

UNITED STATES DEPARTMENT OF ENERGY  
ALBANY RESEARCH CENTER

NONEXCLUSIVE PATENT LICENSE AGREEMENT

This Agreement made this day \_\_\_\_\_ of \_\_\_\_\_, 2004, by and between the United States of America, as represented by the United States Department of Energy, Albany Research Center (hereinafter called "LICENSOR"), and [VARIABLE](hereinafter called "LICENSEE").

ADDRESS OF LICENSEE: [VARIABLE]

LICENSED INVENTION: U.S. Patent No. [VARIABLE] issued [VARIABLE], titled [VARIABLE]

LICENSE TERMINATION DATE: [VARIABLE]

SCOPE OF LICENSE: Nonexclusive license for manufacture, use, and sale in the U.S.A. for the full term of U.S. Patent Number No. [VARIABLE]

WITNESSETH:

WHEREAS: LICENSOR is the owner of the above-identified LICENSED INVENTION.

WHEREAS: LICENSEE desires to obtain a nonexclusive license in the above-identified LICENSED INVENTION.

WHEREAS: The licensing of said LICENSED INVENTION under the terms provided herein is determined to be in the public interest and is in accordance with the policy of the regulations on licensing of government-owned inventions, 37 C.F.R. Part 404, and DEPARTMENT OF ENERGY Patent Licensing Regulations, 10 C.F.R. Part 781, as promulgated under the authority of Section 208 of Pub. L. 96-517 (35 U.S.C. § 208), with royalties and other income received by the Government to be distributed in accordance with the Stevenson Wydler Act as amended (15 U.S.C. § 3710c).

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants and obligations hereinafter contained, and other good and valuable consideration, the Parties hereto agree as follows:

1. LICENSOR hereby grants to LICENSEE and LICENSEE hereby accepts, subject to the terms and conditions herein recited, a non-exclusive license to practice the LICENSED INVENTION as specified herein for the period of this license.
2. LICENSEE agrees to carry out the plan for development and/or marketing of the invention, as may be amended from time to time with the concurrence of LICENSOR, to bring the invention to practical application within two (2) years, and thereafter to continue to make the benefits of this invention reasonably accessible to the public.
3. This License is not assignable or otherwise transferable without approval of LICENSOR in writing, except to the successor of that part of LICENSEE'S business to which the invention pertains.

4. Sublicenses under this license may not be granted without the approval of LICENSOR. LICENSEE shall promptly furnish LICENSOR with a copy of any proposed sublicense, and if in a foreign language, an English text thereof. Any sublicense shall not be effective until approval is secured from LICENSOR in writing. A sublicense shall make reference to this License, including the rights retained by the Government.

5. LICENSEE agrees that for use and sale in the United States any products embodying the LICENSED INVENTION or produced through the use of the invention(s) will be manufactured substantially in the United States.

6. LICENSEE shall submit periodic written reports, annually within 30 days of the anniversary date of this License, and when specifically requested by the LICENSOR, on its efforts to bring the LICENSED INVENTION to a point of practical application, with particular reference to the development and marketing plan submitted, and the extent to which the LICENSEE thereafter continues to make the benefits of the invention reasonably accessible to the public.

7. ROYALTY PROVISIONS: LICENSEE agrees to pay to LICENSOR [TBD] percent of the gross sales price of product sold commercially, i.e., for use other than by or on behalf of the U.S. Government, that incorporates any allowed product claims of LICENSED INVENTION or is produced by the method of any allowed method claims of LICENSED INVENTION. Gross sales price shall mean actual invoiced sales price free of transfer and bank fees and fee of any taxes or other deductions. In addition, LICENSEE agrees to pay to LICENSOR an initial fee, payable at the time or execution of the agreement, of [TBD].

8. LICENSEE shall pay to LICENSOR, at the time of execution of the License, and within thirty (30) days after each anniversary date of the License, any royalty payments due and payable under this License. Checks shall be made payable to the U.S. Department of Energy, and forwarded to the Office of Research Development, U.S. Dept. of Energy, Albany Research Center, 1450 Queen Avenue SW, Albany, OR 97321. LICENSEE shall keep true books of account containing an accurate record of all data necessary for the computation of any royalty fees payable under this License, and shall render to LICENSOR annually, within thirty days of the anniversary date of this License, an accurate statement of performance under the License, whether or not royalties are payable under the License. Such a statement shall be in writing, showing in reasonable detail the identification of licensed products sold by LICENSEE. LICENSEE shall from time to time permit the LICENSOR, by its authorized representative, to examine the books of account of LICENSEE to such an extent as may be reasonably necessary for LICENSOR to determine the accuracy of any such statement.

9. LICENSEE shall promptly report to LICENSOR any change in mailing address, name, or company affiliation during the period of this License, and LICENSEE shall promptly report discontinuance of his making the benefits of this LICENSED INVENTION reasonably accessible to the public.

10. LICENSOR makes no warranty or representation as to the validity of any licensed patent(s) or patent application(s) or that the exercise of this License will not result in the infringement of any other patent(s) nor shall LICENSOR assume any liability whatsoever resulting from the exercise of this License.

11. LICENSOR makes no representations, extends no warranties of any kind, either express or implied, and assumes no responsibilities whatever with respect to manufacture, use, sale, or other disposition by LICENSEE, or its vendees or transferees, of products incorporating or made by use of LICENSED INVENTION.

12. The grant of this License or anything related thereto shall not be construed to confer on any person any immunity from or defenses under the antitrust laws or from a charge of patent misuse, and the

acquisition and use of rights pursuant to this License shall not be immunized from the operation of State or Federal law by reason of the source of the grant.

13. Nothing contained in this License shall be interpreted to give to LICENSEE any rights with respect to any invention other than the LICENSED INVENTION.

14. This License may be terminated by LICENSOR in whole or in part, (a) if LICENSOR determines that LICENSEE is not executing the plan submitted with its request for license, and that LICENSEE has not otherwise demonstrated to the satisfaction of LICENSOR that it has taken, or can be expected to take within the time period specified in paragraph 2, effective steps to achieve practical application of the invention and to continue thereafter to make the benefits of the invention reasonably accessible to the public, (b) for failure to make any payments or periodic reports required by this License, (c) for willfully making a false statement or willful omission of a material fact in the License application which resulted in the License or in any required report, (d) for substantial breach of any covenant or agreement contained herein, or (e) if LICENSOR determines that such action is necessary to meet requirements for public use as specified by Federal regulations issued after the date of the License, and such requirements are not reasonably satisfied by the LICENSEE.

15. Before modifying or terminating this License for any cause, LICENSOR shall furnish LICENSEE, and to any sublicensee of record, a written notice of LICENSOR'S intention to modify or terminate the License, with reasons therefore, and LICENSEE and any sublicensee of record, shall be allowed thirty (30) days from the date of the mailing of such notice to remedy any breach of any term or condition referred to in the notice, or to show cause why the License should not be modified or terminated.

16. It shall be sufficient giving of any notice or other communication in writing by a Party to this License to the other Party, if the Party desiring to give such notice or other communication shall deposit a copy of such notice or communication in the Post Office for transmission by registered or certified mail in an envelope properly addressed to the address set forth herein, or at such other address furnished as specified herein. The date of such notice or other communication shall be construed to be the date on which said copy was deposited in the Post Office in an envelope properly addressed and mailed, as aforesaid. The Post Office receipt showing the deposit of such envelope and the date of such deposit shall be prima facie evidence of these facts.

17. LICENSEE has a right to appeal, in accordance with procedures specified in 10 CFR § 781, any decision concerning the modification or termination, in whole or in part, of his License.

18. LICENSEE may terminate this License, after the first or any subsequent anniversary date of this License, upon not less than sixty (60) days prior written notice to the LICENSOR.

19. It is understood that the parties to this license contemplate the award of an exclusive license for the use of the LICENSED INVENTIONS. LICENSOR and LICENSEE agree that, upon execution of such exclusive license, this license shall terminate. However, any royalty or reporting obligations existing under this license shall survive until satisfied.

IN WITNESS WHEREOF, the Parties have executed this License Agreement as of the date and year first written above.

U.S. DEPARTMENT OF ENERGY:

LICENSEE:

BY: \_\_\_\_\_  
George J. Dooley, III  
Research Director  
Albany Research Center

\_\_\_\_\_

WITNESS:  
  
\_\_\_\_\_

WITNESS:  
  
\_\_\_\_\_