

## Summary of standard basic terms for an *exclusive* license agreement with Auburn University

<b>FIELD OF USE</b>	Defines areas/industries that are covered under license.
<b>LICENSED PRODUCTS</b>	Any product or service that is covered by or is produced using inventions, discoveries and processes covered by TECHNOLOGY RIGHTS within the FIELD OF USE.
<b>TERRITORY</b>	Defines geographic region of license.
<b>TECHNOLOGY RIGHTS</b>	PCT Application PCT/US08/xxxxx (for example) regarding “[Title]” owned by Auburn University (“AUBURN”) and all domestic or foreign continuations, divisionals, reissues, and reexaminations issuing or claiming priority therefrom. <i>(Auburn also licenses copyrights, trademarks, materials, know-how and other IP)</i>
<b>LICENSE</b>	AUBURN shall grant [Company Name] (“LICENSEE”) an exclusive license under the TECHNOLOGY RIGHTS to use, make, have made, sell, and import LICENSED PRODUCTS within the FIELD OF USE in the TERRITORY. The right to sublicense shall be specifically included in the license.
<b>LICENSE FEE</b>	[Amount here – can include equity in case of start-up]
<b>TECHNOLOGY EXPENSES</b>	LICENSEE shall reimburse AUBURN for all past and be responsible for all future expenses paid in filing, prosecuting, enforcing and maintaining TECHNOLOGY RIGHTS.
<b>REPORTING</b>	There shall be reporting and records requirements of the LICENSEE, to be determined. AUBURN shall have the right to audit, terms to be determined.
<b>GOVERNANCE</b>	The agreement shall be governed by the laws of the State of Alabama.
<b>INDEMNIFICATION and PRODUCT LIABILITY</b>	LICENSEE shall at all times during the term of this agreement and thereafter, indemnify, defend and hold AUBURN, its trustees, directors, officers, employees and affiliates, harmless against all claims, proceedings, demands and liabilities of any kind whatsoever. LICENSEE shall obtain and carry in full force and effect commercial, general liability insurance that shall protect LICENSEE and AUBURN.
<b>TERM</b>	The term of this agreement shall be until all TECHNOLOGY RIGHTS claiming the LICENSED PRODUCTS expire in all countries in TERRITORY.
<b>DUE DILIGENCE</b>	LICENSEE shall achieve the following development milestones:  [Milestones A, B, C, etc. TBD -- often relating to timeline for first commercialization and certain numbers of NET SALES per year after that. Different milestones can be used.]  Except as otherwise noted, failure to meet any of the above milestones will be grounds for AUBURN to terminate the Agreement, subject to a mutually agreeable period of time to allow LICENSEE to rectify any such breach.

