

# Patent License Agreement

This License Agreement is made on [AGREEMENT DATE] (the "Effective Date") between [PARTY A NAME], [whose principal place of residence is at / a [CORPORATE JURISDICTION] corporation with its principal place of business at [PARTY A ADDRESS]] (the "[PARTY A ABBREVIATION]") and [PARTY B NAME], [whose principal place of residence is at / a [CORPORATE JURISDICTION] corporation with its principal place of business at] [PARTY B ADDRESS]] (the "[PARTY B ABBREVIATION]").

The parties agree as follows (the capitalized terms used in this agreement, in addition to those above, being defined in section [DEFINITIONS]).

## Grant of License

**Exclusive Grant.** The Licenser grants to the Licensee an exclusive, non-transferable license to develop and commercialize the Licensed Products, market and sell Licensed Products anywhere in the Licensed Territory, and sub-license the Licensed Patents, in accordance with the terms of this agreement.

**Licensee's Use of Licensed Patents.** The Licensee shall use the Licensed Patents only in accordance with this agreement.

**Reservation of Rights.** Any rights not expressly granted to the Licensee in this agreement are reserved to the Licenser. The Licensee does not acquire any interest other than the rights to the Licensed Patents granted under this agreement.

**Royalties.** In exchange for the [DELIVERABLE], [PARTY B] shall pay [PARTY A] the Royalties Fees, and down payment, according to section [PAYMENT OF ROYALTIES].

## Payment of Royalties Fees

**Down Payment.** On the Effective Date, [PARTY B] shall pay [PARTY A] a down payment of \$[DOWN PAYMENT AMOUNT].

**Fixed Royalty Rate.** [PARTY B] shall pay to [PARTY A] the "Royalties Fees" equal to [ROYALTY PERCENTAGE]% of [PARTY B]'s total sales of the [Licensed Goods / Licensed Software / Licensed Method / Assigned Patents] over each [PAYMENT PERIOD] period (each period, an "Accounting Period"), due within [14] Business Days' of the end of the applicable Accounting Period, in immediately available funds, and to the account [PARTY A] lists immediately below:

Account Number:

Routing Number:

**Minimum Royalty Fee.** Each Accounting Period, [PARTY B] shall pay [PARTY A] a minimum royalty fee equal to \$[MINIMUM ROYALTY FEE AMOUNT], which will be credited against any Royalty Fees due that Accounting Period under paragraph [FIXED ROYALTY RATE].

**Accounting.** [PARTY B] shall send with each payment to [PARTY A] a certified accounting for the applicable Accounting Period, correctly listing the sales of the [Licensed Goods / Licensed Software / Licensed Method / Assigned Patents] over that Accounting Period.

### **Registration and Maintenance of Intellectual Property**

**Registration and Maintenance Efforts.** [PARTY A] shall use reasonable efforts to register and maintain the registration of the Licensed Intellectual Property.

**Copies of Registration and Documentation.** [PARTY A] shall provide [PARTY B] with copies of relevant registrations and other documentation.

**Confidentiality.** [PARTY B] shall to keep confidential all information [PARTY A] provides under this section.

## **Development and Commercialization**

### **Development Plan**

**Initial Development Plan.** [PARTY B] shall deliver to [PARTY A], no later than [DATE, MONTH], a copy of an initial development plan for the [DELIVERABLE] (the "Development Plan"), to

demonstrate [PARTY B]'s capability to commercialize the [Licensed Goods / Licensed Software / Licensed Method],

project the timeline for completing the necessary tasks and meeting the milestones listed in section [PAYMENT OF ROYALTIES], and

measure [PARTY B]'s progress against the projected timeline.

**Updated Development Plan.** Before [December 1] of each year, [PARTY B] shall deliver to [PARTY A] a written report measuring [PARTY B]'s progress against the Development Plan.

**[PARTY B]'s Efforts.** [PARTY B] shall use reasonable efforts to develop, commercialize, market, and sell the [Licensed Goods] to meet the objectives of the Development Plan, including meeting the milestones listed in section [PAYMENT OF ROYALTIES]

### **Diligence Resources**

**Expenditures.** Each six month period following the Effective Date, [PARTY B] shall expend at least \$[DEVELOPMENT AND COMMERCIALIZATION INVESTMENT] to develop and commercialize the [Licensed Goods / Licensed Software / Licensed Method], including, research and development, advertising and marketing, consumer surveys and research, regulatory expenses, and documenting external consulting payments.

**Shortfall.** If [PARTY B] spends less than the minimum development and commercialization amount specified in paragraph [EXPENDITURES] over any six

month period, [PARTY B] shall pay to [PARTY A] the amount [PARTY B] was required to but did not spend, paid on the next Accounting Period.

**Accumulation.** If [PARTY B] spends more than the minimum development and commercialization amount specified in paragraph [EXPENDITURES] over any six month period, the excess amount will be credited towards the minimum development and commercialization for the next six month period.

**Confidentiality Obligations.** The parties shall continue to be bound by the terms of the non-disclosure agreement between the parties, dated [DATE] and attached to this agreement on [ATTACHMENT].

**Patent Markings.** [PARTY B] shall mark all Licensed Goods and containers of Licensed Goods in accordance with applicable patent marking Laws.

**Use of Name.** Neither party will use the other party's name, logos, trademarks, or other marks without that party's written consent.

**Export Compliance.** [PARTY B] shall be solely responsible for obtaining all licenses, Permits or authorizations as required from time to time by the United States and any other government for any export.

## **Insurance**

**Insurance Requirement.** [PARTY A] shall maintain the insurance necessary to cover its obligations and responsibilities under this agreement, or any amount required by Law, but in no case less than [LIST OF SPECIFIC TYPES AND AMOUNTS OF INSURANCE REQUIRED]

**Proof of Insurance.** At [PARTY B]'s request, [PARTY A] shall provide [PARTY B] with certificates or other acceptable proof of its insurance, describing the coverage of its insurance, and notice of any material change to its insurance.

**Additional Insurance.** [PARTY B] may require [PARTY A] to obtain a reasonable amount of additional insurance, by providing [PARTY A] with good reason for the additional insurance, and requirements for the additional insurance.

### **Additional Insured**

**[PARTY B] Added to [PARTY A]'s Policy** [PARTY A] shall, within [ADDITIONAL INSURED NOTIFICATION DAYS] Business Days' of the Effective Date, have [PARTY A]'s insurer add [PARTY B] as an additional insured to [PARTY A]'s policy.

**Certificate of Insurance.** [PARTY A] shall have its insurer send a certificate to [PARTY B], proving [PARTY B] has been added to [PARTY A]'s policy, and confirming that the insurer will give [PARTY B] [30] Business Days written notice before any proposed cancelation, modification, or reduction in coverage of [PARTY A]'s policy.

**No Contribution from [PARTY A].** Any insurance carried by [PARTY B] will not be subject to contribution.

**Compliance with Laws.** Each party shall comply with all Laws [relating to [SUBJECT MATTER OF AGREEMENT]], keep records evidencing its compliance, on the other party's reasonable request, provide these records of compliance to the other party, and notify the other party if it becomes aware of any non-compliance in connection with this section.

### **Representations**

#### **Mutual Representations**

**Existence.** The parties are corporations incorporated and existing under the laws of the jurisdictions of their respective incorporation.

**Authority and Capacity.** The parties have the authority and capacity to enter into this agreement.

**Execution and Delivery.** The parties have duly executed and delivered this agreement.

**Enforceability.** This agreement constitutes a legal, valid, and binding obligation, enforceable against the parties according to its terms.

**No Conflicts.** Neither party is under any restriction or obligation that the party could reasonably expect might affect the party's performance of its obligations under this agreement.

**No Breach.** Neither party's execution, delivery, or performance of its obligations under this agreement will breach or result in a default under its articles, bylaws, or any unanimous shareholders agreement, any Law to which it is subject, any judgment, Order, or decree of any Governmental Authority to which it is subject, or any agreement to which it is a party or by which it is bound.

**Permits, Consents, and Other Authorizations.** Each party holds all Permits and other authorizations necessary to own, lease, and operate its properties, and conduct its business as it is now carried on.

**No Disputes or Proceedings.** [Except as disclosed in the parties respective Disclosure Schedules] There are no Legal Proceedings pending, threatened, or foreseeable against either party, which would affect that party's ability to complete its obligations under this agreement.

**No Bankruptcy.** Neither party has taken or authorized any proceedings related to that party's bankruptcy, insolvency, liquidation, dissolution, or winding up.

## **[PARTY A]'s Representations**

**IP Disclosure Schedule.** [PARTY A]'s Disclosure Schedule lists all of the [Licensed Goods / Licensed Software / Licensed Method], and any exceptions to its representations.

**Ownership.** [Except as disclosed in [PARTY A]'s Disclosure Schedule] [PARTY A] has the exclusive right to grant the [DELIVERABLE], has the exclusive right to use and grant rights to use the [Licensed Goods / Licensed Software / Licensed Method] [ in the Licensed Territory], is the sole owner of the exclusive rights and all interest in the [Licensed Goods / Licensed Software / Licensed Method], free of claims by any third party, and holds the [Licensed Goods / Licensed Software / Licensed Method] free of any other Encumbrances.

## **Registration**

**Necessary Rights and Privileges.** [PARTY A] possesses all necessary rights and privileges to cause the [Licensed Goods / Licensed Software / Licensed Method] to be registered in, filed in, or issued by the United States Patent and Trademark Office, United States Copyright Office, or the corresponding offices of other jurisdictions and countries.

**No Adverse Facts or Circumstances.** To [PARTY A]'s Knowledge, there are no facts or circumstances which would prevent its registration, filing, or issuance described in paragraph [NECESSARY RIGHTS AND PRIVILEGES] above.

**Status of Licensed Intellectual Property.** [PARTY A] has properly maintained the [Licensed Goods / Licensed Software / Licensed Method], and paid all applicable maintenance and renewal fees.

**No Prior Grant or Transfer.** [PARTY A] has not granted and is not obligated to grant any license to any third party that would conflict with the [DELIVERABLE] under this agreement assigned or exclusively licensed, and is not obligated to assign or exclusively license, any of the [Licensed Goods / Licensed Software / Licensed Method] to any third party that would conflict with the [DELIVERABLE] under this agreement.

**No Infringement.** The [Licensed Goods / Licensed Software / Licensed Method] does not infringe the Intellectual Property rights or other rights of any third party.

**No Third Party infringement.** [Except as disclosed in [PARTY A]'s Disclosure Schedule] To [PARTY A]'s Knowledge, no third party is infringing the [Licensed Goods / Licensed Software / Licensed Method].

**Not in Public Domain.** The [Licensed Goods / Licensed Software / Licensed Method] is not in the public domain.

### **[PARTY B]'s Representations**

**Reasonable Efforts.** [PARTY B] shall use reasonable efforts to commercialize the [Licensed Goods / Licensed Software / Licensed Method], including meeting any commercialization milestones outlined in this agreement.

### **No Warranty**

**"As-Is".** The Software is provided "as is," with all faults, defects, bugs, and errors.

**No Warranty.** Unless otherwise listed in this agreement,

[PARTY A] does not make any warranty regarding the Software, and

***[PARTY A] disclaims to the extent authorized by law any and all other warranties, whether express or implied, including any implied warranties of merchantability or fitness for a particular purpose.***

### **Term**

**Initial Term.** The initial term of this agreement begins on [the Effective Date] and will continue for [TERM YEARS] years, unless terminated earlier (the "Initial Term").

**Renewal Term by Notice.** [PARTY B] may renew this agreement for successive renewal terms of [RENEWAL YEARS] length ("Renewal Terms"), unless terminated earlier, by giving [PARTY A] notice of the intent to renew this agreement, at least [RENEWAL NOTICE DAYS] Business Days before the end of the Current Term.

**Term Definition.** "Term" means either the Initial Term or the then-current Renewal Term.



## **Termination by [PARTY B]**

**Termination on Notice.** [PARTY B] may terminate this agreement for any reason on [TERMINATION NOTICE] Business Days' notice to [PARTY A].

**Termination for Material Breach.** [PARTY B] may terminate this agreement with immediate effect by delivering notice of the termination to [PARTY A], if [PARTY A] fails to perform, has made or makes any inaccuracy in, or otherwise materially breaches, any of its obligations, covenants, or representations, and the failure, inaccuracy, or breach continues for a period of [BREACH CONTINUATION DAYS] Business Days' after [PARTY B] delivers notice to [PARTY A] reasonably detailing the breach.

**Termination for Insolvency.** If [PARTY A] becomes insolvent, bankrupt, or enters receivership, dissolution, or liquidation, [PARTY B] may terminate this agreement with immediate effect.

## **Termination by [PARTY A]**

**Termination on Notice.** [PARTY A] may terminate this agreement for any reason on [TERMINATION NOTICE] Business Days' notice to [PARTY B].

**Termination for Material Breach.** [PARTY A] may terminate this agreement with immediate effect by delivering notice of the termination to [PARTY B], if [PARTY B] fails to perform, has made or makes any inaccuracy in, or otherwise materially breaches, any of its obligations, covenants, or representations, including if [PARTY B] fails to adequately develop and commercialize the [Licensed Goods / Licensed Software / Licensed Methods] under section [DEVELOPMENT AND COMMERCIALIZATION], uses [Licensed Goods / Licensed Software / Licensed Methods] in any way that violates this agreement, including any of [PARTY A]'s plans or policies under this agreement, or otherwise exceeds the rights granted under the [DELIVERABLE], and the failure, inaccuracy, or breach continues for a period of [BREACH CONTINUATION DAYS] Business Days' after [PARTY A] delivers notice to [PARTY B] reasonably detailing the breach.

**Termination for Insolvency.** If [PARTY B] becomes insolvent, bankrupt, or enters receivership, dissolution, or liquidation, [PARTY A] may terminate this agreement with immediate effect.

## **Infringement and Litigation**

**Notice.** [PARTY B] shall promptly inform [PARTY A] of any suspected infringement of the [DELIVERABLE] or [Licensed Good / Licensed Software / Licensed Method] by a third party.

**[PARTY B] Prosecution of Infringement.** [PARTY B] shall have the first right to sue any infringer of the [DELIVERABLE] or [Licensed Good / Licensed Software / Licensed Method] at its own expense in the name of [PARTY A].

**[PARTY A] Rights to Prosecution.** If [PARTY B] fails to sue an infringer within a reasonable time, [PARTY A] may file and maintain, at its own expense, an infringement suit.

**Cooperation.** On [PARTY B]'s reasonable request, [PARTY A] shall join and cooperate with [PARTY B] in an infringement suit brought by [PARTY B].

## **Recovery of Damages**

**[PARTY B] Bears Expenses.** [PARTY B] shall bear all costs of an infringement action commenced by [PARTY B] shall be borne by [PARTY B].

**Damages Treated as Sales.** [PARTY B] shall retain any such recovery or damages from such an action and such recovery or damages shall be treated as sales of the [DELIVERABLE] or [Licensed Good / Licensed Software / Licensed Method].

## **Indemnification**

**Indemnification by [PARTY A].** [PARTY A] (as an indemnifying party) shall indemnify [PARTY B] (as an indemnified party) against all losses and expenses arising out of any proceeding brought by either a third party or [PARTY B], and

arising out of [PARTY A]'s breach of its obligations, representations, warranties, or covenants under this agreement, or arising out of [PARTY B]'s proper exercise of its rights to the [Licensed Goods / Licensed Software / Licensed Methods] under the [DELIVERABLE] and this agreement.

**Indemnification by [PARTY B].** [PARTY B] (as an indemnifying party) shall indemnify [PARTY A] (as an indemnified party) against all losses and expenses arising out of any proceeding brought by either a third party or [PARTY A], and arising out of [PARTY B]'s breach of its obligations, representations, warranties, or covenants under this agreement, or arising out of [PARTY B]'s unauthorized exercise of the rights to the [Licensed Goods / Licensed Software / Licensed Methods] in breach of the [DELIVERABLE] or this agreement.

**Mutual Indemnification.** Each party (as an indemnifying party) shall indemnify the other (as an indemnified party) against all losses arising out of any proceeding brought by either a third party or an indemnified party, and arising out of the indemnifying party's willful misconduct or gross negligence.

**Notice and Failure to Notify.**

**Notice Requirement.** Before bringing a claim for indemnification, an indemnified party shall promptly notify the indemnifying party of the indemnifiable proceeding, and deliver to the indemnifying party all legal pleadings and documents necessary to defend the indemnifiable proceeding.

**Failure to Notify.** If the indemnified party fails to notify indemnifying party of the indemnifiable proceeding, indemnifying party will be relieved of its indemnification obligations to the extent it was prejudiced by indemnified party's failure.

**Exclusive Remedy.** The parties' right to indemnification is the exclusive remedy available in connection with the indemnifiable proceedings.

**Limitation on Liability**

**Mutual Limitation on Liability.** Neither party will be liable for breach-of-contract damages that are remote or speculative, or that the breaching party could not reasonably have foreseen on entry into this agreement.

**Maximum Liability.** [PARTY A]'s liability under this agreement will not exceed \$[MAXIMUM LIABILITY].

## **Definitions**

"Action" means any legal or administrative claim, suit, action, complaint, charge, grievance, arbitration, audit, investigation, inquiry, or other proceeding.

"Affiliates" means, as to any specified entity, any other entity that, directly or indirectly through one or more intermediaries or otherwise, controls, is controlled by or is under common control with the specified entity. For purposes of this definition, "control" of an entity means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such entity, whether by contract or otherwise.

"Disclosure Schedule" means the schedules delivered, before the execution of this agreement, by each party to the other party which list, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision of this agreement or as an exception to one or more of the representations or warranties made by the party, or to one or more of the covenants of the party. The inclusion of an item in a Disclosure Schedule as an exception to a representation or warranty will not by itself be deemed an admission by a party that such item is material or that such item is reasonably likely to result in a Material Adverse Effect with respect to such party or was required to be disclosed therein.

"Encumbrances" means any pledges, liens, charges, security interests, leases, title retention agreements, mortgages, restrictions, developments or similar agreements, easements, rights-of-way, title defects, options or adverse claims or encumbrances of any kind or character whatsoever.

"Governmental Authority" means

- (a) any federal, state, local or foreign government, and any political subdivision of any of them,
- (b) any agency or instrumentality of any such government or political subdivision,
- (c) any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that its rules, regulations or orders have the force of Law), or (
- d) any arbitrator, court or tribunal of competent jurisdiction.

"Intellectual Property" means any and all of the following in any jurisdiction throughout the world

- (a) trademarks and service marks, including all applications and registrations, and the goodwill connected with the use of and symbolized by the foregoing,
- (b) copyrights, including all applications and registrations related to the foregoing,
- (c) trade secrets and confidential know-how,
- (d) patents and patent applications,
- (e) websites and internet domain name registrations, and
- (f) other intellectual property and related proprietary rights, interests and protections (including all rights to sue and recover and retain damages, costs and attorneys' fees for past, present, and future infringement, and any other rights relating to any of the foregoing).

"Law" means

- (a) any law (including the common law), statute, bylaw, rule, regulation, order, ordinance, treaty, decree, judgment, and
- (b) any official directive, protocol, code, guideline, notice, approval, order, policy, or other requirement of any Governmental Authority having the force of law.

"Legal Proceeding" means any claim, investigation, hearing, legal action, or other legal, administrative, arbitral, or similar proceeding, whether civil or criminal (including any appeal or review of any of the foregoing).

"[License Grant /DELIVERABLE]" is defined in section [LICENSE].

"[Licensed Goods / Licensed Software / Licensed Method]" is defined in section [LICENSE].

"Licensed Intellectual Property" is defined in section [LICENSE].

"Licensed Territory" is defined in section [LICENSE].

"Order" means any decision, order, judgment, award or similar order of any court of competent jurisdiction, arbitration panel, or Governmental Authority having jurisdiction over the subject matter, whether preliminary or final.

"Permits" means all material licenses, franchises, permits, certificates, approvals and authorizations, from Governmental Authorities necessary for the ownership and operation of its portion of the Business.

"Representatives" includes the party's directors, officers, employees, accountants, counsel, investment bankers and consultants.

"Taxes" includes all taxes, assessments, charges, duties, fees, levies and other charges of a governmental entity, including income, franchise, capital stock, real property, personal property, tangible, withholding, employment, payroll, social security, social contribution, unemployment compensation, disability, transfer, sales, use, excise, gross receipts, value-added and all other taxes of any kind for which a party may have any liability imposed by any governmental entity, whether disputed or not, any related charges, interest or penalties imposed by any governmental entity, and any liability for any other person as a transferee or successor by Law, contract or otherwise.

"Term" is defined in the [TERM] clause.

## **General Provisions**

**Entire Agreement.** The parties intend that this agreement, together with all attachments, schedules, exhibits, and other documents that both are referenced in this agreement and refer to this agreement, represent the final expression of the parties' intent relating to the subject matter of this agreement, contain all the terms the parties agreed to relating to the subject matter, and replace all of the parties' previous discussions, understandings, and agreements relating to the subject matter of this agreement.

## **Counterparts**

**Signed in Counterparts.** This agreement may be signed in any number of counterparts.

**All Counterparts Original.** Each counterpart is an original.

**Counterparts Form One Document.** Together, all counterparts form one single document.

**Amendment.** This agreement can be amended only by a writing signed by both parties.

## **Interpretation**

### **References to Specific Terms**

**Accounting Principles.** Unless otherwise specified, where the character or amount of any asset or liability, item of revenue, or expense is required to be determined, or any consolidation or other accounting computation is required to be made, that determination or calculation will be made in accordance with the generally accepted accounting principles defined by the professional accounting industry in effect in the United States ("GAAP").

**Currency.** Unless otherwise specified, all dollar amounts expressed in this agreement refer to American currency.

**"Including."** Where this agreement uses the word "including," it means "including without limitation," and where it uses the word "includes," it means "includes without limitation."

**"Knowledge."** Where any representation, warranty, or other statement in this agreement, or in any other document entered into or delivered under this agreement,] is expressed by a party to be "to its knowledge," or is otherwise expressed to be limited in scope to facts or matters known to the party or of which the party is aware, it means: the then-current, actual knowledge of the directors and officers of that party, and the knowledge that would or should have come to the attention of any of them had they investigated the facts related to that statement and made reasonable inquiries of other individuals reasonably likely to have knowledge of facts related to that statement.

**Statutes, etc.** Unless specified otherwise, any reference in this agreement to a statute includes the rules, regulations, and policies made under that statute and any provision that amends, supplements, supersedes, or replaces that statute or those rules or policies.

**Number and Gender.** Unless the context requires otherwise, words importing the singular number include the plural and vice versa; words importing gender include all genders.

**Headings.** The headings used in this agreement and its division into sections, schedules, exhibits, appendices, and other subdivisions do not affect its interpretation.

**Internal References.** References in this agreement to sections and other subdivisions are to those parts of this agreement.

**Calculation of Time.** In this agreement, a period of days begins on the first day after the event that began the period and ends at 5:00 p.m. [TIME ZONE] Time on the last day of the period. If any period of time is to expire, or any action or event is to occur, on a day that is not a Business Day, the period expires, or the



action or event is considered to occur, at 5:00 p.m. [TIME ZONE] Time on the next Business Day.

**Construction of Terms.** The parties have each participated in settling the terms of this agreement. Any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting party will not apply in interpreting this agreement.

**Conflict of Terms.** If there is any inconsistency between the terms of this agreement and those in any schedule to this agreement or in any document entered into under this agreement, the terms of [this agreement/[SPECIFIED AGREEMENTS]] will prevail. The parties shall take all necessary steps to conform the inconsistent terms to the terms of [this agreement / [SPECIFIED AGREEMENTS]].

**Binding Effect.** This [agreement /plan] will benefit and bind the parties and their respective heirs, successors, and permitted assigns.

**No Third-Party Beneficiaries.** Unless explicitly stated otherwise elsewhere in this agreement, no Person other than the parties themselves has any rights or remedies under this agreement.

**Assignment.** Neither party may assign this agreement or any of their rights or obligations under this agreement without the other party's written consent.

## **Notices**

**Method of Notice.** The parties shall give all notices and communications between the parties in writing by (i) personal delivery, (ii) a nationally-recognized, next-day courier service, (iii) first-class registered or certified mail, postage prepaid[, (iv) fax][, or (v) electronic mail] to the party's address specified in this agreement, or to the address that a party has notified to be that party's address for the purposes of this section.

**Receipt of Notice.** A notice given under this agreement will be effective on the other party's receipt of it, or if mailed, the earlier of the other party's receipt of it and the [fifth] business day after mailing it.

## **Dispute Resolution**

**Arbitration.** Any dispute or controversy arising out of this agreement and [SUBJECT MATTER OF THE AGREEMENT] will be settled by arbitration in [STATE], according to the rules of the American Arbitration Association then in effect, and by [NUMBER OF ARBITRATORS] arbitrators[s].

**Judgment.** Judgment may be entered on the arbitrator's award in any court having jurisdiction.

**Arbitrator's Authority.** The arbitrator will not have the power to award any punitive [or consequential] damages.

**Survival.** The parties' obligations under sections [CONFIDENTIALITY OBLIGATIONS], [NON-COMPETITION OBLIGATION], and [EFFECT OF TERMINATION] will survive the [TERMINATION, EXPIRATION, CLOSING DATE] of this agreement.

## **Governing Law and Consent to Jurisdiction and Venue**

**Governing Law.** This agreement, and any dispute arising out of the [SUBJECT MATTER OF THE AGREEMENT], shall be governed by the laws of the State of [GOVERNING LAW STATE].

**Consent to Jurisdiction.** Each party hereby irrevocably consents to the [exclusive, non-exclusive] jurisdiction and venue of any [state or federal] court located within [VENUE COUNTY] County, State of [VENUE STATE], in connection with any matter arising out of this [agreement / plan] or the transactions contemplated under this [agreement / plan].

**Consent to Service.** Each party hereby irrevocably

agrees that process may be served on it in any manner authorized by the Laws of the State of [GOVERNING LAW STATE], and waives any objection which it might otherwise have to service of process under the Laws of the State of [GOVERNING LAW STATE].

## **Waiver**

**Affirmative Waivers.** Neither party's failure or neglect to enforce any rights under this agreement will be deemed to be a waiver of that party's rights.

**Written Waivers.** A waiver or extension is only effective if it is in writing and signed by the party granting it.

**No General Waivers.** A party's failure or neglect to enforce any of its rights under this agreement will not be deemed to be a waiver of that or any other of its rights.

**No Course of Dealing.** No single or partial exercise of any right or remedy will preclude any other or further exercise of any right or remedy.

**Severability.** If any part of this agreement is declared unenforceable or invalid, the remainder will continue to be valid and enforceable.

**Force Majeure.** Neither party will be liable for performance delays nor for non-performance due to causes beyond its reasonable control, except for payment obligations.

This agreement has been signed by the parties.

[PARTY A NAME]

Name: [PARTY A SIGNATORY NAME]

Title: [PARTY A SIGNATORY TITLE]

[PARTY B NAME]

Name: [PARTY B SIGNATORY NAME]

Title: [PARTY B SIGNATORY TITLE]