any of the IP remains in force, or the Know-how;
	3. the Licensee shall consent to the cancellation of any formal licence granted to it, or of any registration of it in any register, in relation to any of the IP;
	4. each Party shall return to the other or, at the other Party’s request, destroy any documents or other materials that are in its or its Affiliates’ or sub-licensees’ possession or under its or its Affiliates’ or sub-licensees’ control and that contain the other Party’s Confidential Information; and
	5. subject as provided in this Clause 9.3, and except in respect of any accrued rights, neither Party shall be under any further obligation to the other.
2. Upon termination of this Agreement for any reason otherwise than in accordance with Clause 9.1 [or Clause 6.6] and at the RPO’s request, the Parties shall negotiate in good faith the terms of an agreement between them on reasonable commercial terms under which the Licensee would:
3. transfer to the RPO or its nominee exclusively all results and data relating to the development of Licensed Products;
4. to the extent possible, seek to have any product licences, pricing approvals and other permits and applications transferred into the name of the RPO or its nominee;
5. grant the RPO or its nominee an exclusive, worldwide licence, with the rights to grant sub-licences, under any improvements and other intellectual property owned or controlled by the Licensee relating to the Licensed Products; and
6. grant the RPO or its nominee the right to continue to use any product name that had been applied to the Licensed Products prior to termination of this Agreement.
7. If the Parties are unable to agree the terms of an agreement as described in Clause 9.3(b) within ninety (90) days of the RPO requesting the negotiation of such an agreement, either Party may refer the terms for settlement by an independent expert who shall be appointed in accordance with the provisions of Schedule 2 and whose decision shall be final and binding on the Parties. At the request of the RPO, the Parties shall promptly execute an agreement on the terms agreed between them or settled by the expert.
8. Upon termination of this Agreement for any reason the provisions of Clauses [3, 5 (in respect of sales and other supplies made, and sub-licensing income generated, prior to termination or under clause 9.3(a)(i)), 8.4, 8.5, 8.6, 8.7, 9.3 and10]shall remain in force.
9. **General**

*10.1 Force majeure*. Neither Party shall have any liability or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement that result from circumstances beyond the reasonable control of that Party, including labour disputes involving that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.

*10.2 Amendment.* This Agreement may only be amended in writing signed by duly authorised representatives of the RPO and the Licensee.

*10.3 Assignment.*

1. Subject to Clause 10.3(b), neither Party shall assign, mortgage, charge or otherwise transfer any rights or obligations under this Agreement, nor any of the IP or rights under the IP, without the prior written consent of the other Party.
2. Either Party may assign all its rights and obligations under this Agreement together with its rights in the IP to any company to which it transfers all or substantially all of its assets or business, provided that the assignee undertakes to the other Party to be bound by and perform the obligations of the assignor under this Agreement. However a Party shall not have such a right to assign this Agreement if it is insolvent or any other circumstance described in Clause 9.2(b)(ii) applies to it.

*10.4 Waiver.* No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.

*10.5 Invalid clauses.* If any provision or part of this Agreement is held to be invalid, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but otherwise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law.

*10.6 No agency.* Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other’s behalf.

*10.7 Interpretation.* In this Agreement:

1. the headings are used for convenience only and shall not affect its interpretation;
2. references to persons shall include incorporated and unincorporated persons; references to the singular include the plural and vice versa; and references to the masculine include the feminine;
3. references to Clauses and Schedules mean clauses of, and schedules to, this Agreement;
4. references in this Agreement to termination shall include termination by expiry; and
5. where the word “including” is used it shall be understood as meaning “including without limitation”.

*10.8 Notices.*

1. Any notice to be given under this Agreement shall be in writing and shall be sent by post, or by fax (confirmed by post) to the address of the relevant Party set out at the head of this Agreement, or to the relevant fax number set out below, or such other address or fax number as that Party may from time to time notify to the other Party in accordance with this Clause 10.8. The fax numbers of the Parties are as follows: the RPO – [●]; the Licensee – [●].
2. Notices sent as above shall be deemed to have been received three (3) working days after the day of posting, or seven (7) working days after the date of posting or on the next working day after transmission (in the case of fax messages, but only if a transmission report is generated by the sender’s fax machine recording a message from the recipient’s fax machine, confirming that the fax was sent to the number indicated above and confirming that all pages were successfully transmitted).

*10.9 Law and jurisdiction.*

1. This Agreement shall be governed by and construed in accordance with the laws of Ireland and each Party agrees to submit to the exclusive jurisdiction of the courts of Ireland.
2. Notwithstanding Clause 10.9(a), before commencing any litigation, each Party shall consider in good faith whether it would be reasonable in the circumstances for the Parties to agree to pursue any alternative dispute resolution processes. Such alternative dispute resolution processes may include internal escalation procedures and/or mediation in accordance with the WIPO mediation rules. For the avoidance of doubt, however, nothing in this Agreement shall prevent or delay a Party from seeking an interim injunction.

*10.10 Further action.* Each Party agrees to execute, acknowledge and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

*10.11 Announcements.* Neither Party shall make any press or other public announcement concerning any aspect of this Agreement, or make any use of the name of the other Party in connection with or in consequence of this Agreement, without the prior written consent of the other Party.

*10.12 Entire agreement.* This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. Subject to Clause 8.6(d), the Parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.

*10.13 Export Control Regulations.*

1. "**Export Control Regulations**" mean any United Nations trade sanctions, Irish or EU legislation or regulation, from time to time in force, which impose arms embargoes or control the export of goods, technology or software, including weapons of mass destruction and arms, military, paramilitary and security equipment and dual-use items (items designed for civil use but which can be used for military purposes) and certain drugs and chemicals.
2. The Licensee shall ensure that, exercising its rights pursuant to this Agreement in using the IP or Know-how and in selling Licensed Products, it shall not and nor shall its or its Affiliates’ employees or sub-contractors breach or compromise, directly or indirectly, compliance with any Export Control Regulations.

**Agreed by the Parties through their authorised signatories:**

|  |  |
| --- | --- |
| For and on behalf of*[Full legal name of the RPO]*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Signed\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Print name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date | For and on behalf of*[Full legal name of the Licensee]*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Signed\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Print name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date |

**Schedule 1**

***Part A: The IP***

[List all IP and any registrations and applications]

***Part B: The Know-how***

[Describe all Know-how and list any key documents]

**Schedule 2**

***Appointment of expert***

* 1. Pursuant to Clause 5.6 or Clause 6.3, the RPO may serve notice on the Licensee ("**Referral Notice**") that it wishes to refer to an expert (the "**Expert**") the questions set out in Clause 5.6 or 6.3.
	2. The Parties shall agree the identity of a single independent, impartial expert to determine such questions. In the absence of such agreement within thirty (30) days of the Referral Notice, the questions shall be referred to an expert appointed by the President of Law Society of Ireland.
	3. Sixty (60) days after the giving of a Referral Notice, both parties shall exchange simultaneously statements of case in no more than ten thousand (10,000) words, in total, and each side shall simultaneously send a copy of its statement of case to the Expert.
	4. Each Party may, within thirty (30) days of the date of exchange of statement of case pursuant to paragraph 3 above, serve a reply to the other side's statement of case of not more than ten thousand (10,000) words. A copy of any such reply shall be simultaneously sent to the Expert.
	5. The Expert shall make his decision on the said questions on the basis of written statements and supporting documentation only and there shall be no oral hearing. The Expert shall issue his decision in writing within thirty (30) days of the date of service of the last reply pursuant to paragraph 4 above or, in the absence of receipt of any replies, within sixty (60) days of the date of exchange pursuant to paragraph 3 above.
	6. The Expert's decision shall be final and binding on the Parties.
	7. The Expert's charges shall be borne equally by the Parties.