

## **Licence Agreement** (draft)

Riga, see the date on the time stamp of the document signature

**Riga Technical University**, registration number 90000068977, registered address: Kaļķu Street 1, Riga, LV-1658, Latvia (hereinafter – the Licensor), represented by its Rector Leonids Ribickis, who acts pursuant to RTU Constitution, as the party of the first part, and

**SIA** \_\_\_\_\_, registration number \_\_\_\_\_, registered address: \_\_\_\_\_, (hereinafter – the Licensee), represented by its \_\_\_\_\_, who acts pursuant to \_\_\_\_\_, as the party of the second part, collectively hereinafter referred to as – the Parties, pursuant to Section 12 Paragraph one of the Patent Law, whereas:

- the Licensee intends to obtain a licence for using the Intellectual Property in conformity with the Agreement provisions;
- the Licensor is the owner of the copyright for the Intellectual Property and has the right to handle it;
- the Parties have concluded this agreement (hereinafter – the Agreement) as follows:

### **1. Terms Used in the Agreement**

1.1. Licensor – owner of the Intellectual Property.

1.2. Licensee – person who is granted the licence to use the Intellectual Property in conformity with the Agreement provisions.

1.3. Licence territory – within the meaning of this Agreement, the States for the protection of Licensed Intellectual Property listed in Annex 1 hereto.

1.4. Intellectual Property – within the meaning of this Agreement, the international patent application No PCT/IB2021/052390, issued with priority to the Latvian patent application No LVP2020000046, and the Latvian patent No LV15557 “A Method for Water Disinfection Using CaFeO” (application No LVP2020000046), which are developed within the framework of the project No KC-PI-2017/10 “Waste Water Treatment” (Z-Surface) of the operational programme “Growth and Employment” of the specific support goal 1.2.1 “To Increase the Private Sector Investments P&A”, measure 1.2.1.2 “Support for Improvement of the Technology Transfer System”.

1.5. Production – an object manufactured by the Licensee that includes the Licensor's Intellectual Property or has been manufactured using the Licensor's Intellectual Property.

### **2. Subject of the Agreement**

2.1. The Licensor shall issue an exclusive licence to the Licensee to use the Intellectual Property in the territory defined by the Agreement, which is protected by the patent application, for the payment set and for the period specified herein.

2.2. Within the meaning of this Agreement, issuing of the licence shall not be deemed as a transfer of the copyright for the Intellectual Property or its alienation in favour of the Licensee.

### **3. Restrictions on the Use of the Invention**

3.1. The Licensee shall be entitled to use the Intellectual Property for the manufacture, storage, use, import, export, offering for sale, sale and other release of the Production for economic

circulation.

3.2. The Licensee shall not be entitled to transfer the Intellectual Property or its constituent parts to third parties. The Licensee shall not be entitled to issue sublicences.

3.3. The Licensor shall retain the right to use the Intellectual Property for performing research.

3.4. The Licensee shall be entitled to use its name with a written approval of the Licensor.

#### **4. Confidentiality**

4.1. The entire information received within the framework of the Agreement (any written or oral, or in any other way transferred information) is deemed to be confidential (hereinafter – the Trade Secret).

4.2. Confidential information and materials, within the meaning of this Agreement, shall not constitute information and materials corresponding to at least one of the following characteristics:

- information or materials are of the public domain; and

- information or materials, which disclosure obligation arises from regulatory enactments and which are disclosed in accordance with the procedures specified in regulatory enactments.

4.3. The Licensee acknowledges and understands that the Trade Secret is an important property owned by the Licensor and it is protected by the Trade Secret Protection Law.

4.4. The Licensee shall not disclose the Trade Secret stipulated by Article 4.1 to any third party undertaking the responsibility provided for in this Agreement for losses and costs that might be incurred to the Licensor in relation to the undertaking set out herein.

4.5. The Licensee shall ensure conclusion of the confidentiality agreement with the persons handling the Intellectual Property.

4.6. A third party within the meaning of Article 4.4 shall be considered any natural or legal person which is not a party of this Agreement.

4.7. The Parties shall keep and protect the Trade Secret and shall observe reasonable preconditions for storing the information.

4.8. Any public statement concerning this Agreement, the fact, content and purpose of its conclusion, and those containing the Trade Secret, shall be made by the Parties exclusively following a prior written approval of the other Party.

4.9. Upon termination of this Agreement for any reason, the Licensee shall return to the Licensor the entire Trade Secret received from it in any form with no delay, but not later than within 7 (seven) days, and shall destroy or delete any duplicates or copies of the information stored in paper or electronic or any other form.

4.10. The fact of the transfer of the Trade Secret and other relevant information to the Licensee shall be confirmed by the Transfer and Acceptance Deed signed by the Parties.

#### **5. Procedure of Payments**

5.1. The Licensee shall pay the remuneration (hereinafter – the Licence Fee) to the Licensor in accordance with the following procedure and terms:

5.1.1. An initial lump sum fixed payment for obtaining the licence in the amount of EUR \_\_\_\_\_ (amount in words) (excluding VAT), which the Licensee shall pay within 1 (one) month from the Licence Agreement taking effect.

5.1.2. Annual fixed payments for the maintenance of the licence in the amount of EUR \_\_\_\_\_ (amount in words) (excluding VAT) for each year from the moment the Licence Agreement takes effect and until its expiry, which in total is EUR \_\_\_\_\_

(amount in words) (excluding VAT). The Licensee shall make the annual fixed payments within 1 (one) month after the expiry of each 12 (twelve) months period, starting from the day the Agreement takes effect.

5.1.3. Royalty payments in the amount of 5% (five percent) a year of the annual turnover of the sold Products by the Licensee for each year from the moment the Licence Agreement takes effect and until its expiry. The Licensee shall pay the royalty within 1 (one) month from the day of submitting the audited Financial Statement stipulated by Article 5.4.

5.1.4. All payments prescribed by the Agreement are taxable with value added tax. The Licensee shall pay the value added tax in accordance with the procedures and in the amount specified in regulatory enactments.

5.2. The Licensee shall make the Licence Fee stipulated by Article 5.1 in accordance with the invoice prepared by the Licensor, which the Licensor shall send electronically to the Licensee's e-mail address provided in Article 9.9. The Parties have agreed that the invoice will be prepared electronically and is valid without signature.

5.3. The Licensee shall pay the License Fee by transferring it in accordance with the invoice issued by the Licensor to the Licensor's account indicated in the invoice within 20 (twenty) working days from the moment of receipt of the invoice.

5.4. The Licensee shall be obliged to submit to the Licensor an Audited Financial Statement by September 1 of each calendar year, both during the term of the license and in the forthcoming year after the termination of the license, showing the revenue generated during the previous calendar year relating to the Products.

5.5. The Licensee has the right to acquire the Intellectual Property during the validity period of the Agreement for a fee of EUR 79 000.00 (seventy-nine thousand euros and 00 cents), from which the amount of payments made by the Licensee to the Licensor in accordance with Article 5.1 is deducted. The Parties shall agree separately in writing on the assignment of the Intellectual Property.

## **6. Improvements Made During the Agreement Validity Period**

6.1. During the validity period of the Agreement, the Licensor may introduce improvements to the Intellectual Property.

6.2. Improvements made during the Agreement validity period are regarded to be any changes of the Intellectual Property.

6.3. The improvements shall be deemed the Licensor's property and shall be not commercialised within the framework of this Agreement.

6.4. While fulfilling this Agreement, the Licensee may introduce improvements of the Intellectual Property only when approved in writing by the Licensor.

## **7. Agreement Validity Period**

7.1. The Agreement is concluded for 10 (ten) years and it takes effect when signed by both Parties.

7.2. The Parties may terminate this Agreement prematurely when agreed upon by the Parties in writing.

7.3. In the event either Party breaches any of the Agreement provisions and such infringement has not been remedied within 30 (thirty) working days of receipt of the written notification of the other Party, the respective Party may terminate the Agreement unilaterally. The other Party shall notify the breaching Party that the Agreement is terminated. The Party shall send a notice

of termination of the Agreement to the breaching Party no later than 30 (thirty) days prior to the Agreement termination date.

7.4. However, if the breaching Party fulfils the Agreement provisions and eliminates the breach of the Agreement prior to the day when the Agreement is due to be terminated in accordance with the notice, such notice shall be deemed to have been withdrawn and the Agreement shall remain in force.

7.5. Upon termination of the Agreement prematurely, the Licensee:

7.5.1. shall make all payments due to the Licensor until the Agreement termination date (except for the case when the Licensee terminates the Agreement in accordance with Article 7.3);

7.5.2. shall immediately terminate any usage of the Intellectual Property;

7.5.3. shall return to the Licensor the entire information received from it in any form and shall destroy or delete all duplicates or copies of information stored in paper or electronic or any other form with no delay, but not later than within 7 (seven) days.

### **8. Responsibility of the Parties and Resolution of Disputes**

8.1. The Licensee shall pay to the Licensor for not submitting the Financial Statement in due time and/or a late payment fee of 0.5 (zero point five) % of the delayed payment amount per each day of the delay, but not exceeding 10 (ten) % of the total delayed payment amount.

8.2. Payment of the penalty in the event of a delay shall not exempt the Parties from the complete fulfilment of their obligations.

8.3. The Licensee commits that neither it nor its authorised representative will contest the copyright and commercial secrecy rights underlying this Agreement.

8.4. In view of the deadline for submitting national patent applications to national and/or regional patent authorities, the Parties may, by 1 October 2022, agree separately on protection of intellectual property in certain areas, also by agreeing to compensate the involved costs.

8.5. The Parties shall not undertake responsibility for full or partial non-performance of their Agreement obligations, if such have occurred due to force majeure circumstances such as fire, natural disaster, war, prohibitive acts of public authorities, as well as any other extraordinary circumstances which occur after the Agreement conclusion and which the Parties could neither foresee nor eliminate by applying any reasonable means. The deadline for the performance of the obligations of the Parties shall be deferred in proportion to the duration of such circumstances. If these circumstances continue for more than 3 (three) months, any of the Parties may waive further compliance with the obligations laid down in the Agreement, in which case neither Party shall be entitled to claim from the other damages related to termination of the Agreement or to cover losses.

8.6. The Party whose performance of the obligations laid down in the Agreement is encumbered by force majeure circumstances shall notify the other Party in writing of such circumstances and of their occurrence and termination within 5 (five) calendar days. The material evidence of the occurrence and duration of such circumstances shall be certificates issued by the national body concerned.

8.7. The Parties shall undertake responsibility for partial or total non-compliance with the terms and conditions of the Agreement in accordance with the provisions of the Agreement, Civil Law and other laws and regulations.

8.8. Disputes arising between the Parties during the Agreement validity period shall be resolved through negotiations. In the event no agreement is reached within 30 (thirty) calendar days during the negotiation process, disputes shall be finally resolved by the court of the general

jurisdiction of the Republic of Latvia in accordance with the valid regulatory enactments of the Republic of Latvia.

## 9. Final Provisions

9.1. During the validity period of the Agreement, the Licensor shall ensure the maintenance of Intellectual Property in force in Latvia by paying annual fees to the Patent Office of the Republic of Latvia.

9.2. During the acquisition of the Intellectual Property at the request of the Licensee, the Licensor may provide practical assistance and additional necessary scientific and technical information to enable the Licensee to introduce the Intellectual Property. The practical assistance of the Licensor and the necessary scientific and technical information shall be provided for an additional fee by mutual agreement of the Parties.

9.3. Matters not reflected in the Agreement shall be dealt with in accordance with the applicable laws and regulations of the Republic of Latvia.

9.4. In the event that any of the Agreement provisions expires, this shall not affect the validity of the other provisions of the Agreement.

9.5. In the event the patent application underlying this Agreement is invalidated at the request of a third party, the Licensee shall in no case be entitled to claim refunding of the Licence Fee paid. In such a case, the Agreement shall be terminated.

9.6. Any amendments, corrections or supplements to the Agreement shall take effect when made in writing and signed by both Parties, having form an integral part thereof.

9.7. Any written information in the context of the Agreement (including electronic transmission) shall be binding on both Parties and may, if necessary, serve as evidence if the Party sending the information has received confirmation of its receipt from the other Party.

9.8. Authorised representative of the Licensor during the Agreement validity period – \_\_\_\_\_, tel. \_\_\_\_\_, e-mail: \_\_\_\_\_.

9.9. Authorised representative of the Licensee during the Agreement validity period – \_\_\_\_\_, tel. \_\_\_\_\_, \_\_\_\_\_.

9.10. The Agreement is made on 5 (five) pages in Latvian. The Parties sign the Agreement with a secure electronic signature containing a time stamp. The date of signature of the Agreement shall be the date of the final secure electronic signature and the time stamp attached.

## 10. Details and Signatures of the Parties

### Licensor:

Riga Technical University  
1 Kaļķu Street 1, Riga, LV-1658  
VAT Reg. No. LV90000068977  
Bank: Valsts kase  
Account No.  
LV44TREL915017616700B

### Licensee:

L. Ribickis

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND  
CONTAINS A TIME STAMP

### **Licence Agreement Operation Territory**

United Arab Emirates, Antigua and Barbuda, Albania, Armenia, Angola, Austria, Australia, Azerbaijan, Bosnia and Herzegovina, Barbados, Belgium, Burkina Faso, Bulgaria, Bahrain, Benin, Brunei Darussalam, Brazil, Botswana, Belarus, Belize, Canada, Central African Republic, Switzerland, Côte d' Ivoire, Chile, Cameroon, China, Colombia, Costa Rica, Cuba, Cyprus, Czech Republic, Germany, Djibouti, Denmark, Domenica, Dominican Republic, Algeria, Ecuador, Estonia, Egypt, Spain, Finland, France, Gabon, United Kingdom, Grenada, Georgia, Ghana, Gambia, Guinea, Equatorial Guinea, Greece, Guatemala, Guinea Bissau, Honduras, Croatia, Hungary, Indonesia, Ireland, Israel, India, Iran (Islamic Republic), Iceland, Italy, Jordan, Japan, Kenya, Kyrgyzstan, Cambodia, Comoros, St. Kitts and Nevis, Democratic People's Republic of Korea, Republic of Korea, Kuwait, Kazakhstan, Laos People's Democratic Republic, St. Lucia, Liechtenstein, Sri Lanka, Liberia, Lesotho, Lithuania, Luxembourg, Latvia, Libya, Morocco, Monaco, the Republic of Moldova, Montenegro, Madagascar, North Macedonia, Mali, Mongolia, Mauritania, Malta, Malawi, Mexico, Malaysia, Mozambique, Namibia, Niger, Nigeria, Nicaragua, Netherlands, Norway, New Zealand, Oman, Panama, Peru, Papua New Guinea, Philippines, Poland, Portugal, Qatar, Romania, Serbia, Russian Federation, Rwanda, Saudi Arabia, Seychelles, Sudan, Sweden, Singapore, Slovenia, Slovakia, Sierra Leone, San Marino, Senegal, Sao Tome and Principe, El Salvador, the Syrian Arab Republic, Eswatini, Chad, Togo, Thailand, Tajikistan, Turkmenistan, Tunisia, Turkey, Trinidad and Tobago, the United Republic of Tanzania, Ukraine, Uganda, United States, Uzbekistan, Saint Vincent and the Grenadines, Vietnam, Samoa, South Africa, Zambia, Zimbabwe.

**Licensor:**

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1 Kaļķu Street 1, Riga, LV-1658  
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**Licensee:**

L. Ribickis

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