**Exclusive Digital Healthcare Software License Agreement Summary**

The attached License Agreement (Agreement) is a contract between an academic institution (Institution) and a company (Company), which grants the Company rights to commercialize software owned by the Institution. Below is a high-level summary of the Agreement intended to help introduce the document to readers. The summary is purely for informational purposes and should not be construed as legal advice for any particular facts or circumstances.

The first section of the Agreement is a list of **definitions** for several terms used throughout the contract.

The **grant of rights** section outlines the licenses and rights given to the Company by the Institution. The Institution grants the Company an exclusive royalty-bearing license to develop and commercialize the licensed product and copyrighted materials. The Institution retains the right to use the licensed intellectual property for academic research, teaching and education purposes. The Institution also retains the right to issue a royalty-free, non-exclusive, non-transferable license to a specified party in the future for a specified purpose only. The section also provides the terms by which the Company can sublicense the materials.

The **Company diligence obligations** section of the Agreement outlines the Company’s responsibilities to develop and commercialize the licensed materials. The Company must use commercially reasonable efforts to develop and commercialize at least one product using the licensed intellectual property. The Company also must meet certain diligence milestones in its efforts to develop and commercialize the licensed product. If the Company believes it will not meet one of the milestones outlined in the Agreement, it must notify the Institution according to the details outlined in this section.

The **royalties and payment terms** section of the Agreement defines payment terms for the licensed materials. The Company is responsible for paying the Institution a license issue fee, license maintenance fees, milestone payments, a percentage of royalties from net sales of any commercialized product and a share of any sublicense income received by the Company. This section also outlines the number of Company shares that must be granted to the Institution and the ownership percentage in the Company those shares represent.

The **reports and records** section of the Agreement specifies the Company’s reporting requirements before, upon and after the first commercial sale of any licensed product or process or receipt of sublicensing income. These reports must contain the specific information outlined in this section of the Agreement. This section also includes the record keeping obligations the Company has related to the payment rights and other items outlined in the Agreement.

The **ownership of intellectual property** section of the Agreement states that ownership of the copyright for the licensed software will remain with the Institution. The Company and its affiliates must retain the Institution’s copyright notice in any licensed products.

The **infringement** section of the Agreement states that each party will provide written notice to the other party if one becomes aware of an IP rights infringement on the licensed materials. It also defines each party’s rights to prosecute IP rights infringements and those rights if a third party brings an IP rights challenge against the Company or Institution.

The **indemnification and insurance** section of the Agreement provides that the Company will hold the Institution and anyone associated with the Institution harmless against liability or expense related to the Company’s exercise of its rights under the Agreement. The Company will be responsible for the defense of any claims against the Institution and its associates unless the Institution chooses to retain its own counsel. The Company is also required to obtain proper commercial general liability insurance equaling the amount of coverage specified in this section of the Agreement.

The **representations and warranties and disclaimers** section of the Agreement includes certain limited guarantees that the parties make (*e.g.,* that they are authorized to enter into the Agreement) and disclaims other implied warranties. Additionally, this section contains a waiver of each party’s right to sue the other for special damages (*e.g.,* lost profits).

The **assignment** section of the agreement states that the contract may not be assigned to a third party by Company without consent from the Institution, unless the assignment is to an affiliate or a successor following a change of control or asset sale.

The next section states the Company **must comply with all local, state, federal and international laws and regulations** relating to the development, manufacturing, export, use and sale of licensed products and processes.

The next section states the Company, its affiliates and sublicensees may not **use the name** of the Institution or any image, trademark or individual associated with the Institution in any public announcement, disclosure or publication without written consent of the Institution.

The **termination** section of the agreement defines the terms under which either party may terminate the contract. Examples include termination by Institution if the Company permanently ends its business related to the licensed materials, for material breach of the Company’s obligations under this Agreement or termination related to nonpayment by the Company. The Company can terminate the Agreement at any time by giving Institution 6 months’ notice.

The **dispute resolution** section of the Agreement outlines the procedures for handling a dispute between the Company and the Institution. The options for resolution include mediation and, where mediation fails, binding arbitration. Both parties are still responsible for upholding any undisputed obligations they have under this agreement while a dispute is ongoing.

The final section of the Agreement outlines various additional provisions including, but not limited to, details for providing any **notices** required in the Agreement; **state and federal laws** that govern the Agreement; means by which this Agreement can be **amended**; and the **binding effect** of the Agreement.