

DATED << >>

(1) <<Name of Licensor>>

(2) <<Name of Licensee>>

STANDARD ROYALTY CONTRACT

THIS AGREEMENT is made the <<insert day>> day of <<insert month>> <<insert year>>

BETWEEN:

- (1) <<Name of Licensor>> [a company registered in <<Country of Registration>> under number <<Company Registration Number>> whose registered office is at] **OR** [of] <<Address>> (“the Licensor”) and
- (2) <<Name of Licensee>> [a company registered in <<Country of Registration>> under number <<Company Registration Number>> whose registered office is at] **OR** [of] <<Address>> (“the Licensee”)

WHEREAS:

- (1) The Licensor owns the <<insert subject matter>> and the Intellectual Property Rights subsisting therein.
- (2) The Licensee wishes to use the <<insert subject matter>> detailed in Schedule 1 for the purposes detailed in Schedule 2 (the “Stated Purposes”).
- (3) The Licensor wishes to grant a licence to the Licensee to use the <<insert subject matter>> and the Intellectual Property Rights subsisting therein for the Stated Purposes in accordance with the terms and conditions of this Agreement and subject to the payment of the Royalties set out in Clause 6.

IT IS AGREED as follows:

1. Definitions and Interpretation

1.1 In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:

“<<insert subject matter>>”	means <<insert description of subject matter>> and any and all Intellectual Property Rights subsisting therein;
“Advance”	means an advance against Royalties;
“Confidential Information”	means information relating to this Agreement, any business information relating to either Party, and any other information which either Party may describe as confidential;
“Effective Date”	means [the date of this Agreement] OR [<<insert date>>];
[“Fee”	means the Fee payable on the Effective Date in accordance with sub-Clause 6.1.1;]
“Gross Receipts”	means all sums arising from the Stated Purposes before any deductions of any nature are made;

S A M P L E

“Intellectual Property Rights”	means inventions, rights in designs, trade marks and business names and all associated rights, including the right to sue for passing-off or for unfair competition, moral rights and related rights, copyright, geographical indications, topography rights, domain names, know-how and other rights, including know-how and trade secrets, and all other rights, including similar or equivalent rights (subsidiary or ancillary rights), in any part of the world, whether registered or unregistered and including renewals or extensions of such rights;
“Net Receipts”	means the net receipts from the sale of the Licensed Product for the Stated Purposes, after deduction of sales tax, added tax, other sales taxes, duties, and insurance [and any other taxes and deductible costs];
“Quarter”	means a quarter which shall end on 31 st March, 31 st June, 31 st September and 31 st December, respectively, of the relevant calendar year. The first quarter shall begin on the 1 st day of the relevant quarter and shall end on the date of the Agreement;
“Royalty / Royalties”	means the Royalty payable by the Licensee to the Licensor in accordance with the provisions set out in Clause 6;
“Term”	means the term of the Agreement as set out in Clause 7;
“Territory”	means the Territory <<insert Territory>>.
1.2 Unless the context otherwise requires, the following definitions apply in this Agreement to:	
1.2.1 “writing”, and any other form of communication effected by electronic or similar means;	includes a reference to any form of communication, including facsimile transmission or electronic communication;
1.2.2 a statute or a provision of law, or a regulation or provision as amended or otherwise;	includes a reference to that statute or provision as in force at the relevant time;
1.2.3 “this Agreement” is the Agreement and each of the Schedules as amended or otherwise;	includes a reference to the Agreement and each of the Schedules as in force at the relevant time;
1.2.4 a Schedule is a schedule to the Agreement;	
1.2.5 a Clause or paragraph is a Clause or paragraph of this Agreement (other than the Schedules) and a Schedule is a Schedule to the Agreement and each of the Schedules;	includes a reference to a Clause or paragraph of this Agreement (other than the Schedules) and a Schedule is a Schedule to the Agreement and each of the Schedules;
1.2.6 a “Party” or the “Parties” means the Party or Parties to this Agreement.	
1.3 The headings used in this Agreement shall have no effect upon the interpretation of the Agreement;	shall have no effect only and shall have no effect upon the interpretation of the Agreement;
1.4 Words imparting the singular shall also include the plural and vice versa.	
2. Grant of Licence	
2.1 The Licensor hereby grants to the Licensee a NON-EXCLUSIVE licence (the “Licence”) within the Territory <<insert Territory>> OR [an] [non-]exclusive licence (the “Licence”) within the Territory <<insert Territory>> for the Term to use the <<insert Product>>	

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subject matter>> solely for t
2.2 The Licence granted by sub
payment of the [Fee and
accordance with the provisio

nted subject to the timely
ties by the Licensee in

3. **Scope of Licence**

3.1 The Licensee may not:

3.1.1 use the <<insert sub
which are directly rel

urposes other than those
ses;

3.1.2 use the <<insert sub
or

anner outside the Territory;

3.1.3 use any part of the <
Licence or that falls
matter>> as set out i

that is not covered by the
n of the <<insert subject

3.2 The Licensee shall [not] be
otherwise transfer the bene
[without the prior written c
unreasonably withheld].

b-licence, sub-contract or
part of it to a third party
such consent not to be

4. **Licensee's Rights and Obligations**

4.1 The Licensee shall be fully
matter>> and for all work ca

e of the <<insert subject
Stated Purposes.

4.2 The Licensee shall be the
Purposes, subject to the
agreements to the contrary
rights or interests in the S
Agreement.

all products of the Stated
and conditions of any
the Licensor shall have no
r those described in this

5. **Waiver of Moral Rights**

Where the nature of the <<insert su
Chapter IV of the Copyright, Des
waives any and all such rights to th

moral rights arising out of
1988, the Licensor hereby

6. **Payment, Royalties and Records**

6.1 On the Effective Date, the L

Licensor:

6.1.1 [the Fee of £<<inse
by this Agreement; a

n for the Licence granted

6.1.2 an Advance of £<<in

6.2 Following the complete rec
Licensee shall pay to the Lic
Net Receipts due in accorda

e from Net Receipts, the
<<insert percentage>>% of the

6.3 Within <<insert period>> of
to the Licensor a written sta

the Licensee shall submit
ss and Net Receipts from

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8.2 it shall pay all sums due under this Agreement and

accordance with Clause 6;

8.3 it shall not exceed the rights granted to the Licensee under this Agreement.

ent.

9. Indemnity

9.1 The Licensee shall indemnify the Licensors against any claim, loss, damage, proceedings or expenses howsoever arising, directly or indirectly, in connection with or arising from the Licensee of any of its obligations under this Agreement.

the Licensors against any claim, loss, damage, proceedings or expenses howsoever arising, directly or indirectly, in connection with or arising from the Licensee of any of its obligations under this Agreement.

9.2 The Licensors shall indemnify the Licensee against any claim, loss, damage, proceedings or expenses howsoever arising, directly or indirectly, in connection with or arising from the Licensors of any of its obligations under this Agreement.

the Licensee against any claim, loss, damage, proceedings or expenses howsoever arising, directly or indirectly, in connection with or arising from the Licensors of any of its obligations under this Agreement.

9.3 The indemnities set out in sub-Clauses 9.1 and 9.2 shall apply in all cases the indemnified Party shall apply provided that in

shall apply provided that in

9.3.1 notify the indemnifying Party as soon as is reasonably possible of any claim, loss or damage

reasonably possible of any

9.3.2 consult the indemnifying Party in connection with such matters; and

action to be taken in dealing

9.3.3 make no agreement to indemnify the indemnifying Party without the prior agreement of the indemnified Party, such agreement not to be unreasonable

the payment of any sum to the indemnifying Party, such agreement

10. Proceedings

10.1 The Licensee shall inform the Licensors if it becomes aware of any:

Party if it becomes aware of

10.1.1 infringement, actual or potential, of the Intellectual Property Rights subsisting in the Licensed Works;

of the Intellectual Property Rights subsisting in the Licensed Works;

10.1.2 claims that the <<indemnifying Party>> infringes the Intellectual Property Rights therein infringing the Intellectual Property Rights of the Licensee.

of the Intellectual Property Rights therein infringing the Intellectual Property Rights of the Licensee.

10.2 In the event of any infringement of the Intellectual Property Rights of the Licensee under sub-Clause 10.1:

under sub-Clause 10.1:

10.2.1 the Licensors shall defend the Licensee in any proceedings;

in;

10.2.2 the Licensors shall bear the costs of any claims or proceedings;

the conduct of any claims or

10.2.3 the Licensee shall provide such assistance that may be reasonably required for the Licensors to conduct any claims or proceedings;

assistance that may be required for the Licensors to conduct any claims or

10.2.4 the Licensors shall reimburse the Licensee for any reasonable costs or expenses (including legal fees) incurred by the Licensee in rendering assistance under sub-Clause 10.2.3.

for any reasonable costs or expenses (including legal fees) incurred by the Licensee in rendering

10.2.5 the Licensor shall be
be solely entitled to
such claims or proce

or proceedings and shall
erred from a third party in

11. Confidentiality

11.1 Both the Licensor and the
provided by sub-Clause 11
times during the continuanc
after its termination:

at they shall, except as
writing by the other, at all
ed [for <<insert period>>]

11.1.1 keep confidential all

11.1.2 not disclose any Con

ny other party;

11.1.3 not use any Confide
contemplated by this

y purpose other than as

11.1.4 not make any copies
any Confidential Info

or part with possession of

11.1.5 ensure that (as app
agents or advisers d
a breach of the provi

tors, officers, employees,
ne by that Party, would be
1.1 to 11.1.4.

11.2 Subject to sub-Clause 11
Information to:

disclose any Confidential

11.2.1 any of their sub-cont

11.2.2 any governmental or

tory body; or

11.2.3 any of their employe
sub-Clauses 11.2.1 o

of any party described in

11.3 Disclosure under sub-Claus
necessary for the purposes
law. In each case the discl
Confidential Information is
described in sub-Clause 11.
a body, the disclosing Part
written undertaking from th
confidential and to use it o
made.

only to the extent that is
reement, or as required by
form the recipient that the
the recipient is a body
employee or officer of such
mit to the other Party a
Confidential Information
r which the disclosure is

11.4 Either Party may use any C
it to any other party, where
knowledge through no fault o

r any purpose, or disclose
ation is or becomes public

11.5 When using or disclosing C
disclosing Party must ens
Confidential Information whi

nder sub-Clause 11.4, the
disclose any part of that
e.

11.6 The provisions of this Clau
their terms, notwithstanding

force in accordance with
reement for any reason.

12. Term and Termination

12.1 This Agreement shall come
in force for a period of

e Date and shall continue
(Term”) unless otherwise

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15. **Notices**

15.1 All notices under this Agreement shall be deemed duly given if signed by the Party giving notice to the other Party as appropriate.

15.2 Notices shall be deemed to have been given to the other Party:

15.2.1 when delivered, if delivered by hand or by a messenger (including registered mail) during normal business hours of the recipient; or

15.2.2 when sent, if transmitted by e-mail and a successful transmission report is received; or

15.2.3 on the fifth business day after mailing, if mailed by national ordinary mail, postage prepaid; or

15.2.4 on the tenth business day after mailing, if mailed by airmail, postage prepaid.

15.3 All notices under this Agreement shall be deemed to have been given to the most recent address, e-mail address, or telephone number of the Party to whom notice is directed to the other Party.

16. **Force Majeure**

Neither Party to this Agreement shall be liable for failure or delay in performing its obligations where such failure or delay is caused by a force majeure event that is beyond the control of that Party. Such events are not limited to: power outages, Internet Service Provider outages, storms, earthquakes, acts of terrorism, or any other force majeure event that is beyond the control of that Party.

17. **No Waiver**

The Parties agree that no failure to enforce any provision in this Agreement shall constitute a waiver of any other provision of this Agreement. Such failure shall not constitute a continuing waiver.

18. **Severance**

The Parties agree that, in the event any provision of this Agreement is found to be unenforceable, that / those provisions shall be deemed severed from the remainder of this Agreement. The remainder of this Agreement shall be enforceable.

19. **Law and Jurisdiction**

19.1 This Agreement (including all terms, conditions, and obligations arising therefrom or associated therewith) shall be governed by, and construed in accordance with, the laws of the State of California.

19.2 Any dispute, controversy, or claim arising out of or in connection with this Agreement (including all terms and obligations arising therefrom or associated therewith) shall be resolved by arbitration.

therefrom or associated the
of England and Wales.

the jurisdiction of the courts

IN WITNESS WHEREOF this Agreement
before written

ed the day and year first

SIGNED by
<<Name and Title of person signing for Lic
for and on behalf of <<Licensor's Name>>

In the presence of
<<Name & Address of Witness>>

SIGNED by

<<Name and Title of person signing for Lic
for and on behalf of <<Licensee's Name>>

In the presence of
<<Name & Address of Witness>>



SC

<<insert subject matter>>

<<insert details of the subject matter to be

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Stated Purposes

<<insert details of the Licensee's project / i ct matter>>

