**LICENSE AGREEMENT**

This Agreement (the “Agreement”), effective as of this [ ], (the “Effective Date”) between

**THE AMERICAN UNIVERSITY IN CAIRO**, a non-for-profit educational institution with premises located at AUC Avenue, PO BOX 74, New Cairo 11835, Egypt. Represented in this Agreement by Ahmed Ellaithy, in his capacity as the Senior Director of Technology Transfer (the “Licensor”) and

[ ]**,** a [ ] Company, located at [ ], [ ]. Commercial Register No. [ ], represented by Ms./Mr. [ ], in her/his capacity as [ ] (the “Licensee”)

(each a “Party” and collectively, the “Parties”).

**WHEREAS,** certain inventions, generally characterized as [ ], were made in the course of research at the American University in Cairo, Egypt, [ ] and are covered by the Intellectual Property Rights as defined below;

**WHEREAS,** the inventor[s] registered a company (the Licensee) that aims to translate the innovation described by the Intellectual Property Rights to benefit the public and create social and economic impact and has fulfilled all requirements by the American University in Cairo’s Technology Transfer Office to spin off a startup and grant a license to the Intellectual Property Rights; and

**WHEREAS,** Licensee wishes to obtain certain rights from the Licensor for the commercial development of such inventions, in accordance with the terms and conditions set forth in this Agreement; and

**WHEREAS,** Licensor is willing to grant those rights to the Licensee so that the inventions may be developed and the benefits enjoyed by the general public.

**NOW, THEREFORE,** in consideration of the benefits and obligations exchanged in this Agreement, the Parties agree as follows:

1. **DEFINITIONS**
	1. “Affiliate” means (i) any entity more than 50% owned directly or indirectly by Licensee, (ii) any entity which owns directly or indirectly more than 50% of Licensee, or (iii) any entity that is more than 50% owned directly or indirectly by an entity that owns directly or indirectly more than 50% of Licensee.
	2. “Copyrights” means those works of authorships identified on **Exhibit C**.
	3. “Fair Market Value” means a commercially reasonable price agreed to between a willing buyer and a willing seller in an arm’s length transaction.
	4. “Field of Use” means [ ].
	5. “Intellectual Property Rights” means: (a) the Patent Rights, (b) the Know-How, (c) the Copyrights, (d) the Trademarks, and (e) the  utility models, rights to inventions, and related rights, rights in designs, rights in computer software, database rights, including all applications for (and rights to apply for and be granted), renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection, which are identified in **Appendix E** and owned by the Licensor as of the date of this Agreement, which Licensor has the right to disclose and license to the Licensee.
	6. “Inventors” means [Dr. X, members of Dr. X’s laboratory, and any Licensor employee acting under Dr. X’s direction or control].
	7. “Know-how” means all tangible information identified in **Appendix B** which is reasonably necessary, in Licensor’s opinion, to produce the Licensed Products, including formulations, processes and procedures, data, drawings and sketches, laboratory data, observations, designs, testing and test results, regulatory information of a like nature, manufacturing processes, [developed by the Inventors] and owned by the Licensor as of the date of this Agreement, which Licensor has the right to disclose and license to the Licensee.
	8. “Licensee Improvements” means (i) any modification of a Licensed Process or Licensed Product developed by the Licensee after the date of this Agreement; and (ii) any invention (whether patentable or not), information and data developed or discovered by Licensee after the date of this Agreement, the use or practice of which would infringe the Intellectual Property Rights.
	9. “Licensor Improvements” means (i) any modification of a Licensed Process or Licensed Product developed by the Licensor after the date of this Agreement; (ii) any invention (whether patentable or not), information and data developed or discovered by Licensor after the date of this Agreement, the manufacture, use or sale of which would be reasonably necessary in the manufacturing, use or sale of Licensed Products or Processes.
	10. “Licensed Product(s)” means [any product or part of a product; and any process, use or method in the Field of Use the making, using, importing or selling of which, absent this license, infringes, induces infringement, or contributes to infringement of the Intellectual Property Rights or the Trademarks] *or* [*specify*].
	11. “Liquidity Event” means the following, as applied to that part of the Licensee’s business that exercises or otherwise exploits the rights granted under this Agreement:

(a) a merger, consolidation, share exchange or other reorganization of Licensee or concerning the direct or indirect ownership of Licensee;

(b) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or group, of the capital stock of Licensee representing more than 20% (twenty per cent) of the aggregate ordinary voting power, or aggregate equity value represented by the issued and outstanding capital stock, of Licensee;

(c) a sale, lease, transfer, exclusive license or other disposition of all or substantially all of the assets of Licensee;

(d) the closing of the sale of shares of capital stock of Licensee to the public in a public offering [pursuant to an effective registration statement under the Securities Act of 1933, as amended] or other applicable laws according to the agreed on jurisdiction.

which each of (a), (b) and (c) take place in one transaction or in a series of related transactions. Transactions are presumed to be related if they occur within a twenty-four months period and if they are the result of a concerted action in accordance with an explicit or implicit agreement between the direct or indirect beneficiaries of the ownership rights.

* 1. “Minimum Royalty” means USD $1,000 for the first Quarterly Period, such amount increasing for each subsequent Quarterly Period by the same percentage as the percentage increase in the Central Bank of Egypt’s Core Consumer Price Index (CPI) as published on the date of the start of the Quarterly Period. Minimum Royalty payments are due to the extent the Minimum Royalty is greater than the Royalties to be paid in accordance with Section 4.03.
	2. “Net Sales” means the gross amount billed or invoiced by or on behalf of Licensee, its Affiliates, Sublicensees and any of their Affiliates (in each case, the “Invoicing Entity”) on sales, leases or other transfers of Licensed Products, less the following to the extent applicable with respect to such sales, leases or other transfers and not previously deducted from the gross invoice price: (a) customary trade, quantity or cash discounts to the extent actually allowed and taken; (b) amounts actually paid or credited by reason of rejection or return of any previously sold, leased or otherwise transferred Licensed Products; (c) customer freight charges that are paid by or on behalf of the Invoicing Entity; and (d) to the extent separately stated on purchase orders, invoices or other documents of sale, any sales, value added or similar taxes, custom duties or other similar governmental charges levied directly on the production, sale, transportation, delivery or use of a Licensed Product that are paid by or on behalf of the Invoicing Entity, but not including any tax levied with respect to income; provided that:

In any transfers of Licensed Products between an Invoicing Entity and an Affiliate of such Invoicing Entity not for the purpose of resale by such Affiliate, Net Sales will be equal to the fair market value of the Licensed Products so transferred, assuming an arm’s length transaction made in the ordinary course of business, and

In the event that an Invoicing Entity receives non‐cash consideration for any Licensed Products or in the case of transactions not at arm’s length with a non‐Affiliate of an Invoicing Entity, Net Sales will be calculated based on the fair market value of such Licensed Product, assuming an arm’s length transaction made in the ordinary course of business.

Sales of Licensed Products by an Invoicing Entity to its Affiliate or a Sublicensee for resale by such Affiliate or Sublicensee will not be deemed Net Sales. Instead Net Sales will be determined based on the gross amount billed or invoiced by such Affiliate or Sublicensee upon resale of such Licensed Products to a third party purchaser.

* 1. “Patent Rights” means all United States and foreign patents and patent applications set forth on **Appendix A** and: (i) any other United States and/or foreign patent applications and/or patents filed by Licensor and owned by Licensor that claim priority to any of the patents or applications listed in **Appendix A**, together with any and all patents issuing thereon, including continuations, continuations in part, divisionals, reexaminations, extensions, and reissue applications and continuation-in-part applications and any United States or foreign patents granted upon such applications and (ii) any United States and/or foreign patents issuing from any applications or other rights listed in this Section. This definition of Patent Rights excludes any rights in and to Licensee Improvements and Licensor Improvements.
	2. “Quarterly Period” means the period of three months commencing on 1 January, 1 April, 1 July and 1 October.
	3. “Territory” means [worldwide].
	4. “Trademarks” means the trademarks and service marks, trade names and domain names owned by Licensor and identified in **Appendix D (“**Licensed Trademarks**”)**. For the avoidance of doubt, any other trademarks and service marks, trade names and domain names owned by Licensor that are not mentioned in Appendix D may not be used by the Licensee or any of its sub-licensees without prior written approval.
1. **GRANT**
	1. **Grant Provision**. Subject to the terms and conditions set forth in this Agreement, Licensor hereby grants to Licensee (i) an exclusive, royalty‐bearing license under Licensor’s interest in the Patent Rights to make, have made, use, offer to sell, sell and import Licensed Products and practice and use Licensed Processes in the Territory, solely in the Field of Use, and (ii) a nonexclusive license to use the Licensor Know‐how, solely to develop, make, have made, offer for sale, sell, have sold, import, export, distribute, rent, or lease Licensed Products and to practice and use Licensed Processes in the Territory, solely in the Field of Use; provided, however, that:

(a) Licensor retains the right, for itself and for other not‐for‐profit research organizations, to practice the Patent Rights and to use Licensor Know‐how within the scope of the license granted above, solely for research, educational and scholarly purposes; and

(b) **(Only in case if the Intellectual or Patent Rights that are funded through USA federal funding)** The United States federal government retains rights in the Patent Rights pursuant to 35 U.S.C. §§200‐212 and 37 C.F.R. §401 et seq. and any right granted in the Agreement greater than that permitted under the above‐identified sections will be subject to modification as may be required to conform to the provisions of those statutes and regulations.

* 1. **Affiliates.** The license granted to Licensee under Section 2.01 includes the right to have some or all of Licensee’s rights or obligations under this Agreement exercised or performed by one or more of Licensee’s Affiliates, solely on Licensee’s behalf; provided, however, that:

(a) No such Affiliate shall be entitled to grant, directly or indirectly, to any third party any right of whatever nature under, or with respect to, or permitting any use or exploitation of, any of the Patent Rights or the Know‐how, including any right to develop, manufacture, market or sell Licensed Products; and

(b) Any act or omission taken or made by an Affiliate of Licensee under this Agreement will be deemed an act or omission by Licensee under this Agreement.

* 1. **Sublicenses**

**2.3.1.** Sublicense Grant. Licensee will be entitled to grant Sublicenses to third parties under the license granted pursuant to Section 2.01 subject to the terms of this Section 2.03. Any such Sublicense shall be on terms and conditions in compliance with and not inconsistent with the terms of this Agreement. Moreover, The Licensee shall not sublicense its rights under this Agreement without the prior written approval of the Licensor.

**2.3.2.** Sublicense Agreements. Licensee shall grant Sublicenses pursuant to written agreements, which will be subject and subordinate to the terms and conditions of this Agreement. Such Sublicense agreements will contain, among other things, the following:

**2.3.2.1.** all provisions necessary to ensure Licensee’s ability to perform its obligations under this Agreement;

**2.3.2.3.** a provision clarifying that, in the event of termination of the license set forth in Section 2.01 (in whole or in part (e.g., termination in a particular country)), any existing Sublicense agreement shall terminate to the extent of such terminated license;

**2.3.2.4.** a provision prohibiting the Sublicensee from sublicensing its rights under such Sublicense agreement;

**2.3.2.5.** a provision prohibiting the Sublicensee from assigning the Sublicense agreement without the prior written consent of Licensor, except that Sublicensee may assign the Sublicense agreement to a successor in connection with the merger, consolidation or sale of all or substantially all of its assets or that portion of its business to which the Sublicense agreement relates; provided, however, that any permitted assignee agrees in writing to be bound by the terms of such Sublicense agreement; and

**2.3.2.6.** the Sublicense agreement shall provide that, in the event of any inconsistency between the Sublicense agreement and this Agreement, this Agreement controls.

**2.3.3.** Delivery of Sublicense Agreement. Licensee shall furnish Licensor with a fully executed copy of any Sublicense agreement, promptly after its execution, and copies of royalty reports provided to Licensee by any Sublicensees, promptly after receipt. Licensor shall keep all such copies in its confidential files and shall use them solely for the purpose of monitoring Licensee’s and Sublicensees’ compliance with their obligations hereunder and enforcing Licensor’s rights under this Agreement.

**2.3.4.** Breach by Sublicensee. Licensee shall be responsible for any breach of a Sublicensee agreement by any Sublicensee that results in a material breach of this Agreement. Licensee shall either (a) cure such breach in accordance with this Agreement or (b) enforce its rights by terminating such Sublicense agreement in accordance with the terms thereof.

* 1. **No Other Grant of Rights.** Except as expressly provided herein, nothing in this Agreement will be construed to confer any ownership interest, license or other rights upon Licensee by implication, estoppel or otherwise as to any technology, Intellectual Property Rights, products or biological materials of Licensor, or any other entity, regardless of whether such technology, Intellectual Property Rights, products or biological materials are dominant, subordinate or otherwise related to any Patent Rights.
	2. **Trademark License**. When applicable, Licensor hereby grants to the Licensee and the Licensee accepts, subject to the terms and conditions of this Agreement and to the extent not prohibited by other Intellectual Property Rights of the Licensor or of third parties, a non-exclusive license to use the Trademarks in connection with the Licensed Products, in accordance with the terms of **Appendix D** (any Trademarks so licensed, the “Licensed Trademarks”).
	3. **Term of the license**. The licenses of Section 2.01 and, if applicable, 2.02, are granted for an initial term of five (5) years from the Effective Date. The Licensee shall have the option to extend the initial term for additional periods of subsequent five (5) years each, subject to the payments of the renewal fees of Section 4.02 (“Renewal Fee”) and provided that the Licensee gives notice to Licensor three (3) months before the expiry of the initial term and of any subsequent five-year term, as applicable.
	4. **Conditions for Sublicenses**. If Licensor approves a Sublicense in writing in advance, the Sublicense agreement shall: (a) be subject to the terms of this Agreement; (b) restrict Sublicensees from further sublicensing the Intellectual Property Rights and, if applicable, the Trademarks; (c) expressly include the provisions of Section 4.11 (“Records”), Section 4.12 (“Certified Statements”) and Section 12 (“Limitations of Liability, Indemnification”) for the benefit of Licensor as an express and intended third-party beneficiary and  (d) transfer all of the Sublicensees’ obligations to Licensee, including the payment of royalties specified in the Sublicense, directly to Licensor or its designee if this Agreement is terminated. The Licensee shall be liable to Licensor for the all obligations of the Sublicensee (including payment obligations) and for any breach of the Sublicense.
	5. **Negotiation for Licensor Improvements.** Licensor hereby grants to the Licensee, and the Licensee hereby accepts, the exclusive first right to negotiate for a license, for the Territory in the Field of Use, and on commercially reasonable terms, any Licensor Improvements developed on or after the Effective Date of this Agreement for a period of five (5) years from the Effective Date. In the event that Licensor files a [U.S.] patent application on any Licensor Improvements, Licensor shall under confidentiality notify Licensee of such Licensor Improvements prior to discussing a license with any third party. Licensee shall have no longer than thirty (30) days immediately following the disclosure of such Licensor Improvements to notify Licensor in writing of its desire to obtain a license to the Licensor Improvements. Parties shall enter into good-faith negotiations for a license to the Licensor Improvements for a period of sixty (60) days with financial and other terms substantially similar to those set forth in this Agreement. If within such time period, the Parties are not able to agree upon a license, Licensor may offer the license to third parties, with no further obligation to Licensee relating to such Licensor Improvement.
	6. **Licensee Improvements.** Licensee hereby grants, and shall require its Sublicensee(s) to grant to Licensor a non-exclusive, royalty-free, irrevocable, paid-up license, with the right to grant sublicenses to non-profit research institutions and governmental agencies, to practice and use for non-commercial research purposes any Licensee Improvements.

(ii) In the event that Licensee and its Sublicensee(s) discontinue the use or commercialization of the Patent Rights and Licensee Improvements provided for under this Agreement, Licensee shall grant, and shall require its Sublicensee(s) to grant to Licensor an option to obtain a non-exclusive, royalty-bearing license, with the right to grant sublicenses, to practice and use the Licensee Improvements for commercial purposes. Licensee shall provide to Licensor written notice that Licensee and its Sublicensee(s) intend to discontinue such use or commercialization within thirty (30) days upon making such a decision, especially if any registered rights would expire as a result of this decision. Licensor’s option with respect to each Licensee Improvement shall expire ninety (90) days after Licensor’s receipt of written notice from Licensee. The failure of Licensor to timely exercise its option under this paragraph shall be deemed a waiver of Licensor’s option, but only with respect to the Licensee Improvement so disclosed. The Licensee and its Sublicensee(s) will have been deemed to have discontinued the commercial use of Licensee Improvements to the Patent Rights under this term in the case they (i) have not reported any reasonable efforts to commercialize the Licensee Improvements or incorporated it in any royalty bearing sales for two consecutive years, or (b) decide to discontinue pursuing protection for the Licensee Improvements.

1. **COMMERCIALIZATION**
	1. Licensee shall use all commercially reasonable efforts to bring a Licensed Product to market through a thorough, vigorous and diligent program for exploitation and commercialization, and will meet the targets set forth in **Appendix F** (each, a “Milestone”). The Licensee shall continue active, diligent marketing efforts for a Licensed Product and/or Licensed Process throughout the term of this Agreement for the greater benefit of societal and economic impact, and will notify Licensor in writing as each Milestone is met.
	2. Failure to Meet Milestone: If Licensee believes that it will not achieve a Milestone, it may notify Licensor in writing in advance of the relevant deadline. Licensee shall include with such notice (a) a reasonable explanation of the reasons for such failure (and lack of finances will not constitute reasonable basis for such failure) (“Explanation”) and (b) a reasonably detailed, written plan for promptly achieving a reasonable extended and/or amended milestone (“Plan”). If Licensee so notifies Licensor, but fails to provide Licensor with both an Explanation and Plan, the Licensee will have an additional thirty (30) days or until the original deadline of the relevant Milestone, whichever is later, to meet such milestone. Licensee’s failure to do so shall constitute a material breach of this Agreement and Licensor shall have the right to terminate this Agreement upon written notice to the Licensee in accordance with Section 10.02. If Licensee so notifies Licensor and provides Licensor with an Explanation and Plan, both of which are acceptable to Licensor in its reasonable discretion (e.g. Licensee asserts lack of finances or development preference for a non‐Licensed Product), the Licensee will have an additional thirty (30) days or until the original deadline of the relevant Milestone, whichever is later, to meet such milestone. Licensee’s failure to do so shall constitute a material breach of this Agreement and Licensor shall have the right to terminate this Agreement upon written notice to the Licensee in accordance with Section 10.02. If Licensee so notifies Licensor and provides Licensor with an Explanation and Plan, but the Plan is not acceptable to Licensor in its reasonable discretion, then Licensor will explain to Licensee why the Plan is not acceptable and provide Licensee with suggestions for an acceptable Plan. Licensee will have one opportunity to provide Licensor with an acceptable Plan within ninety (90) days, during which time Licensor agrees to work with Licensee in its effort to develop an acceptable Plan. If, within such ninety (90) days, Licensee fails to provide an acceptable Plan, the Licensee will have an additional thirty (30) days or until the original deadline of the relevant Milestone, whichever is later, to meet such milestone. Licensee’s failure to do so shall constitute a material breach of this Agreement and Licensor shall have the right to terminate this Agreement in accordance with Section 10.02. For clarity, if Licensee fails to achieve a Milestone and does not avail itself of the procedure set forth in this Section 3.02, such failure shall be a material breach that entitles Licensor to proceed under Section 10.02.
	3. [Licensor shall provide Licensee access to and use of Licensor facilities under reasonable terms pursuant to a separate agreement (the “Sponsored Research Agreement”)].
2. **CONSIDERATION, ROYALTIES AND RECORDS**
	1. **Payment at the Effective Date**. No lump sum payments are due at the Effective Date.
	2. **Renewal Fee.** To extend the term of the license (“Term of the License”) granted under Section 2 of this Agreement, Licensee shall pay to Licensor a non-refundable renewal fee in accordance with the schedule below:

For the first extension after the initial term: USD $2,000

For the second five (5) years extension: USD $4,000.

For any subsequent (5) years extension: USD $5,000

* 1. **Royalties.** In consideration of the grant of rights, the Licensee shall pay to the Licensor a royalty of:

(a) 5% of the Net Sales or equivalent of Licensed Products in the Territory:

(i) sold by the Licensee or a Sublicensee;

(ii) lent, leased, let on hire or sold on hire purchase by the Licensee, directly or indirectly through a Sublicensee;

(iii) supplied by the Licensee or Sublicensee to any party; or

(iv) put into use by the Licensee or a Sublicensee,

**In addition,** unless covered by section 5.01 of this Agreement, 25% of any additional consideration actually received by Licensee, Sublicensee or an Affiliate from a third party as consideration for the grant of rights to Intellectual Property Rights including, but not limited to, upfront fees, milestone payments, Fair Market Value of non-cash consideration, acquisition of equity or debt, and other payments or consideration of any nature.

* 1. **Minimum Royalties.** If the payment calculated in accordance with clause 4.03 in respect of any Quarterly Period is less than the Minimum Royalty for that Quarterly Period then the Licensee shall, in addition, make such further payment as shall make the payment so calculated up to the Minimum Royalty.
	2. **Independency of Royalties**. Royalties shall be payable under this Agreement even if some part of the manufacture, supply or putting into use of the Licensed Products by the Licensee takes place in a part of the Territory where there is no Intellectual Property Rights or where the Licensed Product does not fall within the scope of any Intellectual Property Rights.
	3. **Taxes on Any Payments.** Royalties and other sums payable under this Agreement are exclusive of VAT (or similar tax) and shall be paid free and clear of all deductions and withholdings whatsoever, unless the deduction or withholding is required by law. If any deduction or withholding is required by law the Licensee shall pay to the Licensor such sum as will, after the deduction or withholding has been made, leave the Licensor with the same amount as it would have been entitled to receive in the absence of any such requirement to make a deduction or withholding. If the Licensee is required by law to make a deduction or withholding, the Licensee shall, within five business days of making the deduction or withholding, provide a statement in writing showing the gross amount of the payment, the amount of the sum deducted and the actual amount paid.
	4. **Term for Royalty Payments.** Royalties payable under this Agreement shall be paid within 30 days after the end of each successive Quarterly Period. Royalties accrue when the Licensed Product is invoiced.
	5. **Late payments.** In the event of any delay in paying any sum due under this Agreement by the due date, the Licensee shall pay to the Licensor:

(a) interest (calculated on a daily basis) on the overdue payment from the date when such payment was due to the date of actual payment at a rate of [3]% over the base rate of the interest rate of the central bank of Egypt from time to time; and

(b) an amount equal to any penalties incurred by the Licensor as a direct result of the delay.

* 1. **Statements**. At the same time as payment of royalties falls due, the Licensee shall submit or cause to be submitted to the Licensor a statement in writing recording the calculation of such royalties payable and in particular:

(a) the Quarterly Period for which the royalties were calculated;

(b) the number of Licensed Products supplied or used during the Quarterly Period;

(c) the number of Licensed Products manufactured during the Quarterly Period but not yet supplied;

(d) the Net Sales of each Licensed Product supplied or used during the Quarterly Period;

(e) the amount of royalties due and payable;

(f) the amount of any withholding or other income taxes deductible or due to be deducted from the amount of royalties due and payable; and

(g) any other particulars the Licensor may reasonably require.

* 1. **Records.** The Licensee shall keep complete and accurate proper records and books of account showing the description and price of Licensed Products supplied or put into use and all other information relevant to activities under this Agreement. Such records and books shall be kept separate from any records and books not relating solely to the Licensed Products and be open during normal business hours to inspection and audit by the Licensor (or its authorized representative), who shall be entitled to take copies of or extracts from them. If such inspection or audit should reveal a discrepancy in the royalties paid from those payable under this Agreement, the Licensee shall immediately make up the shortfall and reimburse the Licensor in respect of any professional charges incurred for such audit or inspection. Such right of inspection of the Licensor shall remain in effect for a period of two year(s) after the termination of this Agreement and in any case until all payments to Licensor have been made.
	2. **Certified Statements.** Within 30 days after the end of each calendar year, the Licensee shall, on behalf of itself and its Sublicensees, submit to the Licensor a written statement certified by the Licensee's auditors of the aggregate Net Sales of Licensed Products supplied or put into use by the Licensee in that year and the amount due to be paid for that year under this Agreement. If such statement shows that the amount paid by the Licensee is less than the amount due, the Licensee shall pay to the Licensor within seven (7) days of the submission of the statement an amount equivalent to the difference between the amount paid and the amount due with the required interest.
	3. **Survival of provisions.** The provisions of this Section shall remain in effect notwithstanding termination or expiry of this Agreement until the settlement of all subsisting claims by the Licensor.
	4. **Payments in Case of Sublicenses.** Where the Licensee has granted any Sublicense pursuant to Sections 2.03 (“Sublicenses”) and 2.08 (“Conditions for Sublicenses”), the Licensee shall include, in its royalty payments, payments in respect of all activities set out in Section 4.03 (“Royalties”) which are carried out by or on behalf of the Sublicensee, and shall include records of such activities in the statements it submits pursuant to Sections 4.06 (“Taxes on any Payments”), 4.10 (“Statements”), and 4.12 (“Certified Statements”).[[1]](#footnote-1)
1. **OTHER FEES AND NON-EQUITY PARTICIPATION**
	1. **Liquidity Event Fee.** As additional consideration for the licenses granted under this Agreement, Licensee shall make (or, if applicable, cause to be made under Section 5.02 below) a cash payment to Licensor coincident with the first Liquidity Event that occurs after the Effective Date, in the amount of one and one-half percent (1.5%) of the aggregate transaction value set in, or implied by, such Liquidity Event, inclusive of the Fair Market Value of any equity or non-liquid assets proposed in the transaction (“Liquidity Event Fee”). A payment so calculated shall be due for the Liquidity Event and shall be made in advance of the consummation of the Liquidity Event. Payment of the Liquidity Event Fee is a condition precedent to Licensor's executing or approving any assignment of this Agreement or any rights hereunder pursuant to Section 9 (“Assignment”).
	2. Liquidity Event Fee from others than Licensee. In case the compensation for a transaction qualifying as Liquidity Event under Section 1.12(b), has to be received by persons or entities other than Licensee, Licensee shall cause such persons or entities to pay the Liquidity Event Fee directly to Licensor in advance of any Liquidity Event. In particular, before any such transaction, Licensee shall disclose to such persons or entities the obligation to pay the Liquidity Event Fee to Licensor under this Section 5 and shall bind in writing each such persons or entities to pay the Liquidity Event Fee. Licensee’s initial stockholders countersign this Agreement as acceptance of this Section 5 and are bound by it as of the Effective Date. Notwithstanding the above, Licensee remains liable to Licensor for any failure of such persons or entities to pay the Liquidity Event Fee.
	3. **Assignment Fee.** Furthermore, in addition to any other obligations, Licensee shall pay to Licensor a fixed fee of [$1,500 USD] (within 15 days of assignment execution) per transaction if Licensor assigns or transfers this Agreement or grants any Sublicense of this Agreement, provided that, the Licensor shall first approve each such transaction in writing.
	4. **Board of Directors.** At all times during the term of this Agreement, Licensor will have the right, but not the obligation, to appoint a representative to observe on Licensee’s board of directors and shall have all of the rights and responsibilities prescribed to such duty in Licensee’s code of regulations. Such representative shall be prohibited from participating in any decisions for Licensee that would create a conflict of interest between such representative’s capacity for Licensor and that for Licensee.
2. **PATENT PROSECUTION AND MAINTENANCE**
	1. **Reimbursement of costs.** Licensee shall reimburse Licensor for all past (prior to the Effective Date of this Agreement) and all future (on or after the Effective Date) costs, fees and expenses incurred in connection with the filing, prosecution and maintenance of the Intellectual Property Rights (“Reimbursement Costs”). In further consideration of royalties and in support of the Licensees efforts to commercialize the Licensed Product(s) and Licensed Process(es), such reimbursement of past and any subsequent invoiced expenses from the Effective Date of this Agreement shall be due after 18 months from the Effective Date. After the 18 months from the effective date have passed, reimbursements shall be made within thirty (30) days after receipt of Licensor’s itemized invoice. For the Parties’ records, the past expenses for filing, prosecution, and maintenance of Intellectual Property Rights as of the Effective Date are [ ].
	2. **Prosecution.** For the 18-month period during which Licensee is not reimbursing the Licensor for the Reimbursement Costs, the parties shall coordinate on jurisdictions to obtain protection if the need arises to decide on filing jurisdiction. The Licensee understands and agrees that the Licensor shall normally file in a single, and in some cases two jurisdictions. Any filings in additional jurisdictions must be approved in writing in advance by Licensor and all related costs shall be borne by the Licensee. Such additional filings shall be treated as Intellectual Property Rights under this Agreement.
	3. **Restriction of Rights for Non-payment.[[2]](#footnote-2)** If Licensee elects not to support the expense of filing or prosecution of any patent application or to maintain any patent for any reason, it will promptly notify Licensor of its decision and Licensor shall thereafter have the sole and exclusive right to undertake such filing, prosecution or maintenance at its own expense, and Licensor shall have the right to dispose of such patent applications and patents as it chooses and without further obligation to Licensee with respect to such patent applications or patents, and such patent applications and patents shall be deleted from the scope of this Agreement. In addition to, Licensor will then be free, without further notice or obligation to Licensee, to grant rights in and to such patent to third parties.
3. **INFRINGEMENT AND OTHER ACTIONS**
	1. **Notice.** In the event either party becomes aware of any possible or actual infringement of any Patent Rights with respect to Licensed Products in the Field and in the Territory (an “Infringement”), that party shall promptly notify the other party in writing and provide it with details regarding such Infringement.
	2. Suit by Licensee. Licensee shall have the first right, but not the obligation, to take action in the prosecution, prevention, or termination of any Infringement. Before Licensee commences an action with respect to any Infringement, Licensee shall consider in good faith the views of Licensor and potential effects on the public interest in making its decision whether to sue. Should Licensee elect to bring suit against an infringer, Licensee shall keep Licensor reasonably informed of the progress of the action and shall give Licensor a reasonable opportunity in advance to consult with Licensee and offer its views about major decisions affecting the litigation. Licensee shall give careful consideration to those views, but shall have the right to control the action; provided, however, that if Licensee fails to defend in good faith the validity and/or enforceability of the Patent Rights in the action or, or if Licensee’s license to a valid claim in the suit terminates, Licensor may elect to take control of the action pursuant to Section 7.03. Any and all expenses, including reasonable attorneys’ fees, incurred by Licensor with respect to the prosecution, adjudication and/or settlement of such suit, including any related appeals, shall be paid for entirely by Licensee and Licensee shall hold Licensor free, clear and harmless from and against any and all such expenses. The expenses of such suit or suits that Licensee elects to bring, including any expenses of Licensor incurred in conjunction with the prosecution of such suits or the settlement thereof, shall be paid for entirely by Licensee and Licensee shall hold Licensor free, clear and harmless from and against any and all costs of such litigation, including reasonable attorneys’ fees. Licensee shall not compromise or settle such litigation without the prior written consent of Licensor, which consent shall not be unreasonably withheld or delayed. In the event Licensee exercises its right to sue pursuant to this Section 7.02, it shall first reimburse itself out of any sums recovered in such suit or in settlement thereof for all costs and expenses of every kind and character, including reasonable attorneys’ fees, necessarily incurred in the prosecution of any such suit. If, after such reimbursement, any funds shall remain from said recovery, then Licensor shall receive an amount equal to ten percent (10%) of such funds and the remaining ninety percent (90%) of such funds shall be retained by Licensee.
	3. Suit by Licensor. If Licensee does not take action in the prosecution, prevention, or termination of any Infringement pursuant to Section 7.02 above, and has not commenced negotiations with the infringer for the discontinuance of said Infringement, within ninety (90) days after receipt of notice to Licensee by Licensor of the existence of an Infringement, Licensor may elect to do so. Should Licensor elect to bring suit against an infringer, Licensee shall agree to be entered as a party in the suit for jurisdictional reasons. If Licensee is joined as party plaintiff in any such suit, Licensee shall have the right to approve the counsel selected by Licensor to represent Licensor and Licensee, such approval not to be unreasonably withheld. Any and all expenses, including reasonable attorneys’ fees, incurred by Licensee with respect to the prosecution, adjudication and/or settlement of such suit, including any related appeals, shall be paid for entirely by Licensor and Licensor shall hold Licensee free, clear and harmless from and against any and all such expenses. Licensor shall not compromise or settle such litigation without the prior written consent of Licensee, which consent shall not be unreasonably withheld or delayed. In the event Licensor exercises its right to sue pursuant to this Section 7.03, it shall first reimburse itself out of any sums recovered in such suit or in settlement thereof for all costs and expenses of every kind and character, including reasonable attorneys’ fees, necessarily incurred in the prosecution of any such suit. If, after such reimbursement, any funds shall remain from said recovery, then Licensee shall receive an amount equal to ten percent (10%) of such funds and the remaining ninety percent (90%) of such funds shall be retained by Licensor.
	4. Own Counsel. Each party shall always have the right to be represented by counsel of its own selection and at its own expense in any suit instituted under this Article 7 by the other party for Infringement.
	5. Cooperation. Each party agrees to cooperate fully in any action under this Article 7 that is controlled by the other party, provided that the controlling party reimburses the cooperating party promptly for any costs and expenses incurred by the cooperating party, including reasonable attorneys’ fees, in connection with providing such assistance including by being joined as a party plaintiff in any such action.
	6. Declaratory Judgment. If a declaratory judgment action is brought naming Licensee and/or any of its Affiliates or Sublicensees as a defendant and alleging invalidity or unenforceability of any claims within the Patent Rights, Licensee shall promptly notify Licensor in writing and Licensor may elect, upon written notice to License within thirty (30) days after Licensor receives notice of the commencement of such action, to take over the sole defense of the invalidity and/or unenforceability aspect of the action at its own expense.
	7. Licensee Challenge. If Licensee challenges the validity or enforceability of Licensor’s Intellectual Property Rights or Licensor’s ownership of the Intellectual Property Rights anywhere in the world, the Licensee shall continue to pay to Licensor all royalties and other financial obligations required under this Agreement. If any such challenge by Licensee is unsuccessful, Licensee shall reimburse Licensor for all fees and costs (including reasonable attorneys’ fees) incurred by Licensor in the defending the action.

# **ADDITIONAL LICENSEE OBLIGATIONS**

## The Licensee shall:

1. ensure that the Licensed Products are safe for the use for which they were intended;
2. obtain at its own expense all licenses, permits and consents necessary for the provision of the Licensed Products in the Territory;
3. perform its obligations in connection with the provision of the Licensed Products with all due skill, care and diligence including good industry practice;
4. comply with all regulations and practices in force or use in the Territory to safeguard the Licensor's rights in the Intellectual Property Rights.
5. comply with all use and quality control terms as it relates to the Trademarks, as applicable, as described in Appendix D of this Agreement.

## The Licensee acknowledges and agrees that the exercise of the license granted to the Licensee under this Agreement is subject to all applicable laws, enactments, regulations and other similar instruments in the Territory, and the Licensee understands and agrees that it shall at all times be solely liable and responsible for such due observance and performance.

1. **ASSIGNMENT**

## **Non-assignability of Agreement.** Without the prior written approval of Licensor in each instance, neither this Agreement nor the rights granted hereunder shall be assigned, transferred or otherwise granted in whole or in part, directly or indirectly (including by disposition of the ownership of Licensee), to any person or entity whether voluntarily or involuntarily, by operation of law (including by merger or consolidation), or otherwise. This Agreement shall be binding upon the respective successors, legal representatives and assignees of Licensor and Licensee. Such approval shall be contingent upon the Licensee meeting the requirements of Section 9.02 (“Conditions of Assignment”) and shall not be unreasonably withheld. Any assignment in violation of this provision is null and void.

## **Conditions of Assignment.** Licensee may agree to an assignment upon prior and complete performance of the following conditions:

## Licensee shall give Licensor written notice of Licensee’s intent to so transfer this Agreement at least thirty (30) days prior to completion of such transfer, along with a copy of such transfer agreement, pursuant to which such transferee shall have agreed in writing to be bound by the terms and conditions of this Agreement; and

## Licensee shall provide with evidence satisfactory to Licensor to demonstrate that such transferee has or is likely to acquire capital and manpower resources sufficient to fulfill the obligations it is assuming hereunder; and

## Licensor shall have received the full Liquidity Event Fee and/or Assignment Fee; and

## all expenses of Section 6.01 (“Reimbursement of Costs”) shall have been paid in full.

## **After the Assignment.** Upon completion of an assignment in accordance with this Agreement, the term “Licensee” as used herein shall refer to such transferee. Moreover, the transferee shall agree in writing to be bound by the terms and conditions of this Agreement before closing of the transfer; otherwise, the assignment may not be valid.

1. **TERM AND TERMINATION**
	1. If the Licensee shall become bankrupt, or shall file a petition in bankruptcy, or if the business of the Licensee shall be placed in the hands of a receiver, assignee or trustee for the benefit of creditors, whether by the voluntary act of the Licensee or otherwise, this Agreement shall automatically terminate.
	2. Licensor shall have the right to terminate this Agreement and the rights, privileges and license granted hereunder by giving thirty (30) days’ notice to Licensee in the event that Licensee (i) is materially in breach on any report or payment; (ii) fails to materially achieve a Milestone by the target date described in **Appendix E**; (iii) is in material breach of any other provision; or (iv) provides any false report. Such termination shall become effective immediately following such thirty (30) day period unless the Licensee shall have cured any such breach or default within the thirty days to Licensor’s satisfaction.
	3. Upon termination of this Agreement for any reason, nothing herein shall be construed to release either Party from any obligation that matured prior to such termination or obligations under Section 4 (“Consideration, Royalties and Records”), Section 5 (“Other Fees and Non-equity Participation”), Section 9 (“Assignment”), this Section 10 (“Term and Termination”), Section 11 (“Applicable Law and Dispute Resolution”), Section 12 (“Limitations of Liability, Indemnity”), Section 16 (“Confidentiality”), Section 18 (“Miscellaneous Provisions”). Following termination, other than a termination by Licensor due to a Licensee material breach or false report, the Licensee and/or any Sublicensee thereof may, however, after the effective date of such termination, and continuing for a period not to exceed twelve (12) months thereafter, sell all completed Licensed Products, and any Licensed Products in the process of manufacture at the time of such termination, and sell the same, provided that the Licensee shall pay or cause to be paid to Licensor the royalties as required by this Agreement and shall submit the reports required by this Agreement on the sales of Licensed Products and comply with other obligations during this period.
	4. All amounts paid to date to Licensor under this Agreement are non-refundable.
2. **APPLICABLE LAW AND DISPUTE RESOLUTION**
	1. This Agreement shall be construed, governed, interpreted and applied in accordance with the laws of the State of New York, without regard to its principles of conflicts of laws principles that might result in application of the laws of another jurisdiction.
	2. Without prejudice to any other rights the Parties may have under this Agreement, the Parties shall attempt in good faith to promptly resolve any dispute arising out of or relating to disputes under this Agreement between representatives who have authority to settle the controversy within sixty (60) days after one party notifies the second party of such dispute in writing.[[3]](#footnote-3)
	3. If the matter has not been resolved amicably by the Parties, the Licensor and Licensee irrevocably: (a) agree to bring any claim or proceeding exclusively in the federal and state courts in the State and New York; (b) consent to the jurisdiction of the foregoing courts; and (a) waive any objection to the venue of those courts based on an inconvenient forum or other reasons.
3. **NO WARRANTY, LIMITATIONS OF LIABILITY, INDEMNITY**
	1. LICENSOR, AND ITS AGENTS AND/OR EMPLOYEES, MAKE NO REPRESENTATION AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND VALIDITY OF PATENT RIGHTS AND OF INTELLECTUAL PROPERTY RIGHTS AND OTHER INTELLECTUAL PROPERTY RIGHTS, ISSUED OR PENDING. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION OR WARRANTY THAT THE PRACTICE BY LICENSEE OF THE LICENSE GRANTED SHALL NOT INFRINGE THE PATENT RIGHTS OR OTHER INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY. LICENSOR WILL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR SIMILAR DAMAGES, ATTORNEYS’ AND EXPERTS’ FEES, AND COURT COSTS (EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, FEES OR COSTS), ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, INCLUDING THE MANUFACTURE, USE OR SALE OF THE LICENSED PRODUCT(S) OR LICENSED PROCESSES. LICENSEE ASSUMES ALL RESPONSIBILITY AND LIABILITY FOR LOSS OR DAMAGE CAUSED BY A PRODUCT OR PROCESS THAT IS MANUFACTURED, USED OR SOLD BY LICENSEE (INCLUDING BY ANY SUBLICENSEE). IN NO EVENT SHALL LICENSOR’S LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT ACTUALLY RECEIVED BY LICENSOR FROM LICENSEE UNDER THIS AGREEMENT.
	2. Nothing in this Agreement should be construed as: (a) a warranty or representation by Licensor as to the validity or scope of any Patent Rights or other Intellectual Property Rights; (b) a warranty or representation that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement; or (c) a requirement that Licensor shall file any patent application, secure any patent, or maintain any patent, including, without limitation, any Patent Rights or other Intellectual Property Rights, in force.
	3. Licensee shall indemnify, defend and hold harmless Licensor and its current and former directors, governing board members, trustees, officers, faculty, medical and professional staff, employees, students, and agents and their respective successors, heirs and assigns (collectively, the “Indemnitees”) from and against any claim, liability, cost, expense, damage, deficiency, loss or obligation of any kind or nature (including reasonable attorneys’ fees and other costs and expenses of litigation), based upon, arising out of, or otherwise relating to this Agreement or any Sublicense, including any cause of action relating to product liability concerning any product, process, or service made, used, sold or performed pursuant to any right or license granted under this Agreement (collectively, “Claims”). Licensee shall not settle any Claim without the prior written consent of Licensor, which consent shall not be unreasonably withheld.
	4. Licensee shall, at its own expense, provide attorneys reasonably acceptable to Licensor to defend against any actions brought or filed against any Indemnitee hereunder with respect to the subject of indemnity contained herein, whether or not such actions are rightfully brought.

**Insurance.** Beginning no later than thirty days before the first commercial sale of Licensed Products by Licensee, its Affiliates or Sublicensees, Licensee will maintain, at its expense (and will require each Sublicensee to maintain at its expense) throughout the term of this Agreement and all periods in which Licensed Products are offered commercially and for a commercially reasonable time thereafter (but no less than ten (10) years) insurance coverage with respect to personal injury, bodily injury and property damage arising out of the Licensee’s, its Affiliates’, Sublicensees’ and transferees’ performance under this Agreement as follows: (a) comprehensive general liability, including broad form and contractual liability (including for the Licensee’s indemnity obligations under this Agreement), in a minimum amount no less than US$3,000,000 combined single limit per occurrence and in annual aggregate; and (b) product liability coverage in an amount of no less than US$2,000,000 combined single limit per occurrence and US$5,000,000 in annual aggregate; Licensor may review periodically the adequacy of the minimum amounts of insurance for each required coverage and reserves the right to require the Licensee to adjust the limits accordingly (but in no more than customary industry norms). The required minimum amounts of insurance do not constitute a limitation on the Licensee’s (or Sublicensee’s) liability or indemnification obligations under this Agreement. All insurance coverage will: (i) be issued by an insurance carrier with an A.M. Best rating of “A” or better; (ii) name Licensor as an additional insured with respect to the Licensee’s (or Sublicensee’s) performance under this Agreement on a primary, non-contributory basis; and (iii) require that Licensor be given at least thirty (30) days’ notice before any cancellation, non-renewal, or material change in coverage. The Licensee (and each Sublicensee) will provide Licensor with insurance certificates evidencing the required coverage within thirty (30) days before any commercial use and on each anniversary of that date, and at other times as Licensor may reasonably request. Failure to comply with this provision will be considered a material breach that entitles Licensor to terminate this Agreement and all rights under it.

1. **PAYMENT OF FEES AND EXPENSES**

Each of the Licensee and Licensor shall be responsible for its own expenses relating to the preparation and execution of this Agreement and the agreements and transactions contemplated hereby.

1. **USE OF NAMES AND PUBLICATION**
	1. Nothing contained in this Agreement shall be construed as granting any right to the Licensee or its Affiliates to use in advertising, publicity, or other promotional activities any name, trade name, trademark, or other designation of Licensor or any of its units (including contraction, abbreviation or simulation of any of the foregoing) without the prior, written consent of Licensor in each case.
	2. Nothing herein shall be deemed to establish a relationship of principal and agent between Licensor and the Licensee, nor any of their agents or employees for any purpose whatsoever.
2. **PAYMENTS, NOTICES AND OTHER COMMUNICATIONS.**

 Any payment, notice or other communication required or permitted to be given pursuant to this Agreement shall be in writing and sent by certified first class mail, postage prepaid, by hand delivery or by facsimile if confirmed in writing, in each case effective upon receipt, at the addresses below or as otherwise designated by written notice given to the other party:

In the case of Licensor:

Notices or other Communications:

The American University in Cairo

The Technology Transfer Office, School of Science & Engineering,

Room 2230, AUC Avenue, PO BOX 74, New Cairo 11835, Egypt

Attn: Director, University Technology Transfer Office

Payments:

Payments shall be made via Electronic Fund Transfer to the following address:

Bank Name     : Commercial International Bank

Branch Name  : Hoda Shaarawy Branch

Bank Address  : 16 Hoda Sharrawy St., Cairo

Swift Code       : CIBEEGCX005

Account Name : The American University in Cairo

Customer No.   : 052172

Account in EGP : # 0510000144

Account in USD : # 0510300130

In the case of the Licensee:

 [ ]

Attn: Chief Executive Officer

Royalties payable under this Agreement shall be paid within 30 days after the end of each successive Quarterly Period. Royalties accrue when the Licensed Product is invoiced.

1. **CONFIDENTIALITY**

## In this Section:

## “Confidential Information” means (i) Licensee’s Confidential Information when referred to the obligations of Licensor or (ii) Licensor’s Confidential Information when referred to the obligations of Licensee.

## “Licensor’s Confidential Information” means any information (including without limitation Know-how, data, formulae, designs, specifications, drawings and product samples) relating to the Intellectual Property Rights, the Licensed Products, the Licensed Processes, and Licensor Improvements as well as nonpublic financial, business, and related information, which is made available in writing, drawings, orally, through plant visits or in any other way to Licensee pursuant to this Agreement, either directly by Licensor or indirectly through any nominee or other party authorised by Licensor or which is developed or generated by either Party under this Agreement.

## “Licensee’s Confidential Information” means (i) any information of commercial nature related to Licensee or its business and (ii) any information of technical nature (including without limitation know-how, data, formulae, designs, specifications, drawings and product samples) in the Field of Use which does not relate to the technology protected by the Intellectual Property Rights and which is owned by Licensee before the Effective Date, which is made available in writing, drawings, orally, through plant visits or in any other way to Licensor pursuant to this Agreement, either directly by Licensee or indirectly through any nominee or other party authorised by Licensee under this Agreement.

## Neither Party may disclose to any third party, nor use for any purpose other than fulfilling its obligations under this Agreement, any of the other Party's Confidential Information, for a period of 20 years from (i) the Effective Date or (ii) the grant of the license, whichever occurs later.

## Neither Party will be in breach of any obligation to keep the other Party’s Confidential Information in confidence to the extent that (as demonstrated by written records) the information:

### is known to the receiving Party before receipt from the disclosing Party, and not already subject to any obligation of confidentiality to the disclosing Party;

### is or becomes publicly known without any breach of this Agreement or any other undertaking to keep it confidential;

### has been obtained by the receiving Party from a third party in circumstances where the receiving Party has no reason to believe there has been a breach of an obligation of confidentiality owed to the disclosing Party;

### has been independently developed by the receiving Party without reference to the disclosing Party’s Confidential Information; or

### is approved for release in writing by an authorised representative of the other Party.

## If a receiving Party is compelled by any law, regulation, court order, subpoena or similar legal process, law enforcement, or authority to disclose Confidential Information, the receiving Party will notify the disclosing Party before disclosure (when the law permits) and cooperate with any efforts of the disclosing Party, at the disclosing Party’s expense, to limit disclosure or obtain confidential treatment for the disclosed information.

## In addition, Licensor will not be considered in breach of any obligation to keep any Licensee’s Confidential Information confidential or not to disclose it to any third party, by:

### publishing it, provided Licensor has followed the procedures of Section 17 (“Academic Publication”) and has received no Confidentiality Notice within the period stated therein; or

### making it available to any Licensor’s student or other third party who needs to know it to exercise the rights granted to, and to perform the obligations of, the Licensor in this Agreement, provided the Confidential Information is not used except as expressly permitted by this Agreement and the student or third party agrees in writing to keep that Confidential Information confidential.

## In addition, Licensee will not be in breach of any obligation to keep any of Licensor’s Confidential Information confidential or not to disclose it to any third party, by making it available to any person working for or on behalf of the Licensee who needs to know it to exercise the rights granted to, and to perform the obligations of, Licensee in this Agreement, provided the Confidential Information is not used except as expressly permitted by this Agreement and the recipient agrees in writing to keep that Confidential Information confidential.

1. **ACADEMIC PUBLICATION**

## For each project undertaken by the Licensor for educational and charitable purposes and to advance education through teaching and research, in addition to other rights of the Licensor under this Agreement and notwithstanding any other provision of this Agreement to the contrary, any employee or student of the Licensor (in each case whether or not involved in the particular project) may do the following, provided the Licensor has not received a Confidentiality Notice from the Licensee under this Section 17:

### discuss work undertaken as part of the project in classes, seminars, tutorials, lectures and similar academic gatherings and presentations, and other educational-related purposes; and

### publish the activities and findings from the project.

## The Licensor will submit to Licensee, in writing, details of any information that Licensee has marked as Licensee Confidential Information (or that should reasonably be known to be Licensee Confidential Information) that Licensor’s employee or student intends to publish or otherwise make publicly available, at least sixty (60) days before the date of the proposed submission for publication or public presentation (collectively, “Publication Notice”). Upon receipt of a Publication Notice, the Licensee may give to the Licensor written notice (“Confidentiality Notice”) to require the Licensor to delay the proposed publication or presentation for a maximum of six (6) months following receipt of the Confidentiality Notice, if, in Licensee’s reasonable opinion, delay is necessary to permit the Licensee to seek patent or other protection for any of the Intellectual Property Rights in any of the Licensee’s Confidential Information to be published or Licensor may delete the information that is considered Licensee Confidential Information from the publication or other public presentation.

## The Licensor must receive Licensee’s Confidentiality Notice within thirty (30) days after the Licensee receives the Publication Notice. If the Licensor does not receive a Confidentiality Notice within the stated period, the proposed publication or other presentation may proceed.

## The Licensee acknowledges that the Licensor is required by its funders to demonstrate Licensor’s impact on society and agrees to provide to the Licensor any information which the Licensor reasonably requests to allow the Licensor to demonstrate that impact provided that the Licensor will not be entitled to receive or disclose any Licensee’s Confidential Information or any information which identifies or allows any living individual to be identified (unless that individual consents in writing in advance) and the information requested and disclosed under or pursuant to this clause will be general in nature.

1. **MISCELLANEOUS PROVISIONS.**

## If this Agreement or any associated transaction is required by the law of any nation to be either approved or registered with any governmental agency, the Licensee shall assume all legal obligations to do so and the costs in connection therewith and will indemnify Licensor against any liability, damages, and expenses (including reasonable attorneys’ fees) Licensor incurs in connection with such obligations.

## The Parties acknowledge that this Agreement, including the Appendices and documents incorporated by reference, sets forth the entire agreement and understanding of the Parties as to the subject matter of this Agreement, shall supersede all previous communications, representations or understandings, either oral or written, between the Parties relating to its subject matter, and shall not be subject to any change of modification except by the execution of a written instrument subscribed to by the Parties.

## The provisions of this Agreement are severable, and in the event that any provision of this Agreement shall be determined to be invalid or unenforceable under any controlling body of law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions of this Agreement.

## The failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party unless the Party expressly waives in writing.

## The headings of the several articles are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

## This Agreement will not be binding upon the Parties until it has been signed below on behalf of each Party, in which event, it shall be effective as of the Effective Date.

## If either Party is prevented from or delayed in performing any of its obligations, including but not limited to, by reason of acts of God, war, terrorist acts, strikes, riots, storms, fires, earthquake, inclement weather, natural calamity, power shortage or failure, failure of the transportation system, pandemic or other health risks or emergencies, interruptions to infrastructure, government advisory or any other cause whatsoever beyond the reasonable control of the Party (“Force Majeure Event”), the Party so prevented or delayed shall be excused from performance those obligation during a period that is reasonable in light of the Force Majeure Event, on the condition the Party gives prompt written notice of the nature of the Force Majeure Event, the reasons the circumstance was not within the Party’s control, the expected duration of the Force Majeure Event, when the Party anticipates resuming performance, and the diligent steps the Party will be taking to mitigate loss and damage from the Force Majeure Event. If a Force Majeure Event continues for 90 or more days, the other Party may terminate this Agreement upon written notice to the other Party, provided each party is liable for all obligations that accrued before the date of termination.

## In addition to any other provisions that are expressly stated as surviving, Sections 4, 5, 6, 10, 12, 14, 15, 16, 18, and any other provision that by its nature and intent contemplates survival, will survive any termination or expiration of this Agreement.

1. **CONTRACT REPRESENTATIONS**
	1. **Licensee Representations and Warranties.** As of the Effective Date of this Agreement, Licensee represents and warrants that: (a) Licensee is fully authorized to enter into and perform its obligations under this Agreement; (b) the execution and delivery of this Agreement by Licensee will not violate any other agreement or applicable law; (c) it possesses the necessary expertise and skill to make, and has made, its own evaluation of the capabilities, safety, utility, and commercial application of the licensed rights under this Agreement; and (d) Licensee will comply with, and, will require all Sublicensees to comply with, all applicable laws and regulations concerning the development, manufacture (including, if applicable, Good Manufacturing Practices of the FDA), marking, marketing, safety, export, and other matters concerning Licensed Products (and, as applicable, related packaging) throughout the Territory (and to remove relevant patent markings upon expiration or invalidation of any Patent Rights as may be required by law or reasonably requested by Licensor).
	2. **Legal Counsel.** The parties acknowledge that they have consulted, or had the opportunity to consult, with their respective legal counsel and/or other advisors with respect to the Patent Rights, Know-How, and other terms of this Agreement.

**[signatures follow on the next page]**

**IN WITNESS WHEREOF**, the Parties have executed this Agreement, in triplicate by proper persons duly authorized.

**THE AMERICAN UNIVERSITY IN CAIRO**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:

Name: Ahmed Ellaithy

Title: Senior Director of Technology Transfer

[ Licensee ]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:

Name: Dr. [ ]

Title: Chief Executive Officer

**Agreeing** to the payment obligations of Section 5.01 (“Liquidity Event Fee”) and Section 5.02 (“Liquidity Event Fee from others than Licensee”)

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:

Name:

Title:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:

Name:

Title:

**APPENDIX A**

**Patent Rights**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Country | Application Number | Title | Publication Number | Filing Date |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**APPENDIX B**

**Know-How**

**[identify]**

**APPENDIX C**

**Copyrights**

**[identify]**

**APPENDIX D**

**Licensed Trademarks**

**Approved Trademarks:**

**Use; Quality Control:**

(i) Licensee agrees to maintain and preserve the quality of the Licensed Trademarks and to use, and to cause its permitted Sublicensees to use, the Licensed Trademarks only in good faith and in a dignified manner consistent with Licensor’s use of the Licensed Trademarks prior to the Effective Date and in accordance with the terms of this Agreement. In addition, Licensee shall ensure that all products and services provided by Licensee and its permitted Sublicensees under the Licensed Trademarks have been expressly authorized by Licensor in writing in each case and will be of sufficiently high quality to protect the Licensed Trademarks and the goodwill symbolized thereby. Licensee shall not, and shall cause its permitted Sublicensees not to, by any act or omission use or permit use of the Licensed Trademarks in any manner that tarnishes, degrades, disparages or reflects adversely on the Licensor or its reputation or that would be detrimental to the Licensed Trademarks or their associated goodwill.

(ii) Licensee agrees to use, and to cause its permitted Sublicencees to use, the Licensed Trademarks only in accordance with such quality standards as may be reasonably established by the Licensor and communicated to Licensee from time to time in writing, or as may be agreed to by the Licensor and Licensee from time to time in writing. Licensee shall obtain Licensor’s prior written approval of any material change in the style and manner in which any Licensed Trademark is proposed to be used by Licensee or its permitted Sublicensees and shall use, and cause its permitted Sublicensees to use, the Licensed Trademarks only in a style and manner commensurate with the standards and reputation for quality associated with the Licensed Trademarks. Licensee agrees not to, and to cause their permitted Sublicensees not to, register or attempt to register in any jurisdiction any trademark or service mark that is confusingly similar to any of the Licensed Trademarks or which would reasonably be expected to result in dilution of any of the Licensed Trademarks.

(iii) Licensee shall permit Licensor or its duly authorized representative, upon reasonable notice, to access and review any and all uses of the Licensed Trademarks. Upon request at any time, Licensee will furnish to Licensor representative samples of all advertising and promotional materials and other materials in all media that are used in connection with the Licensed Trademarks. Licensee will, make all changes to such materials that Licensor requests to comply with this Section or to preserve the validity of, or Licensor’s rights in, the Licensed Trademarks.

**APPENDIX E**

**Other Intellectual Property Rights**

**[specify]**

**Appendix F**

**Milestone Events**

[to be reviewed on a case by case basis]

1. Licensee has already provided Licensor a preliminary business plan. By [ ], Licensee will provide Licensor a detailed document covering Licensee's plans as to projected regulatory plans, product development, markets and sales forecasts, manufacturing and operations, and financial for the first 3 years of operation ("Business Plan"). Licensor will treat this Business Plan as Confidential Information.

2. By [ ], Licensee will have [ ], of available non-contingent, operating capital to proceed with the exploration and development of Licensed Product. Capital will be from a third party who may or may not be an investor in Licensee and unused capital will be on deposit in a financial institutional acceptable to both Licensor and Licensee.

3. By [ ], Licensee will provide to Licensor a listing of the management team that is of reasonable competence or a schedule with reasonable target dates for the recruitment of key management positions.

4. By [ ], Licensee will file an application for CE marking.

5. By [ ], Licensee will have a first sale of Licensed Product.

6. Licensee or a Sublicensee must achieve a cumulative minimum value of [ ] of annual Net Sales based on Licensed Product that takes effect 2 years after the date of first sale of a Licensed Product.

7. By [ ], Licensee will reach annual Net Sales of at least [ ].

1. Again, the royalties to be paid by Sublicensees is not addressed. [↑](#footnote-ref-1)
2. This section is not clear. Is AUC saying that the Licensee can elect not to reimburse the costs noted in 6.01? Isn’t this mandatory and if not paid Licensee would be in breach? [↑](#footnote-ref-2)
3. The owner of IP often wishes to reserve the right to bring a case concerning enforcement of IP rights in a court so that it will have the right to a preliminary injunction (which would be quicker than an arbitration). Would AUC want to include this right? [↑](#footnote-ref-3)