UNIVERSITY OF ILLINOIS
NON-EXCLUSIVE PATENT LICENSE AGREEMENT

This *Non-Exclusive Patent License Agreement* ("Agreement") is made and entered into as of the Effective Date set forth below between the party identified below ("**Licensee**") and The Board of Trustees of The University of Illinois, a body corporate and politic of the State of Illinois (the "**University**"). This Agreement consists of Part 1 that identifies the Licensee, the patent rights subject to this Agreement, and other transaction-specific terms ("Transaction Terms"); and Part 2 ("General Terms") which contains the general terms and conditions of this Agreement.

The University holds certain rights to the patent rights described below and desires to have the patent rights perfected and exploited for commercial purposes. Licensee wishes to obtain the non-exclusive right to exploit such patent rights in commercial settings. Therefore, in consideration of the mutual obligations set forth below and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, University and Licensee agree as follows.

Part 1; Transaction Terms (the section numbers in the left column correspond to the section numbers in Part 2)

Effective Date	[last date of signature] _____	
Licensee Name		
Business Type	[insert type of business structure and where incorporated e.g. "a Montana limited liability company", or "an Illinois s-corporation", etc.]	
Contact Name		
Email		
Licensee website		
Is Licensee developing or producing Products in the State of Illinois covered by the Patent Rights described below? ___yes ___no		
Insert Illinois address here where developing or producing Products covered by the Patent Rights if different than address provided in 8.3 below		
1.1 "Field"	All	
1.2 "Patent Rights"	US Patent No. 7407863	University Reference No. TF03009
1.4 "Territory"	World	
3.1 Licensing Fee	Upon the Effective Date	$5,000
	Upon each annual anniversary of the Effective Date	$10,000
3.2 Wire Transfer information	JPMorgan Chase Bank, NA 4 New York Plaza, Fl 15 New York NY 10004 ABA/Routing No. 021000021 (US only) Account Title: University of Illinois Operations Account Number: 11-12201 Swift code: CHASUS33 Reference Office of Technology Management to help identify the wire	
4.4(b) Insurance Requirements	General Liability: Minimums consistent with industry practice, but in any event not less than (i) $1,000,000 per occurrence, with an aggregate minimum of $2,000,000 for personal injury or death, and (ii) $1,000,000 per occurrence, with an aggregate minimum of $2,000,000 for property damage. Products Liability: Prior to the sale or transfer to any third party of any Product, products liability insurance in an amount consistent with industry practice, but in any event not less than $1,000,000 per occurrence and $2,000,000 in aggregate. Professional Liability: Prior to the offering or providing of any professional services that require use of or are based on the Patent Rights to any third party, professional liability insurance and/or errors and omissions insurance, as appropriate, in an amount consistent with industry practice, but in any event not less than $1,000,000 per occurrence and $3,000,000 in aggregate, provided that if Licensee purchases such insurance coverage on a "claims made" basis, then Licensee must purchase tail coverage for at least ten (10) years following the expiration or termination of the agreement under which services are provided.	
8.3 Notices	University	Licensee [insert contact address and FEIN below]
	Office of Technology Management Attention: Director University of Illinois 319 Ceramics Building, MC-243 105 South Goodwin Avenue Urbana, IL 61801	FEIN [US companies only]:

Part 2; General Terms

ARTICLE 1

DEFINITIONS

The following capitalized terms are used in this Agreement with the following meanings:

1.1 "**Field**" means the field of use described on Part 1.

1.2 "**Patent Rights**" means (a) all of the University's rights in the patents and patent applications listed on Part 1, and (b) all of the University's rights in all divisions, continuations, reissues, renewals, re-examinations, foreign counterparts, substitutions or extensions thereof.

1.3 "**Product**" means any product or process that, in whole or in part, absent the license granted hereunder, would infringe one or more claims of the Patent Rights, and

(i) any process that uses any such product;
(ii) any product that is manufactured by using any such process, or that, when used, practices any such process, and
(iii) any service that uses any such products or processes.

1.4 "**Territory**" means the territory set forth on Part 1.

ARTICLE 2

GRANT OF LICENSE

2.1. **Grant**. Conditioned upon Licensee's continuing compliance with the terms and conditions of this Agreement, University hereby grants to Licensee the non-exclusive right to use the Patent Rights to identify, develop, make, have made, use, import, export, lease, sell, have sold and offer for sale, Products within the Field and within the Territory.

ARTICLE 3

COMMERCIALIZATION AND PAYMENTS

3.1 **License Fees**. Within thirty (30) days of date of invoice from University, Licensee shall pay University a nonrefundable licensing fee and annual licensing fees thereafter at the times and in the amount(s) set forth on Part 1 (the "**Licensing Fees**").

3.2. **Payments**. All amounts owing to University under this Agreement shall be paid in U.S. dollars, by check or other instrument representing immediately available funds payable to "The University of Illinois," or in a wire transfer sent to the account listed on Part 1. Any wire transfer fees and bank fees connected to a payment shall be paid by the Licensee.

3.3. **Overdue Payments**. Payments due to the University under this Agreement, if not paid when due, shall be subject to interest of 1.5% per month (or the maximum amount permitted by law if less) of the delinquent amount, and Licensee shall be responsible for all costs of collection incurred by University including attorney fees and court costs. The accrual or receipt by University of interest under this Section shall not constitute a waiver by University of any right it may otherwise have to declare a breach of or default under this Agreement and to terminate this Agreement.

3.4. **Commercialization Requirements.** Licensee shall use its best efforts to bring one or more Products to market within the Field and throughout the Territory and to develop such markets through a thorough, vigorous and diligent program for the commercial exploitation of the Patent Rights.

3.5. **No Refunds or Credits**. Other than as set forth herein, all payments made to University hereunder shall be nonrefundable, and any amount paid with respect to an obligation of Licensee under this Agreement shall not be credited against any other amount paid with respect to any other obligation of Licensee under this Agreement.

ARTICLE 4

WARRANTIES; INDEMNIFICATION

4.1. **Limited Representation**. University represents that it has the right, power and authority to enter into and perform its obligations under this Agreement.

4.2. **Disclaimer of Warranties**. The Patent Rights are licensed "AS IS." EXCEPT AS SPECIFICALLY SET FORTH IN SECTION 4.1 ABOVE, UNIVERSITY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND OR NATURE, WHETHER EXPRESS OR IMPLIED, RELATING TO PERFORMANCE, MARKETABILITY, TITLE OR OTHERWISE IN ANY RESPECT RELATED TO THE PATENT RIGHTS or PRODUCTS. UNIVERSITY FURTHER DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY REGARDING INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER RIGHTS OF THIRD PARTIES IN CONNECTION WITH THE PRACTICE OF THE PATENT RIGHTS OR THE MAKING, USING OR SELLING OR OTHER DISTRIBUTION OF PRODUCTS BY ANY PERSON OR ENTITY. LICENSEE ASSUMES THE ENTIRE RISK AND RESPONSIBILITY FOR THE SAFETY, EFFICACY, PERFORMANCE, DESIGN, MARKETABILITY, TITLE AND QUALITY OF ALL PRODUCTS. Without limiting the generality of the foregoing, University does not warrant or represent (a) the patentability of any of the Patent Rights, (b) the accuracy of any information provided to Licensee or (c) the accuracy, safety, or usefulness for any purpose of any of the Patent Rights or Products. Nothing contained in this Agreement shall be construed as either a warranty or representation by University as to the validity or scope of any Patent Rights.

4.3. **Limitation of Liability**. University assumes no liability in respect of any infringement of any patent or other right of third parties due to the activities of Licensee under this Agreement. In no event shall University or its affiliates, including its trustees, directors, officers, faculty, staff, students, employees, consultants and agents (collectively, the "**Agents**"), be responsible or liable for any indirect, special, punitive, incidental or consequential damages or lost profits to Licensee or any other individual or entity regardless of legal theory. The above limitations on liability apply even though University or its affiliates, or any of their Agents, may have been advised of the possibility of such damage. Licensee shall not make any statements, representations or warranties or accept any liabilities or responsibilities whatsoever with regard to any person or entity that are inconsistent with any disclaimer or limitation included in this Article 4.

4.4. **Indemnification.**

(a) None of the University, any of its affiliates, or any of their respective Agents (each an "**Indemnified Person**") shall have any liability or responsibility whatsoever to Licensee or any other person or entity for or on account of (and Licensee agrees and covenants not to sue any Indemnified Person in connection with) any injury, loss, or damage of any kind or nature, sustained by, or any damage assessed or asserted against, or any other liability incurred by or imposed upon, Licensee or any other person or entity, whether direct, indirect, special, punitive, incidental, consequential or otherwise arising under any legal theory (and further excluding without limitation any existing or anticipated profits or opportunities for profits lost by Licensee), arising out of or in connection with or resulting from (i) the production, use, or sale of the Products by Licensee, (ii) the use of any Patent Rights by Licensee, (iii) any advertising or other promotional activities with respect to either of the foregoing, or (iv) the production, use, or sale of any product, process or service identified, characterized or otherwise developed by Licensee with the aid of the Patent Rights. Licensee shall indemnify and hold each Indemnified Person harmless against all claims, demands, losses, damages or penalties (including but not limited to reasonable attorney's fees and expenses at the pretrial, trial or appellate level) made against any Indemnified Person with respect to items (i) through (iv) above, whether or not such claims are groundless or without merit or basis.

(b) Licensee shall obtain and carry insurance in full force and effect with the coverages and limits as are reasonably adequate to ensure that Licensee can meet its obligations to University pursuant to this Article 4, the nature and extent of which insurance shall be commensurate with usual and customary industry practices for similarly situated companies, but in any event not less than the amounts set forth on Part 1. Such insurance will be written by a reputable insurance company reasonably acceptable to the University authorized to do business in the State of Illinois, will name the University as an additional insured under all general liability and product liability policies and shall require thirty (30) days written notice to be given to University prior to any cancellation or substantive policy change. Upon receiving notice of a product liability claim, University may request Licensee to provide, and upon such request Licensee shall provide appropriate certificates of insurance sufficient to cover its obligations hereunder.

(c) Licensee's obligations under this Article 4 shall survive the expiration or earlier termination of all or any part of this Agreement.

ARTICLE 5

PROSECUTION AND MAINTENANCE OF PATENT RIGHTS

5.1. **Prosecution and Maintenance**. During the term of this Agreement, and subject to the provisions of this Article 5, University shall be responsible for prosecuting and maintaining the patent applications and patents under the Patent Rights. All patents under the Patent Rights shall be filed, prosecuted and maintained in University's name or as University shall designate.

ARTICLE 6

INFRINGEMENT

6.1. **Notification**. If Licensee becomes aware of the infringement of any patent under the Patent Rights within the Field, Licensee shall immediately notify University in writing of all details available.

6.2. **Prosecution.** If a third party infringes or allegedly infringes any Patent Rights within the Field which University wishes to prosecute, University may, at University's discretion, proceed against the infringer in the name of University or Licensee, and will notify Licensee of its determination in this regard. Licensee will cooperate in all reasonable respects with University and execute any documents and instruments necessary or appropriate for University to exercise its rights under this Section 6.2. Any actions by University pursuant to this clause shall be at University's own expense, and University shall retain any recovery or damages collected as a result of such actions.

ARTICLE 7

TERM AND TERMINATION

7.1. **Term.** Unless terminated earlier under Section 7.2 or 7.3, this Agreement shall terminate upon expiration or termination of all Patent Rights.

7.2 **University Right to Terminate**. University shall have the right (without prejudice to any of its other rights conferred on it by this Agreement or otherwise) to terminate this Agreement if Licensee:

(a) is in default in payment of any amount required under this Agreement, and Licensee fails to remedy any such default within thirty (30) days after written notice thereof by University;

(b) is in breach of or defaults with respect to any other provision of this Agreement, and Licensee fails to remedy any such breach or default within forty-five (45) days after written notice thereof by University;

(c) commences a voluntary case as a debtor under the Bankruptcy Code of the United States or any successor statute (the "**Bankruptcy Code**"), or if an involuntary case is commenced against Licensee under the Bankruptcy Code, or if an order for relief shall be entered in such case, or if the same or any similar circumstance shall occur under the laws of any foreign jurisdiction and Licensee fails to vacate or have such case dismissed within thirty days of filing;

(d) takes any action that purports to cause any Patent Rights to be subject to any liens or encumbrances, and fails to cause such purported lien or encumbrance to be removed within 30 days after notice from the University.

7.3. **Licensee Right to Terminate**. Licensee may terminate this Agreement at any time by written notice to University at least ninety (90) days prior to the termination date specified in the notice.

7.4. **Effect of Termination.**

(a) If this Agreement terminates for any reason, on the effective date of termination Licensee shall immediately cease using, making, having made, importing, exporting, leasing, selling, having sold and offering for sale the Patent Rights and Products, and shall return to University, or deliver or destroy as University directs, the Products then in its possession.

(b) Notwithstanding the termination of the other provisions of this Agreement pursuant to Section 7.2 or 7.3, the following provisions of this Agreement shall survive such termination:

(i) Licensee's obligation to pay any fees accrued or perform obligations remaining unpaid or unperformed under the terms of this Agreement prior to such termination;

(ii) Licensee's obligations under Article 4, and, to the extent proceedings have been initiated, Section 6.2, this Section 7.4 and Article 8 below;

(iii) any cause of action or claim of Licensee or University, accrued or to accrue, because of any breach or default of this Agreement by the other party.

ARTICLE 8

MISCELLANEOUS

8.1. **Assignment.** Except in the event of a merger or sale of substantially all stock or assets of Licensee, this Agreement shall not be assigned by Licensee without the prior written consent of University granted or withheld in the discretion of the University. Prior to any such assignment becoming effective, all amounts due must be paid in full and a permitted assignee must agree in writing to become bound by this Agreement.

8.2. **Entire Agreement, Amendment and Waiver**. This Agreement contains the entire understanding of the parties with respect to the subject matter of this Agreement and supersedes any and all prior written or oral discussions, arrangements, courses of conduct or agreements. This Agreement may be amended only by an instrument in writing duly executed by the parties. The waiver of a breach hereunder may be effected only by a writing signed by the waiving party and shall not constitute a waiver of any other breach.

8.3. **Notices**. All notices required or desired to be given under this Agreement, and all payments to be made to University under this Agreement, shall be delivered to the parties at the addresses set forth on Part 1. Notices may be given (i) by hand, (ii) by a nationally recognized overnight delivery service, or (iii) by U.S. first class registered or certified mail, postage prepaid, return receipt requested. The date of personal delivery, the date of deposit with the overnight delivery service for next business day delivery, or three (3) days following the date of deposit for mailing, as the case may be, shall be the date such notice is deemed delivered under this Agreement.

8.4. **Severability**. If any one or more of the provisions of this Agreement should for any reason be held by any court of competent jurisdiction to be invalid, illegal or unenforceable, such provision or provisions shall be reformed to approximate as nearly as possible the intent of the parties, and the validity of the remaining provisions shall not be affected.

8.5. **Governing Law.** This Agreement is governed and interpreted under the laws of Illinois, excluding its conflict of laws provisions.

8.6. **Jurisdiction.** In consideration of the performance by University of this Agreement, Licensee agrees that, unless otherwise agreed by University in writing, all actions or proceedings related to this Agreement shall be litigated in courts located within the State of Illinois. Licensee (i) consents and submits to the jurisdiction of any local or state court located within said state, (ii) consents to delivery and service of process by means of the notice provisions established in this Agreement, and (iii) shall not bring any action or claim against University in any other jurisdiction without the prior written consent of University granted in University's sole discretion.

8.7 **Marking**. Licensee shall place in a conspicuous location on any Product (or its packaging where appropriate) made or sold under this Agreement a patent notice in accordance with the laws concerning the marking of patented articles.

8.8. **Export Controls**. Licensee agrees to strictly comply with any and all applicable United States export control laws and regulations and foreign export or import laws and regulations.

8.9. **Implementation.** Each party shall, at the request of the other party, execute any document reasonably necessary to implement the provisions of this Agreement.

8.10. **Counterparts/Facsimiles.** This Agreement may be executed in multiple counterparts, each of which when taken together shall constitute one and the same instrument. The parties agree that duplicated or facsimile signatures shall be deemed original for all purposes.

8.11. **Relationship of Parties.** The parties to this Agreement are independent contractors. There is no relationship of principal to agent, master to servant, employer to employee, or franchiser to franchisee between the parties. Neither party has the authority to bind the other or incur any obligation on its behalf.

8.12. **Headings.** The headings of the sections, subsections, and paragraphs of this Agreement have been added for convenience only and shall not be deemed to be a part of this Agreement, nor shall they affect the interpretation or construction of this Agreement in any manner.

8.13. **Advertising**. Licensee shall not use the names of University or Agents, or any adaptation thereof, in any commercial activity, marketing, advertising or sales brochures without the prior written consent of University, which consent may be granted or withheld in University's sole and complete discretion. Notwithstanding the foregoing, Licensee may use the name of University in a non-misleading fashion in (i) executive summaries, business plans, offering memoranda and other similar documents used by Licensee for the purpose of raising financing for the operations of Licensee or entering into commercial contracts with third parties, but in such case only to the extent necessary to inform a reader that the Patent Rights have been licensed by Licensee from University, and to inform a reader of the identity and published credentials of the University faculty members listed as inventors of the Patent Rights, and (ii) any securities reports required to be filed with the Securities and Exchange Commission.

8.14. **Conflicts.** Licensee acknowledges and agrees that it will use reasonable efforts to avoid potential conflicts of interest between the University and University employees who may also be employees, consultants, shareholders or directors of Licensee. Licensee agrees to cooperate with University with respect to the University of Illinois Policy on Conflicts of Commitment and Interest, which is available at http://research.uillinois.edu/policy/coci, and to work constructively with University to manage and mitigate any conflicts that may arise in the course of this and related agreements between it and University.

IN WITNESS WHEREOF, the parties hereto have caused this Non-Exclusive Patent License Agreement to be executed by their respective duly authorized officers or representatives on the date indicated below.

UNIVERSITY: THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

By: _____

Attest: _____

Date: _____

LICENSEE: _____

Print Licensee Name

By: _____

Signature

Name: _____

Print Signature Name

Title: _____

Date: _____

Approved for form University legal counsel KH 01/2016