

## Intellectual Property Licensing Agreement – Non-Exclusive Licence With Lump Sum

Please note that the present agreement template is non-exhaustive and is intended to be considered as a guideline; its content should be adapted case by case to your specific business and situation; it should not be signed before being reviewed by and aligned with a legal professional familiar with the laws of Abu Dhabi to ensure compliance with the latest legal requirements.

Please amend the information underlined in yellow and in italics to fit in with the licensing conditions you wish to implement.

Information indicated in red and italics is intended as an alternative to customize the agreement. Once your choice is made, please make the requested amendments, and remove the indication in red.

### 1. Preamble

This Intellectual Property Licensing Agreement (“**Agreement**”) dated on [Insert date] (“**Effective Date**”) is between:

- [Licensor’s Company name] a company with its registered office at [Licensor company’s full mailing address] represented by [Licensor representative’s name] – Hereinafter referred to as the “**Licensor**”;

And

- [Licensee’s Company name] a company with its registered office at [Licensee company’s full mailing address] represented by [Licensee representative’s name] – Hereinafter referred to as the “**Licensee**”;

Whereas the Licensor is the owner or authorized party to sell or license certain Intellectual Property Rights listed in Exhibit A attached hereto;

Whereas the Licensee intends to take a **Non-Exclusive License** to [Amend the objective of the license, e.g. “to use, manufacture, market, sub-license”] the Intellectual Property Rights subject to the terms and conditions set forth in this Agreement, and the Licensor retains the full enjoyment of his Intellectual Property Rights including the right to license it to another Party.

The Licensee and the Licensor, hereinafter collectively referred to as the “**Parties**” and individually as a “**Party**”, intending to be legally bound, agree as follows:

### 2. Definitions

For the purpose of this Agreement, terms with capitalized initial letters are defined terms and shall have the meanings set forth below or as defined elsewhere in this Agreement (such definitions to be equally applicable to both singular and plural forms of the terms defined):

<b>Agreement</b>	Has the meaning given in §1.Preamble
<b>Confidential Information</b>	(a) All IP and Know-how; and (b) All other technical or commercial information that:

	<p>(i) 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;</p> <p>(ii) 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</p> <p>(iii) any copy of any of the foregoing.</p> <p>The Receiving Party shall not be liable for the disclosure of Confidential Information if such information is already in the public domain or comes into the public domain during the performance of this Agreement, has been obtained regularly from other sources without restriction or breach of confidentiality, or must be communicated to a third party by the mandatory effect of a law or a decision of a competent public authority.</p>
<b>Disclosing Party</b>	Has the meaning given in §8. Confidentiality
<b>Duration</b>	Has the meaning given in §5. Duration
<b>Effective Date</b>	Has the meaning given in §1. Preamble
<b>Know-how</b>	Technical information developed by the Licensor and relating directly to the Intellectual Property Rights, as described in §6.Obligation of the Licensor: Provision of Know-how.
<b>Intellectual Property Rights</b>	Intellectual Property Rights or Intellectual Property Rights applications listed in Exhibit A, attached hereto and incorporated by reference, owned or controlled by the Licensor as of the Effective Date.
<b>Receiving Party</b>	Has the meaning given in §8. Confidentiality
<b>Territory</b>	Has the meaning given in §4. Territory

### 3. Purpose and scope of the Agreement

#### 3.1. Non-exclusive license

The Licensor grants to the Licensee, subject to the provisions of this Agreement, which accepts, a **non-transferable and non-exclusive** license to [*Amend the objective of the license, e.g. "to exploit, use, manufacture, have manufactured, market, sell, import, sub-license"*] the Intellectual Property Rights in the Territory under the conditions defined in this Agreement.

Without limiting the scope of the preceding sentence, the Licensor grants no rights to any intellectual property other than the Intellectual Property Rights and reserves all rights outside the Territory.

As the license granted is non-exclusive, the Licensee acknowledges and agrees that this Agreement places no restriction on the Licensor's activities with respect to the licensed Intellectual Property Rights. The Licensor reserves for itself and its affiliates and licensees the

irrevocable, worldwide, and royalty-free right to use the whole or any part of the licensed Intellectual Property Rights for any and all purposes, whether commercial or non-commercial. For the avoidance of doubt, and without limitation, such purposes shall include the purposes of research, teaching, and publication.

### **3.2. Sub-Licensing**

*If you want to forbid the Licensee to grant sub-licenses, add the following paragraph:*

“The Licensee is not authorized to grant sub-licenses on the Intellectual Property Rights.”

*If you want to allow the Licensee to grant sub-licenses, add the following paragraph:*

The Licensee shall not be entitled to grant sub-licenses of its rights under §3-1., except with the prior written consent of the Licensor, which consent shall not be unreasonably withheld. Where the Licensor gives its consent, the Licensee shall be entitled to grant sub-licenses of its rights under this Agreement to any person provided that:

- a) the Sub-License shall include obligations on the Sub-Licensee that 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;
- b) the Sub-License shall terminate automatically on the termination of this Agreement for any reason;
- c) the Sub-License shall not permit the Sub-Licensee to further sub-license any of the Intellectual Property Rights;
- d) within thirty (30) days of the grant of any sub-license the Licensee shall provide a true copy of it;
- e) the Licensee shall be responsible for any breach of the sub-license by the Sub-Licensees, as if the breach had been that of the Licensee under this Agreement, and the Licensee shall indemnify the Licensor against any losses, damages, costs, claims, and expenses which are awarded against or suffered by the Licensor as a result of any such breach by the Sub-Licensee.”

### **4. Territory**

This Agreement is exclusively granted and applicable for the following territory/territories: *[Insert desired territories, e.g. “UAE, USA, Germany”]*.

### **5. Duration**

The Agreement is applicable and enforceable for a duration of *[Insert duration, but max. as long as the underlying Intellectual Property Rights are valid]* from the Effective date. It may be renewed after further negotiation between the Parties as long as the Intellectual Property Rights are in force.

### **6. Obligation of the Licensor: Provision of Know-how**

The Licensor undertakes to provide the Licensee with the Know-how that it has developed in relation to the Intellectual Property Rights that are the subject of this Agreement in order to enable the Licensee to exploit it under the defined set-out conditions on the Effective Date, excluding further enhancements. All Know-how is part of the Confidential Information and has to be stopped using after the expiry of the Agreement.

At the Licensee's request, the Licensor may provide the Licensee with technical assistance, by making available the personnel required to implement the know-how provided in the best possible conditions. In this case, the Licensee shall bear all costs incurred by the visit of the Licensor's personnel.

## **7. Obligations of the Licensee**

### **7.1. Exploitation**

The Licensee undertakes to actively exploit and commercialize the Intellectual Property Rights personally or through Sub-Licensees (if authorized) to the maximum extent and throughout the Territory in a real and serious manner.

The Licensee shall provide the Licensor with periodic reports, at least once annually, detailing the progress of the past, current, and projected commercialization efforts and activities taken or planned by the Licensee and the Sub-Licensees (if any) to commercialize the Intellectual Property Rights throughout the Territory.

### **7.2. IPR maintenance**

The Licensor shall maintain the Intellectual Property at its own cost and expense, including but not limited to filings, annuity fees, and renewal fees.

### **7.3. Defence of the Intellectual Property Rights**

Upon becoming aware of an infringement, litigation, opposition, or any event affecting the undisturbed enjoyment of the Intellectual Property Rights in the Territory, each Party shall promptly notify the other in writing and within a reasonable delay. The notification shall include a detailed description of the event, the actions taken, and the proposed course of action.

The Licensor shall have the first right, at its sole and absolute discretion, to take action against any infringement of the Intellectual Property Rights. If the Licensor elects not to take action, it shall promptly send the Licensee written notice to inform of its decision. If the Licensee receives such notice from the Licensor, the Licensee shall then be entitled to take action at its sole expense under the following conditions:

- First, the Licensee shall consult and agree with the Licensor as to the advisability of the action or settlement, its effect on the good name of the Licensor, the public interest, and how the action or settlement should be conducted;
- If the Licensor has granted any third party any rights to the Intellectual Property Rights, the Parties shall also co-operate with such third parties in relation to such action or settlement;
- The Licensee shall reimburse the Licensor for any reasonable expenses incurred in assisting the Licensee with such action or settlement. In addition, the Licensor shall (i) agree to be joined in any action subject to being indemnified and secured in a reasonable manner by the Licensee as to any costs, damages, expenses, or other liability that the Licensor may incur, and (ii) have the right to be separately represented by its own counsel at its own expense.

In any event, the Licensor shall assist the Licensee in defending its rights.

#### 7.4. Infringement of third-party rights

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 use of the Intellectual Property Rights, that Party shall promptly provide full details to the other Party, and the Parties shall discuss the best way to respond.

The Licensee shall not make any admissions in relation to such allegations, except with the prior written agreement of the Licensor. [Unless otherwise agreed in writing by the Parties, the] OR [The] Licensor shall have the exclusive right to conduct any proceedings relating to the Intellectual Property Rights, including any proceedings relating to the alleged infringement of third-party rights in the use of the Intellectual Property Rights.

In any event, the Licensor shall assist the Licensee in defending its rights.

#### 8. Confidentiality

Each Party (the "Receiving Party") undertakes from the Effective date for a period of **[Insert the desired duration of the confidentiality obligation, e.g. 10 years]**:

- use Confidential Information only for the purposes of this Agreement;
- disclose 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
- ensure that all those to whom disclosure of or access to 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.

#### 9. Payment

**If you want to be paid by a fixed, one-time payment, add the following paragraph:**

"In consideration for the rights granted under this Agreement, the Licensee shall pay Licensor a one-time, non-refundable lump sum license fee of **[Insert the desired amount and currency]** ("License Fee"). The License Fee shall be paid to the Licensor within **[Insert the desired delay]** days of the Effective Date.

All sums due under this Agreement should be paid in **[Insert currency]** to the following account: **[Insert bank references]."**

**If you want several fixed payments based on defined milestones, add the following paragraph:**

"Upon achievement of each of the milestone events set out in the following table, the Licensee shall pay to the Licensor the amount(s) set out next to such milestone event, as defined in the following table:

Milestone event	Amount to be paid
<b>[Insert milestone]</b>	<b>[Insert desired amount and currency]</b>

All sums due under this Agreement should be paid in **[Insert currency]** to the following account: **[Insert bank references]."**

## 10. Intellectual Property derived from the Agreement

Any improvements, modifications, or developments made by the Licensee during the term of this Agreement, which are based on or arise from the use of the licensed Intellectual Property Rights ("Derived Intellectual Property"), shall be *[Insert the desired party, e.g. "owned by the Licensee" or "jointly owned by the Licensee and Licensor"]*.

*If the Derived IP is owned by the Licensee and you want to authorize the Licensor to use it via a license, add the following paragraph:*

"The Licensor shall be granted a non-exclusive, worldwide, royalty-free license to use, reproduce, display, perform, and otherwise exploit the Derived IP solely for the purpose of exercising its rights and fulfilling its obligations under this agreement. This license shall remain in effect for the duration of this agreement unless otherwise terminated in accordance with the terms herein."

## 11. Early termination

In the event of a breach by one of the Parties of any of the obligations of this contract, this Agreement may be terminated by the other Party after formal notice has been served by email or registered letter with acknowledgment of receipt, which has remained unsuccessful within *[Insert notice duration, e.g. one month]* of its notification. This early termination will not cause prejudice to any damages and interest.

*If you want any Party to be able to terminate the contract before the termination date without any breach of the contract, add the following paragraph:*

"Either Party may terminate this Agreement at any time on a *[Insert duration, e.g. "12 months"]* notice in writing sent by registered letter."

## 12. Application laws and settlement of disputes

The Agreement is governed by and construed in accordance with the laws of the laws of Abu Dhabi.

Any disputes arising out of or in connection with this Agreement shall be resolved through the Civil Courts or Arbitration in accordance with the rules of the court of Abu Dhabi.

Agreed by the Parties through their authorised signatories:

*[Licensor Company's name and legal form]*\_\_\_\_\_

Represented by:

Name\_\_\_\_\_

Signature\_\_\_\_\_

Title\_\_\_\_\_

Date\_\_\_\_\_

*[Licensee Company's name and legal form]*\_\_\_\_\_

Represented by:

Name\_\_\_\_\_

Signature\_\_\_\_\_

Title\_\_\_\_\_

Date\_\_\_\_\_

### Exhibit A: List of Intellectual Property Rights covered by the Agreement

N°	Kind of IPR <sup>1</sup>	Applicant/ Owner name	Title	Application number	Application date	Publication number	Publication date	Status <sup>2</sup>	Link <sup>3</sup>
1									
2									
3									
4									
5									

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<sup>1</sup> Kind of intellectual property right, such as: patent, utility certificate, trademark, industrial design, copyright, know-how, etc.

<sup>2</sup> Status of the intellectual property right, such as: filed, registered, pending, published, granted, etc.

<sup>3</sup> Link to a public database where the intellectual property right is published, such as: Patentscope, TM view, Global Design Database, etc.