

**SAMPLE (Actual agreements may vary)**

U.S. Army Natick Soldier Research, Development and Engineering Center

**PATENT LICENSE AGREEMENT**

between the

U.S. Army Natick Soldier Research, Development and Engineering Center  
15 General Greene Avenue, Natick, Massachusetts 01760

and

[Name and Address of Company]

**POINTS OF CONTACT:**

Technology Transfer Manager 508-233-4488

[Company Representative] [XXX-XXX-XXXX]

**ABSTRACT**

This is a Patent License Agreement from the U.S. Army Natick Soldier Research, Development and Engineering Center to [Company] under U.S. Provisional Patent Application Serial No. \_\_\_\_\_ and certain U.S. and foreign patents derived therefrom for the production of \_\_\_\_\_ for commercial markets (the "AGREEMENT").

**PATENT LICENSE AGREEMENT**  
**Between**  
**U.S. ARMY NATICK SOLDIER RESEARCH, DEVELOPMENT AND ENGINEERING CENTER**  
**and**  
**[Company]**

The Director of the U.S. Army Natick Soldier Research, Development and Engineering Center (hereinafter referred to as "LICENSOR") as the representative of the United States of America; and [Company], a corporation existing under the laws of \_\_\_\_\_, and having a principal place of business at \_\_\_\_\_ (hereinafter referred to as "LICENSEE"), hereby agree as follows:

**ARTICLE I - Background**

1.1 The United States of America is the owner by assignment recorded in the U.S. Patent and Trademark Office of the right, title and interest to the products, methods and processes described and claimed in the LICENSED PATENT APPLICATION.

1.2 Under the authority of the Federal Technology Transfer Act, Title 15 of the United States Code, Section 3710a, LICENSOR has custody of the products, methods and processes described and claimed in, and the right to issue licenses under, the LICENSED PATENT APPLICATION.

1.3 LICENSOR desires that the products, methods and processes claimed and described in the LICENSED PATENT APPLICATION be brought to the POINT OF PRACTICAL APPLICATION in the shortest possible time and be made available to the public, thereby serving the public interest and broadening the potential supply base for LICENSOR and other Government agencies.

1.4 LICENSEE desires to obtain a [non-exclusive/exclusive] license to be granted by LICENSOR under the LICENSED PATENT APPLICATION for the purpose of making, using and selling the [Invention] identified and described in the LICENSED PATENT APPLICATION (the "INVENTION").

**ARTICLE II – Definitions**

2.1 Terms in this AGREEMENT (other than the names of the parties and Article headings) which are set forth in upper case letters and not otherwise defined herein have the meanings established for such terms in the succeeding paragraphs of this Article II.

2.2 GROSS SALES mean the amount billed or invoiced by LICENSEE or any SUBPARTNER of LICENSEE on sales FOB the place of manufacture of any ROYALTY-BASED PRODUCTS, other than such ROYALTY-BASED PRODUCTS which are billed or invoiced on sales for the replacement of ROYALTY-BASED PRODUCTS which have been rejected by a customer or, in the event of disposal of any ROYALTY-BASED PRODUCTS other than as scrap prior to its shipment from its place of manufacture or other than by sales, the amount billed or invoiced for a like quantity and quality of ROYALTY-BASED PRODUCTS on or about the time of such disposal. If any ROYALTY-BASED PRODUCT is sold at a discounted price that is lower than the customary price charged, or for non-cash consideration (whether or not at a discount), GROSS SALES will be

calculated based on the non-discounted cash amount charged to an independent third party for such ROYALTY-BASED PRODUCT during the same royalty payment period, or in the absence of such transaction, on the fair market value of the ROYALTY-BASED PRODUCT.

2.3 LICENSED AREA means the United States of America, its territories and possessions, and/or any other country in which a LICENSED PATENT APPLICATION claiming a particular LICENSED PRODUCT is in force.

2.4 LICENSED FIELD means \_\_\_\_\_, and shall not include any other field not specifically set forth herein.

2.5 LICENSED METHODS or LICENSED PROCESSES mean any and all products, methods, processes and uses which are claimed or described in the LICENSED PATENT APPLICATION or which employ any of the same as claimed or described in the LICENSED PATENT APPLICATION, for the purposes of making, using and selling the INVENTION, and/or making, using and selling any and all machines, articles of manufacture, products or composites of matter as recited in the claims or description of the LICENSED PATENT APPLICATION.

2.6 LICENSED PATENT APPLICATION means LICENSOR's interest in U.S. Provisional Patent Application Serial No. \_\_\_\_\_, led on \_\_\_\_\_ (Docket No. NA-\_\_\_\_\_), and such other patent applications (foreign and domestic) and patents (foreign and domestic) as may be derived from the aforesaid provisional patent application, including any and all continuations (but not including continuations-in-part), divisions, reissues, renewal or extensions thereof; and which are owned or controlled by LICENSOR during the term of this AGREEMENT.

2.7 LICENSED PRODUCTS mean any and all machines, articles of manufacture, products made by a process or compositions of matter as recited in the claims or description of the LICENSED PATENT APPLICATION, which are packaged and/or marketed and usable in their packaged and/or marketed form as an INVENTION.

2.8 LICENSOR'S REPRESENTATIVE means the Director of the Natick Soldier Research, Development and Engineering Center, 15 General Greene Avenue, Natick, Massachusetts 01760, United States of America.

2.9 POINT OF PRACTICAL APPLICATION means to develop the products, methods and processes claimed in the LICENSED PATENT APPLICATION for marketing under such conditions as to establish that the products, methods and processes are being utilized for these particular purposes and that their benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms within one (1) year of the EFFECTIVE DATE of this AGREEMENT, and to continue during the term of this AGREEMENT to make the benefits of the products, methods and processes reasonably accessible to the public.

2.10 ROYALTY-BASED PRODUCTS mean any and all LICENSED PRODUCTS sold by LICENSEE or any SUBPARTNER of LICENSEE in the LICENSED AREA and/or any and all LICENSED PRODUCTS sold by LICENSEE or any SUBPARTNER of LICENSEE directly resulting from the practice, in the LICENSED AREA, of LICENSED METHODS and/or LICENSED PROCESSES claimed in the LICENSED PATENT APPLICATION.

2.11 SUBPARTNER means any third party granted rights pursuant to Article III, paragraph 3.2 of this AGREEMENT.

### **ARTICLE III - License Grant**

3.1 Subject to the terms and conditions of this AGREEMENT, LICENSOR grants to LICENSEE a [non-exclusive/exclusive] license under the LICENSED PATENT APPLICATION to make, have made, use and/or sell the LICENSED PRODUCTS, LICENSED METHODS and LICENSED PROCESSES described and claimed therein throughout the LICENSED AREA within the LICENSED FIELD for the term set forth in Article IX of this AGREEMENT.

3.2 This license, or any portion thereof, may be sublicensed by LICENSEE (A) subject to the prior written approval of LICENSOR, and each such sublicense shall make reference to this license, including the rights retained by the Government, and a copy of any such sublicense shall be furnished to LICENSOR, and (B) as provided in paragraph 9.1 of Article IX of this AGREEMENT.

### **ARTICLE IV – Licensing Fees, Royalties and Other Payments**

4.1 LICENSEE shall pay LICENSOR an upfront licensing fee in the amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_) within thirty (30) days of the EFFECTIVE DATE of this AGREEMENT.

4.2 LICENSEE shall pay LICENSOR royalties at the rate of \_\_\_\_\_ percent (\_\_\_%) on GROSS SALES of all ROYALTY-BASED PRODUCTS (“EARNED ROYALTIES”).

4.3 In case for any reason, including no GROSS SALES of ROYALTY-BASED PRODUCTS, the EARNED ROYALTIES due from LICENSEE do not aggregate a minimum of \_\_\_\_\_ (\$ \_\_\_\_\_) at each anniversary of the EFFECTIVE DATE of this AGREEMENT, LICENSEE shall, at the next-occurring semiannual royalty payment date specified in paragraph 4.6 of this Article IV, make up the deficiency of the EARNED ROYALTIES actually paid to such minimum sum. The parties agree that any such first minimum payment shall be due \_\_\_\_\_. Therefore, the minimum royalty due from LICENSEE per year with or without GROSS SALES is \_\_\_\_\_ dollars (\$\_\_\_\_\_) beginning at \_\_\_\_\_ (such periodic annual minimum royalties due, the “MINIMUM ANNUAL ROYALTIES”).

4.4 In addition to all other amounts payable hereunder, LICENSEE shall pay to LICENSOR a “pass through royalty” on all consideration in any form received by LICENSEE arising from or related to any grant of a license or right to the INVENTION or LICENSED PATENT APPLICATION by LICENSEE to any SUBPARTNER, which shall specifically include, but not be limited to, all license issue fees and initial payments, option fees, unearned portion of any minimum royalties, distribution or joint marketing fee, research and development funding in excess of the cost of

performing such research and development, equity interests and any other thing(s) of value of whatever kind and nature; provided such consideration shall exclude any amounts which are otherwise included within GROSS SALES (the "SUBPARTNER INCOME"). LICENSEE shall pay LICENSOR \_\_\_\_\_ percent (\_\_\_%) of all SUBPARTNER INCOME received by LICENSEE. SUBPARTNER INCOME payments shall be paid to LICENSOR in conjunction with LICENSEE's EARNED ROYALTIES payments, and shall be accompanied by written reports, as required with LICENSEE's EARNED ROYALTIES.

4.5 All payments shall be payable in U.S. currency (dollars) hereunder, and shall be determined on the basis of the of financial rate of exchange applicable to each such payment on the payment date thereof. All payments shall be made without deduction of taxes, assessments, or other charges of any kind which may be imposed on LICENSEE by the Government of the United States of America and/or any foreign government or any political subdivision thereof with respect to any amounts payable to LICENSOR pursuant to this AGREEMENT.

All payments shall be paid by check made payable to: "**DFAS-Columbus**" and mailed to: "**U.S. Army Natick Soldier Research, Development and Engineering Center, Attn: RDNS-OOS-B (Sheri Mennillo; R134), 15 General Greene Avenue, Natick, MA 01760.**" On the statement accompanying the check, LICENSEE shall identify LICENSOR's inventor(s), \_\_\_\_\_, by name, and the LICENSED PATENT APPLICATION by its respective U.S. Provisional Patent Application Serial No. \_\_\_\_\_, and it should be noted whether the payment is for **EARNED ROYALTIES, MINIMUM ANNUAL ROYALTIES, SUBPARTNER INCOME or other payments due hereunder.**

4.6 LICENSEE shall pay EARNED ROYALTIES accrued as the result of sales made subject to such EARNED ROYALTIES during each six (6) month period following the EFFECTIVE DATE of this AGREEMENT, and/or any MINIMUM ANNUAL ROYALTIES due, on the following April 15th or October 15th, whichever date next occurs, and LICENSEE shall submit with its payment the written report required in Article V, paragraph 5.2, of this AGREEMENT. If no EARNED ROYALTIES or MINIMUM ANNUAL ROYALTIES are due, the report shall so state. Sales shall be considered made, for the purposes of this paragraph and paragraph 4.3 above, when billed out, except that upon any expiration or termination of this AGREEMENT, all shipments made on or prior to the day of such expiration or termination which have not been billed out prior thereto shall be considered as sold (and therefore subject to the payment provisions hereunder). EARNED ROYALTIES paid on sales of ROYALTY-BASED PRODUCTS which are not accepted by the customer shall be credited to LICENSEE.

4.7 Subject to Article X, paragraph 10.4, LICENSEE shall pay within thirty (30) days from any termination or expiration of this AGREEMENT all amounts accrued or accruable for payment at the time of any such termination or expiration.

4.8 Any payments not received by LICENSOR by the due date shall be subject to interest charges computed at ten percent (10%) per annum.

4.9 No EARNED ROYALTIES shall be payable under this AGREEMENT for direct sales of ROYALTY-BASED PRODUCTS by LICENSEE to the U.S. Government or any of its agencies for governmental purposes.

4.10 LICENSEE shall directly pay or reimburse LICENSOR for all costs associated with the preparation, filing, prosecution and maintenance of the LICENSED PATENT APPLICATION (the "PATENT COSTS"). As of the EFFECTIVE DATE of this AGREEMENT, LICENSOR has incurred approximately \_\_\_\_\_ dollars (\$\_\_\_\_\_) in PATENT COSTS, which amount LICENSEE shall pay to LICENSOR within thirty (30) days of the EFFECTIVE DATE of this AGREEMENT. LICENSEE shall pay to LICENSOR, or at LICENSOR's request, directly to patent counsel, all other PATENT COSTS within thirty (30) days of LICENSEE's receipt of an invoice from LICENSOR or its patent counsel.

#### **ARTICLE V - Reports and Records**

5.1 LICENSEE shall provide at each anniversary of the EFFECTIVE DATE of this AGREEMENT a written progress report detailing its efforts to bring the products, methods and processes licensed under this AGREEMENT to the POINT OF PRACTICAL APPLICATION.

5.2 Concurrently, with each payment of EARNED ROYALTIES and/or MINIMUM ANNUAL ROYALTIES as required in Article IV of this AGREEMENT, or at the time such payments are due although no payments have accrued, LICENSEE shall submit a written report setting forth for the period of accrual of such EARNED ROYALTIES the amount of ROYALTY-BASED PRODUCTS made, sold or otherwise disposed of by LICENSEE or any SUBPARTNER of LICENSEE in the LICENSED AREA, the GROSS SALES thereof, and the amount of EARNED ROYALTIES due thereon. If no EARNED ROYALTIES are due LICENSOR for any report period, the report shall so state.

5.3 The reports required under this Article V shall also be made within thirty (30) days of the expiration or termination of this AGREEMENT.

5.4 LICENSEE agrees, and agrees to cause any SUBPARTNER, to keep records showing the sales or other disposition of ROYALTY-BASED PRODUCTS sold or otherwise disposed of under the license granted in this AGREEMENT in sufficient detail to enable the EARNED ROYALTIES and/or MINIMUM ANNUAL ROYALTIES payable hereunder by LICENSEE to be determined, and further agrees to permit its books and records so kept to be examined from time to time to the extent necessary to verify the reports provided for in this Article V, such examinations to be made at the expense of LICENSOR by any auditor appointed by LICENSOR who shall be acceptable to LICENSEE, or at the option and expense of LICENSEE, by a certified public accountant appointed by LICENSOR.

#### **ARTICLE VI - Government Approval Authority**

6.1 All prior reviews and approvals required by regulations or law have been obtained by LICENSOR prior to the execution of this AGREEMENT. LICENSOR official executing this AGREEMENT has the requisite authority to do so.

### **ARTICLE VII - LICENSEE Performance**

7.1 LICENSEE shall expend reasonable efforts and resources to carry out the development and marketing of the INVENTION and to bring the products, methods and processes described and claimed in the LICENSED PATENT APPLICATION to the POINT OF PRACTICAL APPLICATION for said purposes.

7.2 After bringing the products, methods and processes described and claimed in the LICENSED PATENT APPLICATION to the POINT OF PRACTICAL APPLICATION as an INVENTION in the LICENSED AREA, LICENSEE agrees to make ROYALTY- BASED PRODUCTS marketed and usable as an INVENTION available to the public on reasonable terms during the term of this AGREEMENT. LICENSEE shall promptly report any discontinuance of its making the ROYALTY-BASED PRODUCTS reasonably accessible to the public.

7.3 Failure to comply with the terms of this Article VII shall be cause for modification or termination of this AGREEMENT in accordance with the provisions of Article X below.

### **ARTICLE VIII - Patent Enforcement**

8.1 LICENSOR and LICENSEE shall notify each other promptly in writing of any infringement of the LICENSED PATENT APPLICATION which becomes known to either of them. LICENSEE shall notify LICENSOR promptly of any action taken in accordance with this Article VIII to eliminate such infringement.

8.2 LICENSEE is authorized pursuant to the provisions of Chapter 29, Title 35, U.S. Code, or other statutes:

- (A) To bring suit in its own name, or if required by law, jointly with LICENSOR, at its own expense and on its own behalf, for infringement of the LICENSED PATENT APPLICATION;
- (B) In any such suit, to enjoin infringement; and
- (C) To collect for its use damages, profits and awards of whatever nature recoverable for such infringement; provided that LICENSEE shall be obligated to pay to LICENSOR an amount equal to the royalties and other amounts that LICENSEE would have paid to LICENSOR if LICENSEE had sold the ROYALTY-BASED PRODUCTS rather than the infringer.

8.3 In the event LICENSOR shall bring to the attention of LICENSEE any unlicensed infringement of the LICENSED PATENT APPLICATION and LICENSEE shall not, within six (6) months,

- (A) Secure cessation of the infringement, or
- (B) Enter suit against the infringer, LICENSOR shall thereafter have the right to sue for the infringement at LICENSOR's own expense, and to collect for its own use all damages, profits and awards of whatever nature recoverable for such infringement.

8.4 LICENSOR and LICENSEE mutually agree to furnish technical and other necessary assistance to each other in conducting any litigation necessary to enforce the LICENSED PATENT APPLICATION against others. Reasonable expenses for such assistance will be paid by the party requesting such assistance.

8.5 LICENSEE shall defend at its own cost and expense any action, suit, claim or proceeding for infringement by LICENSEE of any third party's patents based upon LICENSEE's manufacture, use, sale, or lease of products, processes or services based upon, utilizing, or incorporating the LICENSED PATENT APPLICATION. LICENSOR shall cooperate with LICENSEE in any way reasonably necessary, but without expense to LICENSOR in the defense of any such action, suit, claim or proceeding.

#### **ARTICLE IX - Reservation of Rights**

9.1 The license granted in Article III of this AGREEMENT shall be subject to the irrevocable, royalty-free right of the U.S. Government to practice and have practiced on behalf of the U.S., and on behalf of any foreign government or international organization pursuant to any existing or future treaty or agreement with the U.S., the products, methods and processes described and claimed in the LICENSED PATENT APPLICATION.

9.2 Notwithstanding the restrictions on sublicensing imposed upon LICENSEE in Article III, LICENSOR reserves the right to require LICENSEE to grant sublicenses to responsible applicants on reasonable terms to the extent that the LICENSED PATENT APPLICATION is required for public use, by government regulations or when necessary to fulfill public health, welfare or safety needs. Any decision by LICENSOR to require such a sublicense may be appealed by LICENSEE under the procedures set forth in Article XII.

#### **ARTICLE X – Effective Date, Term and Termination**

10.1 The effective date of this AGREEMENT is the date on which LICENSOR'S REPRESENTATIVE signs the AGREEMENT (the "EFFECTIVE DATE"); LICENSOR'S REPRESENTATIVE shall be the last to sign. The term of this AGREEMENT begins on the EFFECTIVE DATE of this AGREEMENT. Unless sooner terminated or otherwise modified as provided for in this Article X, the term of this AGREEMENT shall run for \_\_\_\_\_ (\_\_\_\_) years from the EFFECTIVE DATE of this AGREEMENT.

10.2 LICENSOR may modify or terminate this license, in whole or in part, if: (A) LICENSEE fails to meet the obligations set forth in Article VII above; (B) LICENSOR determines that such action is necessary to meet requirements for public use specified by federal regulations issued after the EFFECTIVE DATE of this AGREEMENT and such requirements are not reasonably satisfied by LICENSEE; (C) LICENSEE has willfully made a false statement of, or willfully omitted, a material fact in the license application or in any report required by this AGREEMENT; (D) LICENSEE commits a breach of a covenant or agreement contained in this AGREEMENT; (E) LICENSEE defaults in making any payment or report required by this AGREEMENT; (F) LICENSEE is adjudged bankrupt or has its assets placed in the hands of a receiver or makes any assignment or other accommodation for the benefit of a creditor; or (G) LICENSEE misuses the LICENSED PATENT APPLICATION.

LICENSEE retains the right to terminate this AGREEMENT in the event that it disagrees with any modification thereof made by LICENSOR under this paragraph and no relief satisfactory to it has



been forthcoming upon request for the same under Article XII, paragraph 12.6 and/or 12.7. Any such termination must be made in writing.

10.3 At any time after \_\_\_\_ (\_\_) years from the EFFECTIVE DATE of this AGREEMENT, LICENSEE shall have the right to terminate this AGREEMENT in its entirety at the end of any calendar year, provided that the manufacture, sale and marketing of the LICENSED PRODUCTS, LICENSED METHODS and LICENSED PROCESSES as an INVENTION are not economically feasible to LICENSEE, and being exercisable by written notice to terminate given by LICENSEE to LICENSOR at least sixty (60) days prior to the end of such year.

10.4 Upon expiration or termination of this AGREEMENT, neither party shall be obligated to the other, except as set forth in paragraph 10.6 hereof. Unless this AGREEMENT is terminated by LICENSOR pursuant to subsection (C), (D), (E), (F) or (G) of paragraph 10.2, LICENSEE may sell any LICENSED PRODUCTS, LICENSED METHODS and LICENSED PROCESSES which are on hand as inventory or works in progress at the time of such expiration or termination for the \_\_\_\_\_ (\_\_) month period following such expiration or effective date of termination; provided that all payments then due are first made to LICENSOR, and statements and payments with respect to products sold after the expiration or termination are thereafter made in accordance with this AGREEMENT.

10.5 Prior to any modification or termination of this AGREEMENT, LICENSOR shall furnish LICENSEE with a written notice of intention to modify or terminate, and LICENSEE shall be allowed sixty (60) days after the date of such notice to remedy any breach or default of any covenant or agreement of this AGREEMENT or to show cause why this AGREEMENT should not be modified or terminated. If this AGREEMENT has been modified or terminated, in whole or in part by LICENSOR, LICENSEE may appeal to the Department of the Army any decision or determination concerning the modification or termination of this AGREEMENT.

10.6 The words "termination" and "expiration" and cognate words, such as "term" and "terminate", used in Article X and elsewhere in this AGREEMENT, are to be read, except where the contrary is specifically indicated, as omitting from their effect the following rights and obligations, all of which survive any termination or expiration to the degree necessary to permit their complete fulfillment or discharge:

- (A) LICENSEE's obligation to supply reports as specified in Article V, paragraph 5.3 of this AGREEMENT;
- (B) LICENSOR's right to receive or recover, and LICENSEE's obligation to pay, royalties (including minimum aggregate royalties) accrued or accruable for payment at the time of any expiration or termination as specified in Article IV, paragraph 4.6 of this AGREEMENT;
- (C) LICENSEE's obligation to maintain records and LICENSOR's right to conduct a final audit as provided in Article V, paragraph 5.4 of this AGREEMENT; and
- (D) Any cause of action or claim of LICENSOR accrued or to accrue because of any breach or default by LICENSEE.

10.7 This AGREEMENT may be modified or terminated upon the mutual agreement of LICENSOR and LICENSEE.

#### **ARTICLE XI – Representations and Warranties of Licensee**

11.1 LICENSEE hereby represents and warrants to LICENSOR as follows:

(A) LICENSEE, as of the EFFECTIVE DATE, is a corporation duly organized, validly existing and in good standing under the laws of the [State/Commonwealth] of \_\_\_\_\_.

(B) LICENSEE has the requisite power and authority to enter into this AGREEMENT and to perform according to the terms thereof.

(C) The Board of Directors and stockholders of LICENSEE have taken all actions required to be taken by law, LICENSEE's Certificate or Articles of Incorporation, its bylaws or otherwise, for the execution and delivery of this AGREEMENT.

(D) The execution and delivery of this AGREEMENT does not contravene any material provision of, or constitute a material default under any material agreement binding on LICENSEE or any valid order of any court, or any regulatory agency or other body having authority to which LICENSEE is subject.

#### **ARTICLE XII - General**

12.1 This AGREEMENT shall extend to any reissued or reexamination patent which may be derived from the LICENSED PATENT APPLICATION, provided that LICENSOR has custody of the rights thereto and is able to grant a license without incurring liability to third parties; this AGREEMENT shall not apply to the rights to any other invention, patent or patent application.

12.2 The AGREEMENT shall not be transferred or assigned by LICENSEE to any party other than to an affiliate or a successor or assignee of the entire business interest of LICENSEE without the approval of LICENSOR'S REPRESENTATIVE.

12.3 This AGREEMENT does not confer any immunity from or defenses under the antitrust laws, the laws and regulations pertaining to or administered by the Food and Drug Administration, or the export laws, nor does it confer immunity from a charge of patent misuse. Furthermore, LICENSEE's acquisition and exercise of rights hereunder are not immunized from the operation of any state or federal law by reason of the source of the grant. This AGREEMENT does not constitute an endorsement by LICENSOR of any LICENSED PRODUCTS, LICENSED METHODS, LICENSED PROCESSES or ROYALTY- BASED PRODUCTS and LICENSEE shall not state or imply in any medium that such endorsement exists as a result of this AGREEMENT.

12.4 LICENSOR makes no warranty, express or implied, regarding the patentability or viability of the LICENSED PATENT APPLICATION and no representations whatsoever with regard to the scope of the LICENSED PATENT APPLICATION or that the LICENSED PATENT APPLICATION may be exploited without infringing other patents.

12.5 LICENSOR assumes no liability resulting from LICENSEE's exercise of its rights under this AGREEMENT or from LICENSOR's exercise of rights under this AGREEMENT, including modification or termination thereof.

12.6 Any dispute arising under this AGREEMENT shall be disposed of by agreement of the persons designated as points of contact in paragraph 12.9 of this AGREEMENT ( \_\_\_\_\_ for LICENSEE and Sheri Mennillo for LICENSOR) or their successors performing the same function. Both designated points of contact shall act in good faith in jointly disposing of any dispute(s).

12.7 In the event that a dispute arising under this AGREEMENT cannot be disposed of by resort to the procedures of paragraph 12.6, and subject to LICENSEE's right to terminate under Article X, paragraph 10.2, the dispute shall be submitted jointly to the signatories of this AGREEMENT or their successors or their designees for resolution. Although the parties agree to use alternate dispute resolution techniques to resolve disputes, nothing in this AGREEMENT precludes either party from pursuing resolution of a dispute using other legal review available by law. Pending such resolution, LICENSOR and LICENSEE shall proceed diligently with the performance of their obligations under this AGREEMENT.

12.8 LICENSEE agrees that ROYALTY-BASED PRODUCTS used, sold or otherwise disposed of in the LICENSED AREA by LICENSEE will be manufactured substantially in the United States.

12.9 The parties shall notify each other of any changes in name, address or business status, and any notice, payment or report required to be given under the provisions of this AGREEMENT shall be considered duly given if mailed by rst class mail, postage prepaid and addressed as follows:

(A) If to LICENSOR:

(B) If to LICENSEE:

Natick Soldier Research, Development and Engineering Center Attn: RDNS—OOS-B (Sheri Mennillo; R134) 15 General Greene Avenue Natick, MA 01760

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12.10 This AGREEMENT shall be subject to any licenses in force at the time of the grant of this license.

12.11 The interpretation and application of the provisions of this AGREEMENT shall be governed by the laws of the United States as interpreted and applied by the federal courts in the District of Columbia, United States.

12.12 The illegality or invalidity of any provision(s) of this AGREEMENT shall not impair, affect or invalidate the other provisions of this AGREEMENT.

12.13 In publicizing anything made, used or sold under this AGREEMENT, LICENSEE shall not use the name of LICENSOR or otherwise refer to any organization related to LICENSOR, except with the written approval of LICENSOR.

12.14 LICENSEE shall place in a conspicuous location on the LICENSED PRODUCTS, a patent notice in accordance with 35 U.S. Code Section 287. LICENSEE agrees to mark any products made using a process covered by any patent or improvement issuing from the LICENSED PATENT APPLICATION with the number of each such patent and, with respect to such patents and improvements, to respond to any request for disclosure under 35 U.S. Code Section 287(b)(4)(B) by only notifying LICENSOR of the request for disclosure.

12.15 This AGREEMENT constitutes the entire understanding between the parties and neither party shall be obligated by any condition or representation other than those expressly stated herein or as may be subsequently agreed to by the parties hereto in writing. IN WITNESS WHEREOF, each of the parties hereto has caused this AGREEMENT to be executed by its duly authorized officers or representatives as follows.

For LICENSEE: \_\_\_\_\_  
[Name] Date  
[Title]

For LICENSOR: \_\_\_\_\_  
Director, Natick Soldier Research, Date  
Development and Engineering Center Date