LICESNSING AGREEMENT TECHNOLOGY TRANSFER OFFICE UNIVERSITY OF RUHUNA 2019



# University of Ruhuna

**Licensing agreement**

LICESNSING AGREEMENT TECHNOLOGY TRANSFER OFFICE UNIVERSITY OF RUHUNA 2019

## TECHNOLOGY TRANSFER OFFICE

**UNIVERSITY OF RUHUNA**

**Licensing agreement -term sheets**

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This draft is dated the…..day of……….., 20….. and is solely for purposes of negotiation by and between

the University of Ruhuna (hereinafter called UoR), a state University under the Ministry of Higher Education, and………… **(**Name of the Company) ……………at the following address………………………….

No contract shall exist until a final, written license agreement is signed by UoR’s Director of the Technology Transfer Office (hereinafter called TTO) and an authorized representative of……………….**(**Name of the Company) ………………...

This Term sheet and the conditions contained herein, shall expire 90 days from the date signed by the, Director of the TTO, UoR.

Note: Some terms may not apply or may need to be modified for large company or Startup Company

## Reference

**Grant:** UOR will grant to Company (exclusive or non-exclusive) right to the Licensed Patent in the Licensed Territory and Licensed Field.

**Licensed Patents:** The Sri Lankan Patent application …………………. Patent Serial ……………… filed on

……………………….. and all Sri Lankan Patents and foreign patents and patents applications based on this application; all divisional and continuations both Sri Lankan and foreign; and any reissues or re-examinations of patents described above.

**Licensed Territory:** Sri Lankan Provinces and any other country but only to the extent Licensee pays patent costs in those countries

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**Licensed Field:** …………………………………………………

**Licensed Product:** The Licensed product is any product sold by Company that infringes the licensed patent.

**Sub License:** If exclusive License is desired, then Company will have the right to exclusively sub- license, sub-licensee will have all the rights and obligations of the Company, UOR has right to receive copies of sublicenses. Percentage of royalties from sublicenses will pass-through to UoR as indicated in this term sheet. Company is free to negotiate and collect a higher Royalty Rate from sublicenses.

## Considerations:

or if Non-Exclusive License is desired then Company will not have the right to sub- license. UoR may license to other companies.

**Issuance of Equity:** Company shall issue to UoR % of the issued and outstanding shares of

Company, such percentage shall not be reduced (diluted) until Company has received (Sri Lankan rupees) in external equity funding.

**Patent Costs:** Company shall pay all future costs and expenses incurred by UoR related to the preparation, filing prosecution, issuance, and maintenance of the Licensed Sri Lankan Patents within thirty (30) days of receipt of an invoice from UoR.

Company agrees to pay the past patent costs incurred by UoR within

…………months after the effective date of the license

Current Patent Expenses are Sri Lankan rupees…………… as of …………………………….

Company will specify and agrees to pay expenses to file and maintain patents in the following countries. **License Fee:** Non-refundable license fee of Sri Lankan rupees……………. Payable within thirty days of execution of the license agreement.

**Royalty:** Company shall pay a running royalty which shall remain fixed while this agreement

Royalties from sublicenses will pass-through to UoR at the same Royalty Rate specified in this term sheet.

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Company agrees to pay a minimum royalty commencing on the First Commercial

Year according to the following table:

Minimum royalty Year

SLR................................... 20..

SLR................................... 20..

SLR ……………………….. 20…

and every year thereafter that this agreement is in effect

**Sublicense Fees:** If Company receives and fees, minimum royalties, or other payments in consideration for any rights granted under a Sublicense, and payment are not based directly upon the amount or value of Licensed Products sold by the Sub licensee, then company shall pay UoR Fifty percent (50%) of such payments.

**Minimum Investment:** Company shall receive a minimum of ……. million Sri Lankan rupees (., 000,000) in external equity investment within months of the Effective Date or UoR shall,

as its sole and exclusive remedy hereunder, have the right to terminate the License.

**Development Plan:** Company agrees to provide to UoR a 5 – year development plan with annual reports on the development of the Licensed Product.

If Company fails to actively pursue the Development Plan with respect to a certain field(s) of use and UoR has received notice that a third party wishes to negotiate a license for such field(s) of use, UoR may terminate this License with respect to such fields(s) of use upon sixty (60) days written notice to License and pursue negotiations with the third party.

During the notice period, Licensee may provide UoR with a revised Development Plan with respect to the fields(s) of use in question. UoR may consider the revised Development Plan and determine, in UoR’s sole discretion, whether the revised Development Plan will be accepted or whether the License will terminate with respect to such filed(s) of use upon expiration of the notice period.

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**Warranties:** UoR warrants it can grant an exclusive license to the Licensed Patents and has the

right to grant this license; and

Company warrants that to the best of their ability they will actively pursue the development of a Licensed Product.

**Term:** Any license to the Licensed Patents will terminate on the expiration of the licensed patents.

**Definitions:** Terms used herein such as Net Sales are used as defined in the UoR Standard License Agreement with sublicensing terms.

**Patent Prosecution:** UoR shall diligently prosecute and maintain the Licensed Patents using counsel of its choice. UoR shall provide Company with copies of all patent applications amendments, and other filings with the United States Patent and Trademark Office and foreign patent offices. UoR will also provide Company with copies of the office actions and other communications received by UoR from the Sri Lankan Patent and Trademark Office and foreign patent office relating to Licensed Patents.

Company agrees to keep such information confidential.

**License Execution:** This term sheet will expire on 90 days unless a License Agreement with UoR is approved by UoR.

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## UNIVERSITY OF RUHUNA

…………………………………………………. Date:…. .20……

 Vice Chancellor

University of Ruhuna

……………………………………………………. Date:…...20………

 Vice Chancellor University of Ruhuna

## COMPANY

By: ……………………………… Date:… .20….

Name & Office:……………….

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