

## **Dstl Terms and Conditions for Easy Access IP Licensee**

### **Reservations as to who we will license to i.e. subject to security and defence interests**

As Dstl is part of the UK Government, there may be some organisations that we would not be able to enter into a contract with. We therefore reserve the right to refuse a licence where necessary. All licensees must provide a letter of good standing before signing the licence.

### **Payments for Patent Costs**

The licensee shall be responsible for all ongoing patent costs incurred after the effective date of the licence. An estimate of patent costs will be provided by Dstl, on request, prior to the licence being signed. The licensee will be able to agree with Dstl what territories they would like patent coverage in. Protection in the UK is usually a minimum.

Patent costs will be invoiced to the licensee, as they occur. All payments due to the Dstl shall be paid in Pounds Sterling.

The Licensee shall pay all submitted invoices within 30 calendar days of the date of issue. Dstl reserves the right to administer a reasonable interest charge on late payments based upon bank interest rates prevailing at the time. If the Licensee fails to pay Dstl within the terms of this Agreement Dstl shall have the right to terminate the licence.

### **Exceptional Events and the terms of any 'fair and reasonable' license**

The licence agreement for exploitation of the IP is provided without any obligation to pay royalties or other licence fees. However in exceptional circumstances Dstl has the right to replace this licence, after the initial three year term, with a license that provides for some return for UK taxpayers on fair and reasonable terms.

For the avoidance of doubt, Dstl shall only exercise this option in 'exceptional circumstances' i.e. where the licence is providing significant financial returns to the licensee. In all cases Dstl are obliged to offer a licence agreement to you after the initial term as long as you are meeting your exploitation obligation and this will at most be on fair and reasonable terms.

### **Sub-licensing**

The Licensee shall have no right to grant sub-licences under this Agreement without the prior written agreement of Dstl. Dstl will reasonably consider any request (bearing in mind the 'reservations as to who we will licence to' section above).

### **Commercialisation and Implementation Plan**

Prospective licensees need to provide a commercialisation plan to satisfy Dstl that they can and will bring the technology to market. Successful applicants are expected to use their reasonable efforts to commercialise the technology and to acknowledge Dstl appropriately.

The commercialisation plan should include:

- Markets being addressed (geographical region/country and technical application).
- Investment in new product development (by technical application if appropriate).
- Roadmap for product development.
- Location of Work - Describe where the work to be performed will take place, providing details if at a third party location.
- Ideally, specific and time-limited requirements should be set in the Commercialisation Plan. These should include as targets relating to; product development, submissions to regulatory authorities, marketing approvals, launch dates and territories.
- Revenues you anticipate achieving and when.

The Licensee shall use all Diligent and Reasonable Efforts to develop, market and Supply the Licensed Products in the Territory for use in the Technical Field(s) in a timely manner in order to maximise the benefit to the Parties in terms of revenue and impact.

## **Annual Reports**

Dstl requires annual progress reports detailing the Licensee's development activities and sales planned and achieved, and any other indications of the impact achieved (jobs created, significant publications or press coverage). More detailed reports would be expected from Licences with large expenditure or revenue and less detail for others.

## **Termination of License**

If the IP is not exploited within three years or in accordance with the agreed exploitation plan, Dstl may terminate the licence. In normal circumstances Dstl is most likely to do this only if it believes that more impact could be achieved by offering a licence to a different licensee.

## **Dstl Use of the Technology**

As part of Dstl's wider rights of use, MoD and Dstl retain the free right at any time to develop, make, use, keep and Supply and to authorise others to develop, make, use, keep and Supply any products or processes which embody or make use of any or all of the IP or use associated Know-how for any UK Government Purpose and the licence agreement shall not in any way limit these rights.

## **License Types**

We preferentially offer non-exclusive licences rather than sole licences. The MoD needs to retain the right to use its own technology, so it is impossible for us to offer truly exclusive licences. Our experience is that this does not cause concerns for licensees as these retained rights are for UK Government purposes only.

## **Access to Dstl staff**

No access to Dstl staff is provided under the terms of this license. Dstl will consider any request for access to Dstl staff.

## **Summary of the licensee's main obligations**

Approach us with a plan for how you will use the IP to create value for UK society and the UK economy, and if we agree a licence with you:

- Pursue your plan diligently.
- Acknowledge Dstl as the originator of the IP as appropriate.
- Report annually on progress in developing and commercialising the IP.
- Pay for the patent costs (for protection in countries as mutually agreed upon).

## **The Statement Relating To Good Standing**

License Title: **[insert title of the Patent]**

License Number: **[insert Patent number]**

1. We confirm, to the best of our knowledge and belief, that **[insert potential Licensee]** including its directors or any other person who has powers of representation, decision or control of **[insert potential Licensee]** has not been convicted of any of the following offences:

- (a) conspiracy within the meaning of section 1 or 1A of the Criminal Law Act 1977 or article 9 or 9A of the Criminal Attempts and Conspiracy (Northern Ireland) Order 1983 where that conspiracy relates to participation in a criminal organisation as defined in Article 2 of Council Framework Decision 2008/841/JHA;
- (b) corruption within the meaning of section 1 of the Public Bodies Corrupt Practices Act 1889 or section 1 of the Prevention of Corruption Act 1906; where the offence relates to active corruption;
- (c) the offence of bribery, where the offence relates to active corruption; bribery within the meaning of section 1 or 6 of the Bribery Act 2010;
- (d) fraud, where the offence relates to fraud affecting the financial interests of the European Communities as defined by Article 1 of the Convention relating to the protection of the financial interests of the European Union, within the meaning of:
  - (i) the offence of cheating the Revenue;
  - (ii) the offence of conspiracy to defraud;
  - (iii) fraud or theft within the meaning of the Theft Act 1968, the Theft Act (Northern Ireland) 1969, the Theft Act 1978 or the Theft (Northern Ireland) Order 1978;
  - (iv) fraudulent trading within the meaning of section 458 of the Companies Act 1985, Article 451 of the Companies (Northern Ireland) Order 1986 or section 933 of the Companies Act 2006;
  - (v) fraudulent evasion within the meaning of section 170 of the Customs and Excise Management Act 1979 or section 72 of the Value Added Tax Act 1994;
  - (vi) an offence in connection with taxation in the European Community within the meaning of section 71 of the Criminal Justice Act 1993;
  - (vii) destroying, defacing or concealing of documents or procuring the extension of a valuable security within the meaning of section 20 of the Theft Act 1968 or section 19 of the Theft Act (Northern Ireland) 1969;
  - (viii) fraud within the meaning of section 2,3 or 4 of the Fraud Act 2006; or
  - (ix) making, adapting, supplying or offering to supply articles for use in frauds within the meaning of section 7 of the Fraud Act 2006;
- (e) money laundering within the meaning of section 340(11) of the Proceeds of Crime Act 2002;
- (f) an offence in connection with the proceeds of criminal conduct within the meaning of section 93A, 93B, or 93C of the Criminal Justice Act 1988 or article 45, 46 or 47 of the Proceeds of Crime (Northern Ireland) Order 1996;
- (g) an offence in connection with the proceeds of drug trafficking within the meaning of section 49, 50 or 51 of the Drug Trafficking Act 1994; or
- (h) any other offence within the meaning of Article 45(1) of Directive 2004/18/EC as defined by the national law of any relevant State.

2. **[Insert potential Licensee]** further confirms to the best of our knowledge and belief that it:

- (a) being an individual, is a person in respect of whom a debt relief order has not been made, is not bankrupt or has not had a receiving order or administration order or bankruptcy restrictions order or debt relief restrictions order made against him or has not made any composition or arrangement with or for the benefit of his creditors or has not made any conveyance or assignment for the benefit of his creditors or does not appear unable to pay or to have no reasonable prospect of being able to pay, a debt within the meaning of section 268 of the Insolvency Act 1986, or article 242 of the Insolvency (Northern Ireland) Order 1989, or in Scotland has not granted a trust deed for creditors or become otherwise apparently insolvent, or is not the subject of a petition presented for sequestration of his estate, or is not the subject of any similar procedure under the law of any other state;
- (b) being a partnership constituted under Scots law has not granted a trust deed or become otherwise apparently insolvent, or is not the subject of a petition presented for sequestration of its estate;
- (c) being a company or any other entity within the meaning of section 255 of the Enterprise Act 2002 has not passed a resolution or is not the subject of an order by the court for the company's winding up otherwise than for the purpose of bona fide reconstruction or amalgamation, nor had a receiver, manager or administrator on behalf of a creditor appointed in respect of the company's business or any part thereof or is not the subject of similar procedures under the law of any other state;
- (d) has not been convicted of a criminal offence relating to the conduct of its business or profession;
- (e) has not committed an act of grave misconduct in the course of its business or profession;

- (f) has fulfilled obligations relating to the payment of social security contributions under the law of any part of the United Kingdom or of the relevant State in which the economic operator is established;
- (g) has fulfilled obligations relating to the payment of taxes under the law of any part of the United Kingdom or of the relevant State in which the economic operator is established;
- (h) is not guilty of serious misrepresentation in providing any information required by this Statement;
- (i) in relation to procedures for the award of a public services contract, is licensed in the relevant State in which he is established or is a member of an organisation in that relevant State when the law of that relevant State prohibits the provision of the services to be provided under the contract by a person who is not so licensed or who is not such a member.

Organisation's name	
Signed	
Position	
Date	