

(Sublicensing Prohibited)

**LIMITED EXCLUSIVE COMMERCIAL FIELD OF USE PATENT
LICENSE AGREEMENT**

This Exclusive Commercial Patent License Agreement is between UT-Battelle, LLC (UT-Battelle), a Tennessee non-profit limited liability company (“Licensor”) having an address at 1 Bethel Valley Road, Oak Ridge, Tennessee 37831-6196, and _____, a _____ (list state) (list type of organization, e.g., Corporation, LLC, Partnership, etc.) having an address at _____ (“Licensee”), hereinafter referred to singly as the “Party” or jointly as the “Parties.”

**ARTICLE 1
BACKGROUND**

- 1.1 Licensor manages and operates the Oak Ridge National Laboratory under its Prime Contract No. DE-AC05-00OR22725 with the United States Department of Energy (“DOE”), an agency of the United States Government.
- 1.2 Licensor has rights in certain patents and patent applications listed in Exhibit A.
- 1.3 Licensee desires, and Licensor is willing to grant, a limited exclusive commercial license under such patents and patent applications in certain fields of use.
- 1.4 This Agreement specifically includes Exhibit A, LICENSED PATENTS, Exhibit B, TERM SHEET & FINANCIAL OBLIGATIONS, and Exhibit C, DEVELOPMENT AND COMMERCIALIZATION PLAN, which are attached.
- 1.5 Except as provided in Article 7, the license will run through the Term of this Agreement.

**ARTICLE 2
DEFINITIONS**

As used in this Agreement, the following terms have the meanings set forth below:

- 2.1 “Accounting Period” means the period from January 1 through December 31 of each year, with the first Accounting Period beginning on the Effective Date.
- 2.2 “Dispose”, “Dispose of” or “Disposition” means the sale, lease or other transfer of Licensed Products.
- 2.3 “Effective Date” means the date of the signature of the last Party to sign this Agreement.

SAMPLE AGREEMENT- FOR REFERENCE ONLY

- 2.4 “Field(s) of Use” means and is limited to _____.
- 2.5 “Government” means the Federal Government of the United States of America.
- 2.6 “Government’s License Rights” means the Government’s nonexclusive, nontransferable, irrevocable, paid-up license to practice or to have practiced for or on behalf of the United States the Licensed Patents throughout the world, pursuant to 35 USC 202(c)(4).
- 2.7 “Gross Sales” means the U.S. Dollar value of all consideration to which Licensee is entitled for the Disposition of Licensed Products by Licensee. In the event Licensee does not ultimately Dispose of Licensed Products, the fair market value of such Licensed Products (as if there had been a Disposition to a third party) will be included in Gross Sales.
- 2.8 “Licensed Patents” means those patents and patent applications listed in Exhibit A any United States patents issuing at any time from such applications and any divisions, continuations, continuations-in-part (excluding those claims in such applications claiming new subject matter) thereof, and all reissues, reexamination, substitute, or extensions of any such patent. The term “Licensed Patents” does not include any patent found to be unenforceable or invalid by a final adjudication by a Court of competent jurisdiction.
- 2.8 “Licensed Patents” means each patent and patent application listed in Exhibit A, and any United States patents issuing at any time from such application and any divisions, continuations, continuations-in-part (excluding those claims in such applications claiming new subject matter) thereof, all reissues, reexamination, substitute, or extensions of any such patent, and all worldwide patents and patent applications corresponding to any of the foregoing. The term “Licensed Patents” does not include any patent found to be unenforceable or invalid by a final adjudication by a Court of competent jurisdiction.
- 2.9 “Licensed Products” means any device, apparatus, product, compound, composition of matter, product-by-process, kit, system, material, or algorithm the manufacture, use, sale, offer for sale, or import of which, but for the license granted in this Agreement, would infringe or contribute to the infringement of a claim of a Licensed Patent.
- 2.10 “Net Sales” means the Gross Sales less the total of all:
- a. sales tariffs, duties and/or taxes imposed on the Licensed Products manufactured in the United States;
 - b. outbound transportation prepaid or allowed; and

SAMPLE AGREEMENT- FOR REFERENCE ONLY

- c. amounts allowed or credited on returns.
- 2.11 “Patent Costs” means the verifiable costs related to the preparation, filing, prosecution and maintenance of U.S. and foreign Licensed Patents.
- 2.12 “Royalty” and “Royalties” mean the payments owed to Licensor based on Gross or Net Sales as specified in Exhibit B.
- 2.13 “Term” means the period of time starting on the Effective Date and, subject to Article 7, continuing until expiration of the last to expire Licensed Patents.

**ARTICLE 3
GRANT**

- 3.1 Subject to paragraphs 3.2 through 3.6 below, Licensor grants to Licensee, and Licensee accepts for the Term of this Agreement, a limited exclusive commercial license under the Licensed Patents to make, have made, use, offer to sell, sell, Dispose of, and import (subject to 6.1) the Licensed Products in the Field of Use. This grant specifically excludes the right to sublicense the Licensed Patents.
- 3.2 Licensee’s commercial license is subject to, and will in no way restrict, the Government’s License Rights.
- 3.3 Licensee’s commercial license is subject to, and will in no way restrict, the march-in rights of the Government pursuant to 35 USC 203.
- 3.4 Licensor retains the right to grant non-commercial licenses in the Field(s) of Use.
- 3.5 Licensor may, in its sole discretion, grant licenses to the Licensed Patents outside the Field(s) of Use.
- 3.6 Licensee acknowledges that no license is granted or implied under, and expressly agrees not to make, have made, use, offer to sell, sell, Dispose of, or import the Licensed Products outside the Field of Use. Licensee agrees that making, having made, using, offering to sell, selling, Disposing of, and importing the Licensed Products outside the Field of Use is a breach of this Agreement and is an infringement of the Licensed Patents.

**ARTICLE 4
CONSIDERATION AND FINANCIAL OBLIGATIONS**

- 4.1 In consideration for the License, Licensee agrees to comply with the provisions of this Agreement, to pay all fees, Royalties, costs, and all other consideration within the time

SAMPLE AGREEMENT- FOR REFERENCE ONLY

periods and as otherwise specified in this Agreement for the Term, and to satisfy the requirements of the Commercialization Plan set forth in Exhibit C.

- 4.2 Licensee will pay to Licensor a fixed license fee in the amount specified in Exhibit B (Execution Fee), which will be nonrefundable and not creditable against any Royalties. Exhibit B specifies when the Execution Fee is due and payable. In the event of termination of this Agreement, the entire unpaid balance of the Execution Fee will be due and payable on or before the effective date of termination.
- 4.3 Licensee agrees to pay the Royalties in the amounts specified and on the due dates identified in Exhibit B.
- 4.4 Licensee will reimburse Licensor for all Patent Costs within thirty (30) days of submission of the proof of costs incurred by Licensor. If Licensee elects to discontinue reimbursement of Patent Costs for any patent or patent application, then that patent or patent application will be excluded from the Licensed Patents, and all rights relating to the excluded patent or patent application will revert to Licensor and may be freely licensed by Licensor to others.
- 4.5 All payments will be made to Licensor in U.S. dollars by wire transfer in accordance with the following wire instructions, unless and until written notice is provided by Licensor of a change in the wire instructions:
First Tennessee Bank, Memphis: ABA #084000026
For further credit to First Tennessee, Knoxville: Account #4238028
Beneficiary: UT-Battelle, LLC
S.W.I.F.T. Code: FTBMUS44
- 4.6 Licensee will owe no Royalties on Dispositions of Licensed Products involving Government funds, including funds derived through a Military Assistance Program of the Government or otherwise derived through the Government, because of the Government's License Rights. Licensee will report all Revenue received from such Dispositions by providing a Government control number and identification of the Government agency in the written report for the pertinent Accounting Period.
- 4.7 In the event that Licensee fails to make any payment due to Licensor within the time period prescribed for such payment under this Agreement, then the unpaid or overdue amount will bear interest at the rate of one and one half percent (1.5%) per month from the date when payment was due until payment in full, with interest, is made. In addition,

SAMPLE AGREEMENT- FOR REFERENCE ONLY

Licensee agrees to reimburse Licensor for any costs or expenses, including attorney's fees, incurred by Licensor in collection of such overdue payments.

**ARTICLE 5
CONDITIONS OF GRANT**

- 5.1 Licensee agrees that any Licensed Products for use or sale in the United States will be substantially manufactured in the United States.
- 5.2 Licensee will mark all Licensed Products in accordance with the statutes of the United States (see 35 U.S.C. § 287). Any such marking may indicate that Licensee has a license from Licensor. Otherwise, Licensee is prohibited from using Licensor's name or the name "Oak Ridge National Laboratory" in any such marking or any advertising, promotion or commercialization of Licensed Products without written approval of Licensor.
- 5.3 The rights and licenses granted by Licensor in this Agreement are personal to Licensee and may not be assigned or otherwise transferred in whole or in part except by merger or acquisition as may be otherwise permitted by the terms of this Agreement. If Licensee merges or is otherwise acquired by another entity that acquires substantially all of Licensee's business assets that relate to this Agreement, then Licensee may assign its rights and obligations under this Agreement to the merging or acquiring entity, effective on the date the merger or acquisition becomes effective, provided that all the following requirements have been satisfied in advance of the merger or acquisition:
 - 5.3.1 Licensee notifies Licensor within forty-five (45) calendar days prior to said merger or acquisition;
 - 5.3.2 Licensor approves said assignment of rights and obligations under this Agreement. Licensor's approval, which is subject to the Prime Contract and DOE policy considerations relating to technology transfer involving foreign owned or controlled companies, shall not be unreasonably withheld;
 - 5.3.3 Licensee shall have paid all royalties, fees and payments due Licensor;
 - 5.3.4 The merging or acquiring entity has agreed to comply with the terms and conditions of this Agreement; and
 - 5.3.5 If the merging or acquiring entity is subject to ownership or control by a non-U.S. entity, the Licensee has obtained DOE approval of the assignment and will

SAMPLE AGREEMENT- FOR REFERENCE ONLY

comply with the DOE's foreign ownership and control justification criteria then in effect.

- 5.4 Licensee will not pledge its rights under this Agreement for any reason, including as security to obtain financing, without the prior written approval of Licensor. The Parties agree that any such pledge by Licensee without such approval by Licensor will be an automatic, material and incurable breach of the Agreement resulting in termination of the Agreement effective as of the attempt by Licensee to make such pledge.
- 5.5 Licensee agrees that, in the event Licensee, by its own actions, or the action of any of its shareholders or creditors, files or has filed against it a case under the Bankruptcy Code of 1978, as previously or hereafter amended, licensor shall be entitled to relief from the automatic stay of Section 362 of Title 11 of the U.S. Code, as amended, to pursue any rights and remedies available to it under this Agreement. Licensee hereby waives the benefits of such automatic stay and consents and agrees to raise no objection to such relief.

**ARTICLE 6
RECORDS, REPORTS, AND ROYALTY PAYMENTS**

- 6.1 Licensee will keep and make available to Licensor for audit, inspection and copying by Licensor or its designee, including an accounting firm, adequate and sufficiently detailed records to enable Licensee's financial obligations required under this Agreement to be easily determined. Licensee will maintain these records for a period of at least three (3) years after the end of the last Accounting Period to which the records refer. In the event an examination of Licensee's records reveals an underpayment of more than 5% of the correct Royalty amount, Licensee will pay all costs incurred by Licensor related to the examination of records in addition to paying the balance due.
- 6.2 Licensee will provide Licensor a written report for each Accounting Period during the Term of this Agreement, no later than thirty (30) days after the end of each Accounting Period, which identifies for such Accounting Period:
- (a) the total Gross Sales received by Licensee from the making, use, or Disposition of Licensed Products itemized by domestic and/or foreign rights;
 - (b) the total amount of sales tariffs, duties and/or taxes imposed on the Licensed Products manufactured in the United States;

SAMPLE AGREEMENT- FOR REFERENCE ONLY

- (c) the total outbound transportation costs prepaid or allowed;
- (d) the total amounts allowed or credited on returns; and,
- (e) the total amount of Royalties due to Licensor.

The first such report will include this information for all Licensed Products Disposed of between the Effective Date and the end of the first Accounting Period.

- 6.3 Licensee will submit a written report to Licensor within thirty (30) days after the date of any termination or expiration of this Agreement which contains the same information required in 7.2 above for Licensed Products made, used, or Disposed of prior to such expiration or termination that were not previously reported to Licensor. At the time this report is submitted, Licensee will pay to Licensor all Royalties and any other consideration due Licensor.

**ARTICLE 7
BREACH AND TERMINATION**

- 7.1 This Agreement may be terminated by either Party for any material breach of the Agreement by the other Party. Such termination will be effective sixty (60) days after written notice specifying the breach to the other Party. If the specified breach is cured before the effective date of termination, the Agreement will not be terminated.
- 7.2 In the event Licensee either (a) fails to make payment to Licensor of Royalties or other consideration in accordance with this Agreement or (b) fails to satisfy the requirements of the Commercialization Plan in Exhibit C, Licensor may, at its sole discretion, terminate this Agreement with respect to specified Licensed Patents. There will be no reduction in any of the payments due from Licensee, including but not limited to Royalties.
- 7.3 In addition to termination, in the event of a material breach by Licensee, Licensor may pursue any rights and remedies available to it by law.
- 7.4 This Agreement will not be terminated for any breach that is the result of an act of God, acts or omissions of any government or agency thereof, compliance with rules, regulations, or orders of any governmental authority or any office, department, agency, or instrumentality thereof, fire, storm, flood, earthquake, accident, acts of the public enemy or terrorism, war, rebellion, insurrection, riot, sabotage, invasion, quarantine, restriction, transportation embargoes, or failures or delays in transportation.

SAMPLE AGREEMENT- FOR REFERENCE ONLY

- 7.5 Any termination of this Agreement will not impact Licensor's ownership interest, if any, in Licensee.
- 7.6 The rights and remedies granted herein, and any other rights or remedies which the Parties may have, either at law or in equity, are cumulative and not exclusive of others.
- 7.7 Neither Party will be relieved of any obligation or liability under this Agreement arising from any act or omission committed prior to the termination date. Upon termination, Licensee will execute any documents necessary to achieve the transfer to Licensor of all rights to which Licensor may be entitled under this Agreement.
- 7.8 Licensee may terminate this Agreement for any reason if Licensee provides Licensor with sixty (60) calendar days prior notice of its intent to terminate and pays Licensor all patent reimbursement fees owed at the time of termination, if applicable, and all other fees and Royalties due or the pro rata portion of any Minimum Annual Royalties due in, or at the end of, the year of termination under Exhibit B, whichever is greater.
- 7.9 This Agreement will terminate automatically upon a final adjudication of invalidity, unenforceability, or the extinguishment of all Licensed Patents, for any reason.
- 7.10 This Agreement will terminate automatically if Licensee contests the validity or enforceability of any Licensed Patent, or requests reexamination of any Licensed Patent.
- 7.11 Expiration or termination of this Agreement will be without prejudice to any rights that may have accrued to the benefit of a Party prior to such expiration or termination.

**ARTICLE 8
INFRINGEMENT**

- 8.1 Licensee will notify Licensor in writing of any suspected infringement of the Licensed Patents in the Field of Use, and each Party will inform the other of any evidence of such suspected infringement within a reasonable time of obtaining such evidence.
- 8.2 Licensor will have the right during the term of this Agreement to institute, prosecute, and settle at its own expense suits for infringement of the Licensed Patents for any infringement occurring within the Field of Use, and if required by law, Licensee will join as party plaintiff in such suit. Where such suit is brought by Licensor, Licensor will be entitled to retain all damages and any other consideration recovered at successful conclusion of the suit.

SAMPLE AGREEMENT- FOR REFERENCE ONLY

- 8.3 In the event Licensor decides not to bring any suit for infringement of the License Patents for any infringement occurring within the Field of use, Licensor will so notify Licensee and Licensee may bring such suit provided that (1) except for the Government license as defined in 2.6, there are no other licensees of the Licensed Patents in any field of use, and (2) Licensor has not commenced suit for enforcement of the Licensed Patents pursuant to paragraph 8.4 below. Settlement of any suit brought by Licensee will require the consent of Licensor and Licensee, which neither will unreasonably withhold from the other, and any settlement amount or recovery for damages will be applied as follows: (i) first, to reimburse the Parties for their expenses in connection with the litigation, including compensation for the time and expenses of any Licensor personnel involved in the suit, and (ii) second, the Parties will share any monies remaining in accordance with an agreement entered into between the Parties before such suit is brought.
- 8.4 Licensor will have the right in its absolute discretion during the Term of this Agreement to commence suits for infringement of the Licensed Patents for any infringement outside the Field of Use.
- 8.5 Notwithstanding the pendency of any infringement (or other) claim or action by or against Licensee, Licensee will have no right to reduce, terminate or suspend (or escrow) payment of any amounts required to be paid to Licensor pursuant to this Agreement.

**ARTICLE 9
REPRESENTATIONS AND WARRANTIES**

- 9.1 Licensee represents and warrants that it will not export any technical information (or the direct product thereof) furnished to Licensee, either directly or indirectly by Licensor in the grant of license to the Licensed Patents, from the United States of America, directly or indirectly without first complying with all requirements of the Export Administration Regulations, including the requirement for obtaining any export license, if applicable.
- 9.2 Licensee will indemnify, defend and hold harmless Licensor, DOE, their respective members, officers, directors, agents, employees, and persons acting on their behalf, (“Indemnitees”) from liability involving the violation of such export regulations, either directly or indirectly, by Licensee.

SAMPLE AGREEMENT- FOR REFERENCE ONLY

- 9.3 Licensee acknowledges it may be subject to criminal liability under U.S. laws for Licensee's failure to obtain any required export license.
- 9.4 Subject to Article 8, Licensee agrees to indemnify and hold harmless Indemnitees from and against any and all liabilities, penalties, fines, forfeitures, claims, demands, causes of action, damages, and costs and expenses (including the costs of defense, prosecution and/or settlement, including, but not limited to, attorney's fees), caused by, arising out of or related to, in whole or in part, Licensee's exercise of rights under this Agreement or any other action or inaction relating to Licensed Patents, Licensed Products, or Licensed Processes, including, but not limited to, claims or demands of product liability, personal injury, death, damage to property or violation of any laws or regulations, except for those arising from Licensor's gross negligence.

**ARTICLE 10
DISCLAIMERS**

- 10.1 NEITHER LICENSOR, DOE, NOR PERSONS ACTING ON THEIR BEHALF WILL BE RESPONSIBLE FOR ANY INJURY TO OR DEATH OF PERSONS OR OTHER LIVING THINGS OR DAMAGE TO OR DESTRUCTION OF PROPERTY OR FOR ANY OTHER LOSS, DAMAGE, OR INJURY OF ANY KIND WHATSOEVER RESULTING FROM LICENSOR'S GRANT OF LICENSE TO LICENSEE UNDER THIS AGREEMENT.**
- 10.2 ALL LICENSED PATENTS, INFORMATION, MATERIALS OR SERVICES FURNISHED UNDER OR WITH THIS AGREEMENT ("DELIVERABLES") ARE PROVIDED ON AN "AS IS" BASIS. NEITHER LICENSOR, DOE, NOR PERSONS ACTING ON THEIR BEHALF MAKE ANY REPRESENTATIONS, OR EXTEND ANY WARRANTIES, EITHER EXPRESS OR IMPLIED: (a) WITH RESPECT TO THE VALIDITY OF THE LICENSED PATENTS; (b) WITH RESPECT TO THE MERCHANTABILITY, ACCURACY, COMPLETENESS, FITNESS FOR USE OR USEFULNESS OF ANY DELIVERABLES; (c) THAT THE USE OF ANY SUCH DELIVERABLES WILL NOT INFRINGE PRIVATELY OWNED RIGHTS; (d) THAT THE DELIVERABLES WILL NOT RESULT IN INJURY OR DAMAGE WHEN USED FOR ANY PURPOSE; (e) THAT THE DELIVERABLES WILL ACCOMPLISH THE INTENDED**

SAMPLE AGREEMENT- FOR REFERENCE ONLY

RESULTS OR ARE SAFE FOR ANY PURPOSE, INCLUDING THE INTENDED OR PARTICULAR PURPOSE; OR (f) WITH RESPECT TO USE, OR DISPOSITION BY LICENSEE OR ITS VENDEES OR OTHER TRANSFEREES OF LICENSED PRODUCTS INCORPORATING OR MADE BY USE OF (1) INVENTIONS LICENSED UNDER THIS AGREEMENT OR (2) INFORMATION, IF ANY, FURNISHED UNDER THE AGREEMENT. FURTHERMORE, LICENSOR AND DOE HEREBY SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, FOR ANY LICENSED PRODUCTS RESULTING FROM LICENSOR'S GRANT OF LICENSE HEREUNDER. IT IS AGREED THAT NEITHER LICENSOR NOR DOE WILL BE LIABLE FOR CONSEQUENTIAL, SPECIAL, OR INCIDENTAL DAMAGES IN ANY EVENT. LICENSEE WILL MAKE NO WARRANTY, EXPRESS OR IMPLIED, ON BEHALF OF LICENSOR OR THE DOE.

- 10.3 Nothing in this Agreement will be construed as
- a. an obligation of the Licensor to bring or prosecute actions or suits against third parties for infringement (except to the extent and in the circumstances stated in Article 9); or
 - b. an obligation of the Licensor to furnish any manufacturing or technical information or technical assistance, or
 - c. conferring a right to use in advertising, publicity, or otherwise any trademark or name of Licensor (except to the extent stated in 6.2); or
 - d. granting by implication, estoppel, or otherwise, any licenses or rights under patents of Licensor other than Licensed Patents, regardless of whether such other patents are dominant of or subordinate to any Licensed Patents.

**ARTICLE 11
GENERAL**

- 11.1 All notices and reports will be addressed to the Parties as follows:

If to Licensor:

Accounting Administration, Partnerships
UT-Battelle, LLC
One Bethel Valley Road
Oak Ridge, Tennessee 37831-6196

Facsimile
(865) 241-2353
Phone
(865) 241-2353
E-Mail

SAMPLE AGREEMENT- FOR REFERENCE ONLY

collinssml@ornl.gov

If to Licensee:

Name and/or Title
Company Name
Address 1
Address 2
City, State, Zip

Facsimile
(XXX) XXX-XXXX
Phone
(XXX) XXX-XXXX
E-Mail
???@???.???

- 11.2 All stock certificates, if any, will be sent to the address for notices.
- 11.3 Any notice, report or any other communication required to be given will be in writing and delivered either: (a) personally, (b) by express, registered or certified first-class mail, (c) by commercial courier, or (d) by facsimile with machine confirmation of transmission.
- 11.4 The failure of either Party to enforce a provision of this Agreement or to exercise any right or remedy will not be a waiver of such provision or of such rights or remedies or the right of the Parties thereafter to enforce each and every provision, right or remedy.
- 11.5 This Agreement may be amended or modified only by a written instrument signed by both Parties.
- 11.6 The determination by a Court of competent jurisdiction that any part, term, or provision of this Agreement is illegal or unenforceable, will not affect the validity of the remaining provisions of this Agreement.
- 11.7 Licensor may assign this Agreement and all rights, duties and obligations hereunder, to DOE or a successor contractor to Licensor, as may be required under its prime contract with DOE.
- 11.8 This Agreement will be construed according to the laws of the State of Tennessee and the United States of America and in the English language. Any action brought to enforce any provision or obligation hereunder will be brought in the Federal District Court for the Eastern District of Tennessee. However, if jurisdiction is not found in Federal Court, actions will be brought in Tennessee in either Knox, Roane, or Anderson County Court.
- 11.9 This Agreement is solely for the benefit of the Parties, represents the entire and integrated agreement between the Parties, and supercedes all prior negotiations, representations, and agreements, either written or oral. This Agreement, and each and every provision thereof,

SAMPLE AGREEMENT- FOR REFERENCE ONLY

is for the exclusive benefit of Licensor and Licensee and not for the benefit of any third party, except to the extent expressly provided in the Agreement.

**ARTICLE12
OFFER**

The offer to execute this Agreement shall expire if this Agreement is not signed by Licensee and returned to Licensor on or before _____.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed in duplicate originals by its duly authorized officers or representatives.

UT-BATTELLE, LLC

By: _____

Name (typed): Michael J. Paulus

Title: Director, Technology Transfer

Date: _____

LICENSEE NAME

By: _____

Name (typed): _____

Title: _____

Date: _____

SAMPLE AGREEMENT- FOR REFERENCE ONLY

EXHIBIT A: LICENSED PATENTS

Docket No.	Country	Title	Inventor(s)	Ser. No./Pat. No.	Filing/Issue Date

Initials

UT-Battelle: _____

Date: _____

Licensee: _____

Date: _____

EXHIBIT B: TERM SHEET & FINANCIAL OBLIGATIONS

A. Execution Fee:

B. Annual Minimum Payments and/or Milestone Payments:

C. Running Royalty Rate Structure:

Accounting Period	Running Royalty	Due Date

C. Minimum Royalty Rate Structure:

Licensee shall pay Licensor running royalties as set forth in C above, but in no event shall royalties for a calendar year be less than the following Minimum Annual Royalties during each of the calendar years indicated in the table below:

Accounting Period	Minimum Royalties (USD)	Due Date

D. Reimbursement of Patent Costs:

NOTICE

This Exhibit contains financial and commercial information that is BUSINESS SENSITIVE and the Parties hereby agree not to use or disclose this Exhibit to any third party without the advance written approval of the other Party, except: (1) to those necessary to enable the Parties to perform under this Agreement; (2) as may be required by the UT-Battelle Prime Contract with the DOE under the same restrictions as set forth herein; or (3) in event of breach of any provision of this Agreement by either Party, to those deemed necessary by the non-breaching Party to enforce the non-breaching Party's rights under the Agreement.

Initials

UT-Battelle: _____

Date: _____

Licensee: _____

Date: _____

EXHIBIT C: DEVELOPMENT AND COMMERCIALIZATION PLAN

[The commercialization plan outlines milestones, such as targets for your company's investment in product development, target time periods for first commercial sales, or targets for sales above a certain quantity.]

NOTICE

This Exhibit contains financial and commercial information that is BUSINESS SENSITIVE and the Parties hereby agree not to use or disclose this Exhibit to any third party without the advance written approval of the other Party, except: (1) to those necessary to enable the Parties to perform under this Agreement; (2) as may be required by the UT-Battelle Prime Contract with the DOE under the same restrictions as set forth herein; or (3) in event of breach of any provision of this Agreement by either Party, to those deemed necessary by the non-breaching Party to enforce the non-breaching Party's rights under the Agreement.

Initials

UT-Battelle: _____

Date: _____

Licensee: _____

Date: _____