

DRAFT

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Department of Energy review required before public release

Name/Org: Jason C. Stolworthy/Technology Deployment

Date: April 21, 2020

Guidance (if applicable) N/A

OFFICIAL USE ONLY

**THIS DRAFT DOCUMENT IS FOR DISCUSSION PURPOSES ONLY
THIS IS NOT AN OFFER**

**INL RAPID TECHNOLOGY DEPLOYMENT PROGRAM
NON-EXCLUSIVE PATENT LICENSE AGREEMENT**

This License Agreement is effective as of the date of the last signature below (EFFECTIVE DATE) and is entered into by Battelle Energy Alliance, LLC (BEA), having its principal place of business at 2525 N. Fremont Avenue, Idaho Falls, ID 83415, and <&Licensee Name&> (LICENSEE), having its principal place of business at <&Licensee Street, City, State and Zip&>. The parties may also be referred to singularly as “Party” or collectively as “Parties.”

BACKGROUND

Effective March 13, 2020, the President of the United States has declared a national emergency relating to the coronavirus global pandemic. BEA is entering into this license in part to speed the transition of medically and economically important technology into the hands of United States industry under the INL Rapid Technology Deployment Program.

BEA is the management and operating contractor of Idaho National Laboratory (INL) under United States Department of Energy (DOE) Contract No. DE-AC07-05ID14517. BEA desires to grant a license to LICENSED PATENTS.

LICENSEE desires to participate in the INL Rapid Technology Deployment Program and receive a non-exclusive license to LICENSED PATENTS from BEA to commercially develop LICENSED PRODUCTS.

The Parties agree as follows:

Article 1
Definitions

1.1 LICENSED PATENTS means the patents and/or patent applications identified in Appendix A.

1.2 LICENSED FIELD means use of LICENSED PATENTS and information contained in INL’s patent applications in conducting research for design and development to bring the underlying INL invention(s) to practical application to create an innovative product or service that will help lessen the human and economic toll created by the coronavirus pandemic.

1.3 LICENSED TERRITORY means the countries or territories covered by the LICENSED PATENTS; it being acknowledged that patent protection may not be available in all countries.

1.4 LICENSED PRODUCTS means any apparatus or other instrumentality, product, process, or product-by-process that absent the license granted herein would infringe at least one claim of any of the LICENSED PATENTS.

Article 2
License Grant

2.1 In exchange for the obligations set forth in this License Agreement and Appendix A, which is an integral part of this agreement, BEA grants to LICENSEE a non-exclusive, royalty free license under LICENSED PATENTS, to make, use, and sell, LICENSED PRODUCTS in the LICENSED FIELD within the LICENSED TERRITORY.

Article 3
Sublicensing

LICENSEE has no rights to grant sublicenses under this License Agreement.

Article 4
Obtaining and Maintaining Intellectual Property

4.1 BEA, has sole discretion, in the preparation, filing, prosecution and maintenance of all patent applications and patents included in the LICENSED PATENTS.

Article 5
Payments and Reports

5.1 LICENSEE shall not pay royalties or fees to BEA during the term of this License Agreement.

5.2 LICENSEE shall deliver to BEA every six (6) months, while this License Agreement is in effect, a statement certified by an officer of LICENSEE, reporting all conveyances, including those directly to the Government, by LICENSEE of LICENSED PRODUCTS during the preceding six (6) month period.

Article 6
Disclaimer of Warranties and Indemnification

6.1 NEITHER BEA NOR THE U.S. GOVERNMENT MAKES ANY REPRESENTATIONS, EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR ASSUMES ANY RESPONSIBILITIES WITH RESPECT TO USE, SALE, OR OTHER DISPOSITION BY LICENSEE, OR ITS SUCCESSORS IN INTEREST OF ANY PRODUCTS, PROCESSES, OR MATERIALS DEVELOPED IN CONNECTION WITH OR ARISING OUT OF THE LICENSED PATENTS, OR THAT ANYTHING MADE, USED, OFFERED FOR SALE, SOLD, IMPORTED, OR OTHERWISE DISPOSED OF UNDER ANY LICENSE GRANTED IN THIS LICENSE AGREEMENT IS

OR WILL BE FREE FROM INFRINGEMENT OF ANY THIRD PARTY PATENT OR OTHER INTELLECTUAL PROPERTY.

6.2 BEA makes no warranties or representations on the validity of the LICENSED PATENTS. BEA makes no warranties or representations on whether the LICENSED PATENTS may be practiced without infringing patents or other intellectual property rights held by third parties.

6.3 LICENSEE shall indemnify, defend, and hold harmless BEA and the U.S. Government for all damages, costs, and expenses, including BEA and/or U.S. Government attorneys' fees, arising out of or in any way connected with the exercise by LICENSEE of any rights granted and/or obligations undertaken in this License Agreement regardless of whether such damages, costs, and expenses are incurred by LICENSEE, or third parties.

6.4 Neither BEA nor the U.S. Government will be liable for any indirect, special, consequential, or other damages, whether grounded in tort (including negligence), strict liability, contract, or otherwise.

6.5 LICENSEE shall, at its own expense, provide attorneys reasonably acceptable to BEA to defend against any actions brought or filed against any party indemnified above.

6.6 Nothing in this License Agreement is or shall be construed as an obligation for BEA or LICENSEE to bring or prosecute actions or suits against third parties for infringement.

6.7 LICENSEE has had the opportunity to consult with legal counsel in reviewing the LICENSED PATENTS and the terms and conditions of this License Agreement. LICENSEE agrees that both the LICENSED PATENTS and this License Agreement are suitable for LICENSEE's purposes. BEA, as a result of its parent company being a charitable trust, is required to comply with Section 501(c)(3) of the Internal Revenue Code, and thus cannot renegotiate any terms of this License Agreement in a manner which may create an impermissible private benefit or inurement.

6.8 LICENSEE hereby warrants and represents that it is a United States citizen, lawful permanent resident alien of the United States, or an organization or entity organized in the United States or one of the states or territories thereof. LICENSEE further warrants and represents that it is not subject to debarment of any element of the United States Government and is not owned or controlled by a foreign entity under US export restrictions or embargo. Breach or misrepresentation of this Section 6.8 shall constitute an immediate breach of this License Agreement, and BEA shall be entitled to any and all relief under equity and law, including injunctive relief.

6.9 LICENSEE accepts that the invention(s) of BEA are not commercial products and further research, development and commercialization of the inventions for manufacturability, efficiency, user interface, and/or durability will be necessary by LICENSEE. BEA undertakes no responsibility or obligation to assist LICENSEE in these efforts, and this License Agreement

does not constitute any obligation or commitment on behalf of BEA to provide such technical assistance to LICENSEE.

Article 7 Expiration and Termination

7.1 Unless this License Agreement is sooner terminated as provided in Article 7, it will continue until the first to occur of: 1) December 31, 2020 (“License Expiration Date”) of this License Agreement or 2) the expiration, abandonment, or other termination of all LICENSED PATENTS.

7.2 If either Party is in default of any material obligation, or is adjudged bankrupt, or becomes insolvent, or makes an assignment for the benefit of creditors, or is placed in the hands of a receiver or trustee in bankruptcy, to the extent allowed by law, the other Party may terminate this License Agreement by giving written notice to the other Party, specifying the basis for termination. If within two (2) calendar months after the receipt of the notice, the other Party remedies the condition, this License Agreement will continue in full force and effect.

7.3 LICENSEE has the right to terminate this License Agreement by providing written notice of intent to terminate at any time.

7.4 The following rights and obligations survive any termination of this License Agreement:

- (a) LICENSEE’s obligation to supply reports as stated in Article 5 (Payments and Reports);
- (b) LICENSEE 's obligation to provide a statement as stated in Article 5 (Payments and Reports);
- (c) Any Party’s cause of action or claim accrued or to accrue, arising from breach or default by another Party hereto; and
- (d) The provisions contained in Articles 6 (Disclaimer of Warranties and Indemnification), 11 (Export Control), 14 (Patent Notice Marking), 15 (Dispute Resolution), and 16 (Governing Law).

7.5 LICENSEE may negotiate for additional license term to extend the license expiration, provided however that such a negotiation may include the addition of royalties, fees, and other commercial terms to be negotiated by BEA and LICENSEE in good faith.

7.6 BEA may terminate or reduce the license granted LICENSEE under this License Agreement at its sole discretion if, at any time LICENSEE fails to provide the reports required

under Article 5 and such default is not cured within thirty (30) days of LICENSEE's receipt of a written notice of such default.

Article 8
Litigation

8.1 Upon LICENSEE suspecting a third party may be infringing any of the LICENSED PATENTS, LICENSEE shall notify BEA in writing of the suspected infringement of the LICENSED PATENTS and shall also provide or make available to BEA any evidence of the suspected infringement. BEA may, at its own expense, bring the suit or take any other appropriate action.

Article 9
Assignability

LICENSEE may not assign any rights or obligations under this License Agreement without the written consent of BEA. BEA may assign its rights in this License Agreement to DOE or DOE's designee without consent of LICENSEE.

Article 10
Severability

If any part of this License Agreement is held invalid under controlling law, all remaining provisions will remain in force.

Article 11
Export Control

11.1 LICENSEE acknowledges that the LICENSED PRODUCTS under by this License Agreement are subject to U.S. export control laws that restrict (i) transactions with certain persons, and (ii) the type and level of technologies and services that may be exported. These laws include, without limitation, the Arms Export Control Act, the Export Administration Act, the International Emergency Economic Powers Act, and the Atomic Energy Act and regulations issued pursuant to these, including the Export Administration Regulations (EAR) (15 CFR Parts 730-774), the International Traffic in Arms Regulations (ITAR) (22 CFR Parts 120-130), and the Nuclear Regulatory Commission and Department of Energy export regulations (10 CFR Parts 110 and 810). Export control requirements may change and that export of goods and/or technical data from the U.S. without an export license or other appropriate governmental authorization may result in criminal liability.

11.2 LICENSEE agrees to not export, re-export or otherwise transfer, directly or indirectly, including through its employees, agents, affiliates, licensees or subsidiaries the LICENSED PRODUCTS or any related technical data or item provided by BEA without first obtaining all governmental authorizations required for compliance with U.S. law. LICENSEE assumes responsibility to obtain all necessary export licenses and other governmental authorizations required of LICENSEE and all liability for failure to do so. LICENSEE is

responsible for all regulatory record keeping requirements associated with the use of all export authorizations it obtains. LICENSEE acknowledges it can contact the U.S. Departments of Commerce, State, Energy and Treasury for guidance as to applicable U.S. licensing requirements and other restrictions. This License Agreement provides no express or implied governmental authorization or export license.

Article 12

Waiver, Integration, Alteration

12.1 The waiver of a breach must be in writing and signed by an authorized representative of the waiving Party and is not a waiver of any other breach.

12.2 This License Agreement forms the entire understanding between the Parties, and supersedes all other license agreements, between the Parties for the LICENSED PATENTS and LICENSED PRODUCTS.

12.3 This License Agreement may be altered only in writing and any modification must be prepared by BEA and signed by an authorized representative of each Party.

Article 13

U.S. Manufacturing Preference

All LICENSED PRODUCTS for use or sale under any LICENSED PATENTS will be substantially manufactured in the U.S.

Article 14

Patent Notice Marking

LICENSEE shall place in a conspicuous location on the LICENSED PRODUCTS or if not possible, on the container thereof, a patent notice in accordance with 35 U.S.C. § 287. LICENSEE agrees to mark each LICENSED PRODUCT, or container thereof, with the number of each applicable patent. LICENSEE shall also respond to any request for disclosure under 35 U.S.C. § 287(b)(4)(B) by notifying BEA of the request.

Article 15

Dispute Resolution

The Parties shall make a good faith effort to promptly settle any controversy or claim arising out of or relating to this License Agreement, or breach thereof, by negotiation between members of the management of each Party having authority to settle any controversy or claim arising out of or relating to this License Agreement. The Parties understand and agree this Article 15 will not preclude a Party from seeking preliminary injunctive relief in order to reasonably prevent irreparable harm to such Party.

Article 16
Governing Law

This License Agreement will be governed and construed under the laws of the State of Idaho without regard to its conflict of law provisions. Any lawsuits relating to this License Agreement will be brought in a court of competent jurisdiction in the State of Idaho.

Article 17
Notices

All written communication and notices to be submitted between the Parties are to be sent to the following respective addresses:

Battelle Energy Alliance, LLC:
USPS Mail Delivery:
Agreements Administrator
Idaho National Laboratory
P.O. Box 1625, MS 3805
Idaho Falls, ID 83415

<&Licensee Legal Name&>:
<&licensee street address&>, <&suite #&>
<&licensee mailing address&>
<&licensee town&>, <&licensee state&>
<&licensee zip code&>

All Other Delivery Services:
Agreements Administrator
EROB 3EQ1
Idaho National Laboratory
1765 North Yellowstone Hwy
Idaho Falls, ID 83415

E-mail: agradmin@inl.gov
Phone: (208) 526-1046
Fax: (208) 526-0876

E-mail: <&Licensee E-mail&>
Phone: <&Licensee Phone No.&>
Fax: <&Licensee Fax No.&>

or any other addresses of which either Party notifies the other Party in writing.

The Parties have executed this License Agreement as evidenced by their respectively authorized representatives signing on the respective date(s) set forth below; however, this License Agreement will be null and void if not fully executed within sixty (60) days from the date of the first signature below:

Battelle Energy Alliance, LLC

<&Licensee Legal Name&>

By:

By:

Jason C. Stolworthy

Name: _____

Director, Technology Deployment

Title: _____

Date: _____

Date: _____

DRAFT

Reviewed:

TD CM _____

**APPENDIX A
LICENSED PATENTS**

All U.S. patent(s) and patent applications, including divisionals, reissues, reexaminations, continuations, but not continuations-in-part applications, that issue from or claim priority to:

U.S. Patent Application Serial No. <&patent application #&>, filed <&patent filing date&>, and published <&patent publication date&> as Publication No. <&patent publication #&>, entitled “<&Patent Title &>”, having BEA Attorney Docket No. <&patent application docket #&>

U.S. Patent No. <&patent #&>, granted <&patent grant date&>, entitled “<&Patent Title &>”, having BEA Attorney Docket No. <&patent docket #&>

Except as provided in Article 4 (Obtaining and Maintaining Intellectual Property), all foreign patent(s) and patent applications, including divisionals, reissues, reexaminations, continuations, but not continuations-in-part applications, that issue from or claim priority to:

Patent Cooperation Treaty Patent Application, No. <&patent application #&>, filed <&patent filing date&>, entitled “<&Patent Title&>”, having BEA Attorney Docket No. <&PCT docket #&>