

## PURCHASE ORDER ATTACHMENT IP-004

### PATENT RIGHTS - LICENSE TO SELLER

- I. **SUBJECT INVENTION.** Where used in this Attachment, the expression "Subject Invention" means each invention or discovery, whether or not patentable, conceived and/or first actually reduced to practice in the performance of this order or in the performance of work relating to the subject matter hereof, which was done upon the understanding that an order would be awarded to Seller by Buyer. The term "Subject Invention" includes, but is not limited to, any art, method, process, machine, manufacture, design or composition of matter, or any new and useful improvement thereof which is or may be patentable under the patent laws of the United States of America or any foreign country.
- II. **RIGHTS GRANTED TO BUYER.** The Seller agrees to and does hereby grant to the Buyer all right, title and interest in and to each subject invention made by the Seller, subject to the reservation of a non-exclusive and royalty free license to the Seller. The license shall extend to existing and future associated and affiliated companies, if any, within the corporate structure of which the Seller is a part and shall be assignable to the successor of that part of the Seller's business to which such invention pertains.
- III. **INVENTION DISCLOSURES AND REPORTS.** With respect to subject inventions made by the Seller, except those that are obviously unpatentable under the patent laws of the United States, the Seller shall furnish to the Buyer:
  - (a) A written disclosure of each invention within six (6) months after conception of first actual reduction to practice, whichever occurs first under this order and, in any event, prior to completion of the order. Said disclosure shall be sufficiently complete in technical detail to convey a clear understanding of the nature, purpose, operation, and to the extent known, the physical, chemical or electrical characteristics of the invention to one skilled in the art to which the invention pertains. If, to the best of Seller's knowledge and beliefs, no subject inventions have been conceived and/or first actually reduced to practice under this order, the Seller shall so certify to buyer.
  - (b) Information in writing, as soon as practicable, of the date and identify of any public use, sale, or publication of such invention made by or known to the Seller or of any contemplated publication by the Seller.
  - (c) Upon request, such duly executed instruments and other papers (prepared by the Buyer) as are deemed necessary to vest in the Buyer the rights granted it under this clause and to enable the Buyer to apply for and prosecute any patent application, in any country, covering such invention where the Buyer has a right under this clause to file such application.
- IV. **TECHNICAL ASSISTANCE.** At Buyer's request, Seller shall furnish reasonable additional technical assistance and advice for the preparation and execution of patent application or applications.
- V. **BACKGROUND PATENTS.** The Seller agrees to grant to the Buyer, upon its written request, made within three (3) years subsequent to the completion of this order, an irrevocable, non-exclusive license to practice or have practiced any invention which is not a subject invention, covered by patent now or hereafter owned by the Seller, or under which the Seller has or may acquire the right to grant such a license, which invention is directly incorporated or utilized in any work performed under this order; provided, however, that such license need be granted only to the extent that such practice is reasonably necessary. Any such license shall provide for such practice on fair and reasonable terms to be negotiated between the Seller and the Buyer. In the event that the Seller and buyer are unable, within a reasonable time, to reach agreement as to whether the license should be granted or on the fair and reasonable terms for any such license, the Seller agrees that, pending determination thereof, it will not seek to enjoin the use of such invention by the Buyer.
- VI. **EMPLOYEE AGREEMENTS.** Seller agrees to obtain the necessary agreements with personnel

*The text of this document shall not be changed except by written agreement between Buyer and Seller.*

assigned to this order to enable the grant and/or performance of all the rights and obligations to which Buyer is entitled under this Attachment.

**END OF DOCUMENT**