

U.S. DEPARTMENT OF ENERGY
NATIONAL ENERGY TECHNOLOGY LABORATORY
EXCLUSIVE PATENT LICENSE AGREEMENT

This Agreement is by and between the United States Department of Energy, represented by the National Energy Technology Laboratory (hereinafter called "LICENSOR"), and [Participant] (hereinafter called "LICENSEE"), collectively referred to as "Parties" and individually as "Party".

ADDRESS OF LICENSEE: [Insert Address]

LICENSED INVENTION: U.S. Patent No [Patent No.], issued [Issue Date], titled [Patent Title], and any patents stemming therefrom.

FIELD OF USE: [insert]

SCOPE OF LICENSE: Exclusive license for [manufacture, use, sale, commercial evaluation, research] in the U.S.A. in the above-identified FIELD(S) OF USE.

LICENSE TERM: Full term of any issued patent based on the LICENSED INVENTION.

WITNESSETH:

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

WHEREAS: LICENSEE desires to obtain an exclusive 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. 404) and DEPARTMENT OF ENERGY Patent Licensing Regulations (10 C.F.R. 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).

WHEREAS: The interests of the Federal Government and the public will best be served by this License, in view of the LICENSEE's intentions, plans, and ability to bring the LICENSED INVENTION to practical application.

WHEREAS: The desired practical application has not been achieved, and is not likely expeditiously to be achieved, under any non-exclusive license which has been granted, or which may be granted, on the LICENSED INVENTION.

WHEREAS: Exclusive licensing is a reasonable and necessary incentive to call forth the investment of risk capital and expenditures to bring the LICENSED INVENTION to practical application.

WHEREAS: The proposed terms and scope of exclusivity are not greater than reasonably necessary to provide the incentive for bringing the LICENSED INVENTION to practical application.

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, an 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 LICENSED INVENTION, as outlined in or submitted with the LICENSEE's Application for License, as may be amended from time to time with the concurrence of LICENSOR, to bring the LICENSED INVENTION to practical application within [TBD], and thereafter to continue to make the benefits of this invention reasonably accessible to the public.
3. This License may extend to subsidiaries of the LICENSEE, but it 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 LICENSED 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 LICENSED INVENTION will be manufactured substantially in the United States.
6. LICENSEE shall submit periodic written reports, annually within 30 days following 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, as outlined in or submitted with the LICENSEE's Application for License, 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:

- a. LICENSEE agrees to pay to LICENSOR an initial fee of [TBD], payable within 30 days following the execution of this License.
 - b. A minimum royalty of [TBD], payable within 30 days following the anniversary date of this License, or
 - c. [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, payable within 30 days following the anniversary date of this License, whichever is greater. Gross sales price shall mean actual invoiced sales price free of transfer and bank fees and free of any taxes or other deductions.
8. LICENSEE shall pay to LICENSOR any royalty payments due and payable under this License. Checks shall be made payable to the U.S. Department of Energy and forwarded to:

U.S. Dept. of Energy
National Energy Technology Laboratory
Finance Division
MS 921-227
626 Cochrans Mill Road
Pittsburgh, PA 15236-0940

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 this License, whether or not royalties are payable under this License. Such a statement shall be in writing, showing in reasonable detail the identification of licensed products incorporating any part of the LICENSED INVENTION 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. The license shall be subject to the irrevocable, royalty-free right of the Government of the United States to practice and have practiced the LICENSED INVENTION on behalf of the United States and on behalf of any foreign government or international organization under any existing or future treaty or agreement with the United States.
10. LICENSOR reserves the right to require LICENSEE to grant sublicenses to responsible applications, on reasonable terms, when necessary to fulfill health or safety needs.
11. 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 making the benefits of the LICENSED INVENTION reasonably accessible to the public.

12. LICENSOR MAKES NO WARRANTY OR REPRESENTATION AS TO THE VALIDITY OF ANY LICENSED PATENT(S) OR PATENT APPLICATIONS(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.
13. LICENSOR MAKES NO REPRESENTATIONS, EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND ASSUMES NO RESPONSIBILITIES OR LIABILITY WHATSOEVER WITH RESPECT TO MANUFACTURE, USE, SALE, OR OTHER DISPOSITION BY LICENSEE, OR ITS VENDEES OR TRANSFEREES, OF PRODUCTS, PROCESSES, OR SERVICES INCORPORATING OR MADE BY USE OF LICENSED INVENTION.
14. 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.
15. LICENSEE shall indemnify and hold harmless LICENSOR from any and all losses, damages, costs and expenses that result from or arise in connection with (i) LICENSEE's use of the LICENSED INVENTION or LICENSEE's use or sale of products, processes or services incorporating or made by use of the LICENSED INVENTION, or (ii) third party claims based on the actions or omissions of LICENSEE.
16. Nothing contained in this License shall be interpreted to give to LICENSEE any rights with respect to any invention other than the LICENSED INVENTION.
17. LICENSOR makes no representation or warranty that Letters Patent will issue on such patent application(s).
18. 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 Application 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 Application for License which resulted in this 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 this License, and such requirements are not reasonably satisfied by the LICENSEE.
19. Before modifying or terminating this License for any cause, LICENSOR shall furnish LICENSEE, and to any sublicensee, a written notice of LICENSOR'S intention to modify or terminate this

License, with reasons therefor, and LICENSEE and any sublicensee, 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 this License should not be modified or terminated.

20. The points of contact for the LICENSEE and LICENSOR are as follows:

LICENSOR:

Technical Contact:

Department of Energy
3610 Collins Ferry Rd
P.O. Box 880
Morgantown, WV 26507-0880
Phone:
Email:

Administrative Contact:

Jessica Sosenko
Department of Energy
626 Cochrans Mill Road
P.O. Box 10940
Pittsburgh, PA 15236-0940
Phone: 412.386.7417
Email:
jessica.sosenko@netl.doe.gov

LICENSEE:

Technical Contact:

[INSERT NAME]
[ADDRESS]
[PHONE]
[EMAIL]

Administrative Contact:

[INSERT NAME]
[ADDRESS]
[PHONE]

Any communications shall be deemed made if mailed by postage prepaid first class U.S. Mail addressed to the point of contact of the receiving Party as of the day of receipt of such communication by the addressee or on the date given if by verified facsimile or on the date given if by electronic mail.

21. 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 this License.
22. 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. Paragraphs 10, 11, and 12 shall survive any termination.
23. LICENSEE shall have the right to sue, at its own expense, infringers of the patent(s) licensed hereunder. LICENSEE agrees to notify LICENSOR at the instigation of any such litigation, and to keep LICENSOR informed of its progress. LICENSEE may join LICENSOR, upon LICENSOR's consent, as a Party complainant in such suit, but without expense to LICENSOR, and LICENSEE shall pay all costs that may be rendered against LICENSOR in such suit. LICENSOR shall also have an absolute right to intervene in any such suit at its own expense.

- 24. This Exclusive License may be signed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall be deemed one and the same instrument.
- 25. This License is effective on the date affixed hereto by the Party last signing this License.

DEPARTMENT OF ENERGY,
NATIONAL ENERGY TECHNOLOGY LABORATORY: LICENSEE:

By: _____

By: _____

Title: Director, NETL

Title: _____

Date: _____

Date: _____