

Appendix 6: Declaration of VITA Member Company

Section 10 of the *VSO Policies and Procedures* requires the undersigned WG Member⁴ to complete and execute this Declaration on behalf of the VITA Member Company he or she represents. The Declaration is irrevocable. Any subsequent Declaration covering information disclosed in this Declaration may only supersede this Declaration if the subsequent Declaration is less restrictive upon prospective licensees than the information set forth in this Declaration. This Declaration will apply to the Draft VSO Specification⁵ identified below in Section C and to all reaffirmations or revisions to such Draft VSO Specification.

A. VITA Member Company

Legal Name of Organization: Northrop Grumman Systems Corporation acting through its Electronic Systems sector

B. WG Member Representing the VITA Member Company

Name & Department : Michael G. Biemer, Mechanical Engineering Department

Address: 1745A W. Nursery Road MS368, Linthicum, MD 21090

Telephone: 410-993-5585, Fax: 410-981-5792

E-Mail: michael.biemer@ngc.com URL: _____

C. Draft VSO Specification

Number: VITA 48.5

Title: REDI Air Flow Through Cooling Applied to V46

D. Disclosure of Patents Containing Essential Claims

1. In accordance with Section 10 of the *VSO Policies and Procedures*, the undersigned WG Member shall disclose, on behalf of the VITA Member Company he or she represents, all patents or patent applications that the VITA Member Company (or its Affiliates⁶) may own or control and that it believes may contain claims essential to create an implementation compliant with the Draft VSO Specification identified above in Section C of this Declaration.

⁴ For purposes of this Declaration, "WG Member" includes all three levels of membership described in Section 7.1.4 of the *VSO Policies and Procedures*: sponsors, participants, and observers.

⁵ For purposes of this Declaration, "Draft VSO Specification" includes any eventual standard developed and adopted under Track 1 or Track 2 in Section 7.2 of the *VSO Policies and Procedures* as an IEC Industry Technical Agreement, a VSO or VITA Specification, or an American National Standard.

⁶ For purposes of this Declaration, an "Affiliate" is any entity that directly or indirectly controls, is controlled by, or is under common control with, another entity, so long as such control exists. For purposes of this definition, with respect to a business entity, control means direct or indirect beneficial ownership of or the right to exercise (i) greater than fifty percent (50%) of the voting stock or equity in an entity; or (ii) greater than fifty percent (50%) of the ownership interest representing the right to make the decisions for the subject entity in the event that there is no voting stock or equity.

VSO Policies & Procedures –Revision 2.3

Patent/Application No.: 61034300, Filed March 6, 2008Title: Ruggedized, Self Aligning, Sliding Air Seal for Removable Electronic Unit

Patent/Application No.: _____

Title: _____

Patent/Application No.: _____

Title: _____

Attach additional pages if necessary.

2. Does the VITA Member Company the undersigned represents hold a license from another party to a patent that may include a claim essential to create an implementation compliant with the Draft VSO Specification identified above in Section C of this Declaration?

Yes No

If yes, the undersigned shall disclose on behalf of the VITA Member Company all patents to which the VITA Member Company holds a license from another party that may include a claim essential to create an implementation compliant with the Draft VSO Specification identified above in Section C.

Patent No.: _____

Title: _____

Licensor: _____

*Attach additional pages if necessary.***E. VITA Member Company's Declaration regarding the Licensing of Essential Patents**

In accordance with Section 10 of the *VSO Policies and Procedures*, the VITA Member Company, by and through the undersigned, hereby declares for itself, its Affiliates, successors, assigns, and transferees of its patent rights its licensing position with respect to all patents that it may hold or control and that contain claims that may be essential to create an implementation compliant with the Draft VSO Specification identified above in Section C of this Declaration, as follows:

1. The VITA Member Company will grant to all interested parties a nonexclusive, worldwide, nonsublicensable (except to the extent necessary "to have made"), perpetual patent license (or equivalent non-assertion covenant) for its patent claims essential to create an implementation compliant with the above-referenced Draft VSO Specification on fair, reasonable and non-discriminatory terms to use, make, have made, market, import, offer to sell, and sell, and to otherwise directly or indirectly distribute products that implement the Draft VSO Specification. (The

license need only extend to the portions of the Draft VSO Specification for which the license is essential to its implementation. Any other intended condition or limitation on this commitment is stated in a letter accompanying this Declaration.)

2. The VITA Member Company will grant a license to all such claims to all interested parties with a royalty rate that will not exceed: USD \$ _____, or 0.5% of product price, per unit.
3. **X** The VITA Member Company attaches to this Declaration a draft licensing agreement for any claims essential to create an implementation compliant with the Draft VSO Specification identified above in Section C (the final licensing agreement will not be more restrictive upon licensees than this draft); or
- The VITA Member Company will not include in its final licensing agreement for all claims essential to create an implementation compliant with the Draft VSO Specification identified above in Section C a grantback, reciprocal license, non-assert provision, covenant not to sue, or defensive suspension provision that is broader and more restrictive upon prospective licensees than those specified in Section 10 of the current *VSO Policies and Procedures*.

F. Signature

By signing this Declaration, the undersigned represents that he or she is authorized to bind the VITA Member Company as stated herein. The undersigned acknowledges and agrees that this Declaration is a binding agreement between the VITA Member Company and VITA, and its terms are enforceable against the VITA Member Company, its Affiliates, successors, assigns, and transferees. The undersigned further acknowledges and agrees on behalf of the VITA Member Company that each licensee and prospective licensee of patent claims essential to implement the Draft VSO Specification identified above in Section C is an intended beneficiary of this agreement, and each such beneficiary is entitled to rely upon and enforce against the VITA Member Company the provisions set forth in this Declaration.

Signature: _____

Print Name: Susan E. Murphy

Title: Senior Contracts Advisor

Organization: Northrop Grumman Systems Corporation, Electronic Systems

Date: 08 April 2008

NORTHROP GRUMMAN



PATENT LICENSE AGREEMENT

BETWEEN

NORTHROP GRUMMAN SYSTEMS CORPORATION

AND

COMPANY NAME

Reference: VMEbus Technology

TABLE OF CONTENTS

	Page
1. DEFINITIONS	2
2. ORIGIN OF LICENSED SUBJECT MATTER.....	4
3. GRANT	4
4. DELIVERY/ TECHNICAL SUPPORT/LICENSEE OBLIGATIONS.....	5
5. ROYALTY/FEEES, RECORDS AND REPORTS	6
6. WARRANTIES AND LIABILITIES.....	7
7. INTELLECTUAL PROPERTY INDEMNITY	8
8. DURATION AND TERMINATION.....	9
9. FORCE MAJEURE.....	10
10. COMPLIANCE WITH LAWS.....	10
11. TAXES	10
12. NEWS RELEASES.....	11
13. TRADEMARKS AND NAMES.....	12
14. RELATIONSHIP BETWEEN PARTIES	12
15. WAIVER OF RIGHTS.....	12
16. SEVERABILITY AND INVALIDITY	12
17. CONSTRUCTION AND VENUE	12
18. REMEDIES/SPECIFIC PERFORMANCE.....	13
19. AMENDMENT	13
20. NOTICE.....	13
21. ASSIGNMENT.....	14
22. GOVERNMENT APPROVAL.....	14
23. NO STRICT CONSTRUCTION.....	14
24. LEGAL COSTS	14
25. NO REQUIREMENT TO IMPLEMENT	15
26. MARKING	15
27. COMPLETE AND EXCLUSIVE AGREEMENT	15
APPENDIX A – LICENSED PATENTS	17
APPENDIX B – FEES	18
APPENDIX C – REPORT FORMAT.....	20

Patent License Agreement

THIS LICENSE AGREEMENT (the “Agreement”) is entered into and made effective as of the date of the last signature below (the “Effective Date”), by and between Northrop Grumman Systems Corporation, by and through its Electronic Systems sector (hereinafter referred to as “NORTHROP” or “LICENSOR”) and the individual or entity signing below (hereinafter referred to as “LICENSEE”), either or both of which may be referred to as a “Party” or the “Parties”. This is an offer to be accepted only on the terms set forth in this Agreement. If changes are made to this Agreement, the offer is revoked.

WHEREAS, LICENSOR has special expertise in and has designed, developed, purchased, configured or otherwise acquired certain know-how, technical data and patents relating to technology referred to as its “VMEbus Technology”; and

WHEREAS, LICENSOR wishes to encourage widespread adoption, implementation and extension of its VMEbus Technology as claimed in one (1) or more Licensed Patents (as defined hereunder) in accordance with the principles and practices of the VMEbus International Trade Organization (“VITA”), under fair reasonable and non-discriminatory (“FRAND”) licensing terms; and

WHEREAS, LICENSEE is interested and desirous in securing a license to use the Licensed Patents to make, use, sell, offer to sell, lease and otherwise dispose of or promote products or components for specified fields of use, and LICENSOR is willing to grant a license to LICENSEE for such use upon the terms and conditions as herein further defined, permitted, conditioned and restricted, and whereas LICENSEE understands and acknowledges that licenses from other third parties may also be required to implement LICENSOR’s claimed VMEbus Technology;

WHEREAS, LICENSOR hereby makes it known to LICENSEE that LICENSOR may have or develop at a later date other know-how or technical data unrelated to the Licensed Patents which may be useful for LICENSEE in implementing LICENSOR’s VMEbus Technology and that LICENSOR is willing, if LICENSEE is interested, to license such unrelated information to LICENSEE under a separate agreement to be negotiated by the Parties;

NOW, THEREFORE, in consideration of the inducements contained in the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of covenants and obligations hereinafter set forth, the Parties do hereby mutually agree to be bound by the terms and conditions as follows:

1. DEFINITIONS

- 1.1 “Affiliate” shall mean any entity that is directly or indirectly controlled by, under common control with or that controls the subject Party. The term “Affiliate” includes those entities that may exist from time to time (including but not limited to a corporation, association, joint venture, partnership, trust, limited liability company, sector, division, group or business unit) which is either (a) more than fifty percent (50%) owned by the subject Party’s parent organization, or (b) controlled by its Parent by virtue of direct or indirect ownership of more than fifty percent (50%) or more of its voting stock or other ownership interests.
- 1.2 “Domestic Income Taxes” shall mean net income Taxes imposed on LICENSOR under Subtitle A of the Internal Revenue Code of 1986, as amended, and net income Taxes imposed on LICENSOR under the laws of the District of Columbia or any state or local government within the United States of America other than any such Tax imposed by any such state with which LICENSOR does not have nexus for purposes of such state's Domestic Income Tax as of the date of this Agreement.
- 1.3 “Effective Date” shall mean the date that this Agreement, fully executed by LICENSEE is received without any changes by NORTHROP.
- 1.4 “End User” shall mean a third party customer who purchases, or otherwise has access to a Licensed Product, for such customer’s own use, and not for further resale, sublicense or distribution.
- 1.5 “Enhancements” shall mean any change, including all supplements, modifications, improvements, adaptations, modifications, alterations, extensions, derivative works, or further developments, including an engineering or value engineering change, made or proposed to be made to LICENSOR’s VMEbus Technology, whether made, separately, jointly, or in any combination thereof, by LICENSOR, LICENSEE, or a third party, including *inter alia*, any change to the design, configuration, methods of manufacture or assembly, inspection, testing or packaging and storage thereof, or to LICENSOR’s VMEbus Technology with respect thereto.
- 1.6 “Gross Selling Price” for the purpose of computing the royalty under this Agreement shall mean LICENSEE's catalog or published sales price, f.o.b. factory, before deduction of any sales, delivery or promotional expenses, including but not limited to freight allowances, cash discounts, and agents' commissions.
- 1.7 “Intellectual Property” shall mean, for the purposes of this Agreement, intangibles such as, but not limited to, information (including know-how), inventions,

discoveries, works of authorship, software (including source code), drawings, and designs.

- 1.8 “Intellectual Property Right(s)” shall mean any or all of the world-wide legal rights for the Intellectual Property based on statute or common law and includes, by way of example, patents, trademarks, copyrights, mask works for semiconductor chip designs, and trade secrets.
- 1.9 “Licensed Patents” shall mean, either singularly or in the plural, the patent(s) or patent application(s) identified and listed in Appendix A – Licensed Patents, and all continuation, divisional and reissue patents thereof, or reexamination certificates granted thereon.
- 1.10 “Licensed Products” shall mean any item, component or article (collectively, “products”), including products consisting of the frame (or replacement frames) of certain electronics modules, as well as the electronics module(s) themselves, Made, Used, or Sold covered by any claim of a Licensed Patent(s).
- 1.11 “Licensed Territory” shall mean the U.S., its territories thereof, and all countries of the world (except those countries where the Sale of Licensed Products is prohibited by law).
- 1.12 “Make” or “Made” shall mean manufactured, combined, created, constructed, built, assembled, replaced, produced, processed, acquired, or the like.
- 1.13 “Other Taxes” shall mean any Taxes other than Domestic Income Taxes.
- 1.14 “Sale(s)”, “Sell” or “Sold” shall mean to sell, offer for sale, Use, ship, distribute, deliver, invoice, offer for sale, lease, transfer or have sold, Used, leased, shipped, delivered, invoiced, distributed, transferred or otherwise disposed of, in performance of a sales contract or otherwise, or to retain for Use by LICENSEE or its Affiliates.
- 1.15 “Tax Return” shall mean any return, declaration, report, claim for refund, information return or statement that relates to any Tax, including any schedule or attachment thereto and any amendment thereof.
- 1.16 “Taxes” shall mean (whether or not disputed) taxes of any kind, levies or other assessments, import duties, export duties, imposts, charges, fees, including but not limited to: (a) all federal, state, local or foreign taxes, including all income, profits, capital gains, receipts, corporate franchise, net worth, sales, use, value added, property, ad valor, value-added, intangible, unitary, transfer, stamp, documentation, documentary, license, payroll, employment, estimated, excise, environmental, occupation, premium, property, recording, registration, remittance,

customs, duties, tariffs, severance, windfall profits, franchise, license, withholding, social security, unemployment, disability, alternative or add-on minimum, recapture or other taxes, levies, fees or assessments together with any interest and any penalties, fines, additions to tax, and additional amounts with respect thereto; (b) any liability for payment of amounts described in clause (a) as a result of transferee liability, or being a member of an affiliated, combined, consolidated or other group for any period, or otherwise through operation of law; and (c) any liability for payment of amounts described in clauses (a) or (b) as a result of any tax sharing, tax indemnity or tax allocation agreement or any other express or implied agreement or any practice, policy or arrangement of indemnifying to indemnify any other person for taxes or any other amount described above.

- 1.17 “Taxing Authority” shall mean any administrator, agency, authority or instrumentality of any country or nation (including the United States of America), any subdivision thereof (including any federal, state, county or municipal government), any international organization, or any confederation of any of the foregoing (including without limitation the European Union).
- 1.18 “Use” shall mean any use, reproduction, performance, display, or other utilization of LICENSOR’s claimed VMEbus Technology as set forth in the Licensed Patents and as incorporated into Licensed Products by LICENSEE or LICENSEE’s third party customer within the Field of Use in the Licensed Territory.
- 1.19 “VMEbus Patent Licensee” shall mean any entity that fully executes this Agreement without modification and returns the executed Agreement to NORTHROP.

2. ORIGIN OF LICENSED SUBJECT MATTER

The Parties expressly agree that the Licensed Patents has been or may be utilized in one or more programs between the United States Government and LICENSOR, and for which or to which LICENSOR may have or may grant to the United States Government certain rights, permissions, or licenses, including unlimited rights. In the event of any granting of rights to the United States Government, LICENSOR shall so notify VITA in writing. LICENSOR shall retain an ownership interest in the Licensed Patents, and it is from such retained ownership interest that LICENSOR licenses such Licensed Patents to LICENSEE.

3. GRANT

- 3.1 Conditioned upon and subject to the terms of this Agreement, LICENSOR hereby grants to LICENSEE and LICENSEE hereby accepts from LICENSOR, a nonexclusive, non-transferable, personal, revocable, indivisible, royalty bearing

right and license, with no right to sublicense, to use the Licensed Patents (i.e., LICENSOR's claimed VMEbus Technology) to Make, Use and Sell Licensed Products in the Licensed Field of Use in the Licensed Territory.

- 3.2 Notwithstanding anything herein to the contrary, LICENSOR shall, at all times, and without limitation, have the right to use the Licensed Patents (i.e., LICENSOR's claimed VMEbus Technology) to Make, Use and Sell Licensed Products, and grant others the right to do so, throughout the world for any purpose.
- 3.3 No title to or ownership of the Licensed Patents, is transferred to LICENSEE as a result of this license or otherwise. LICENSEE acknowledges that title and full ownership rights to the Licensed Patents, i.e., to LICENSOR's claimed VMEbus Technology, remain the sole and exclusive property of LICENSOR.
- 3.4 The license granted to LICENSEE under this Agreement does not include the right of LICENSEE to make Enhancements to LICENSOR's VMEbus Technology.
- 3.5 For clarification, this Agreement does not impose any obligation on LICENSEE to require the recipients of Licensed Products to accept this or any other agreement with NORTHROP. LICENSEE's End Users may Use the Licensed Products, received directly or indirectly from LICENSEE, without executing this Agreement. This Agreement will be available to all parties without prejudice.

4. DELIVERY/ TECHNICAL SUPPORT/LICENSEE OBLIGATIONS

- 4.1 Delivery. LICENSOR hereby delivers to LICENSEE a single copy of the Licensed Patents, as set forth in Appendix A – Licensed Patents. The delivery of such items will be by electronic means.
- 4.2 No Further Obligations. Except for delivery of materials as provided in Section 4.1 above, or for Technical Support that may be provided to LICENSEE by LICENSOR under a separate time and material contract as set forth in Section 4.3 below, LICENSOR shall have no other, further or continuing obligations to LICENSEE under this Agreement. It is expressly understood and agreed that any other items, programs, components, versions or improvements (including LICENSOR's own Enhancements), which may or may not have been discussed by the Parties, or which may be created at a later date, but which are not expressly claimed in the Licensed Patents are not included within the scope of this Agreement.
- 4.3 Technical Support. If additional training, technical assistance or logistics support (collectively, "Technical Support") is required by LICENSEE to successfully

implement and use the Licensed Patents in its manufacturing processes, LICENSEE may issue one (1) or more purchase orders (“Purchase Orders”) to LICENSOR on a time and material basis to procure such Technical Support. Such Technical Support may be provided on-site, by telephone, by facsimile or electronic mail. The prices and terms of such separate Purchase Orders shall be determined by mutual agreement between the Parties at a later date. LICENSOR shall have the right to select the times during which such Technical Support shall be provided to LICENSEE and will provide notice of its intended date (“Date”) to provide such Technical Support to LICENSEE; all such requests and Dates, however, shall be subject to the need of LICENSOR to attend to its other business activities. All Purchase Orders shall require that LICENSOR’s employee travel costs, including transportation, housing, meals, and travel time, be reimbursable.

- 4.4 Product Liability Insurance. LICENSEE agrees to obtain and keep in force, at its own expense, product liability insurance with respect to the Licensed Products (or other appropriate insurance coverage appropriate to the risks involved in marketing Licensed Products) in each country in which LICENSEE shall test or sell Licensed Products, and will annually (i.e., on each anniversary of this Agreement) present evidence to LICENSOR that such coverage is being maintained.

5. ROYALTY/FEEES, RECORDS AND REPORTS

- 5.1 Payments to LICENSOR will be made in accordance with the conditions set forth in Appendix B – Fees. For the avoidance of doubt, the obligation to pay royalties shall arise from the issue date of any Licensed Patent having claims covering the Licensed Products Made (i.e., manufactured), Used or Sold by the LICENSEE.
- 5.2 Within thirty (30) days after the issuance of any Licensed Patent having claims covering Licensed Products and quarterly thereafter, on the last days of January, April, July, and October of each year during the remaining term of this Agreement, LICENSEE shall render written reports (in a format similar to that shown in Appendix C – Report Format) to LICENSOR stating the quantities of all Licensed Products Made, Used, or Sold by LICENSEE during the preceding calendar quarter. Each such report shall be accompanied by remittance in full covering the royalties shown thereby to be due LICENSOR. If no Licensed Products are Made, Used or Sold during a given period, a “No Sales” report shall be submitted. If, in contravention of the provisions of Section 3, LICENSEE makes Enhancements to LICENSOR’s claimed VMEbus Technology during any prior calendar quarter, LICENSEE shall document such Enhancements in the quarterly report.
- 5.3 LICENSEE shall keep accurate records and books of account showing the quantities of units of Licensed Products Made, Used, or Sold. All records and

accounts shall be available for inspection and audit by LICENSOR (or its representative) at any time or times during the term of this Agreement, and for at least three (3) years thereafter during reasonable business hours and upon reasonable notice by LICENSOR. During such inspection and audits, LICENSOR (or its representative) shall have the right to take, extract and/or make copies of LICENSEE's records pertaining only to the Agreement as it deems necessary.

- 5.4 If an audit of LICENSEE's records determines that there is a shortfall of two percent (2%) or more in royalties reported for any royalty payment period, LICENSEE shall upon request from LICENSOR reimburse LICENSOR for the full out-of-pocket costs of the audit, including the costs of employee auditors for travel time during normal working hours and actual working time. LICENSEE shall also pay to LICENSOR any additional sum that would have been payable to LICENSOR had the LICENSEE reported correctly, plus interest in accordance with Appendix B – Fees.

6. WARRANTIES AND LIABILITIES

- 6.1 LICENSOR furnishes the Licensed Patents, and LICENSEE agrees to and does accept same, on a strictly “as is” basis. LICENSEE hereby acknowledges that it has not relied upon any representations, warranties, or guarantees of LICENSOR in determining whether to enter into this Agreement.
- 6.2 LICENSOR DOES NOT GUARANTEE OR WARRANT THE LICENSED PATENTS, LICENSED KNOW-HOW, LICENSED TECHNICAL DATA, OR THE LICENSED PRODUCTS, OR THE VALIDITY, SCOPE OR ENFORCEABILITY OF THE LICENSED PATENTS, OR THE PERFORMANCE OF THE LICENSED KNOW-HOW, LICENSED TECHNICAL DATA, OR LICENSED PRODUCTS IN ANY FASHION, NOR DOES LICENSOR MAKE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE CONTENT, ACCURACY, SUFFICIENCY, SUITABILITY, OR ADEQUACY OF THE LICENSED PATENTS, LICENSED KNOW-HOW, LICENSED TECHNICAL DATA, OR LICENSED PRODUCTS, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR FOR INTENDED USE, OR NONINFRINGEMENT, AND LICENSEE BY ITS EXECUTION OF THIS AGREEMENT ASSUMES ALL SUCH RESPONSIBILITY AND OBLIGATIONS IN THESE REGARDS.
- 6.3 LICENSOR shall have no liability to LICENSEE for any loss, cost, claim, remedy, suit, action, damages and/or liability (“Injury”) by agents or employees of LICENSEE or a third party under any cause of action arising out of, resulting from or in any way connected with this Agreement, or the use of the Licensed

Patents or the Licensed Products by LICENSEE, its agents, employees, affiliates, transferees, and obliges including, but not limited to the United States Government, whether in contract, tort or otherwise including, but not limited to third party bodily injury or property damage claims based on products liability, strict liability or negligence, errors or omissions (including both active or passive negligence of LICENSOR), or for negligence concerning any defects, bugs or deficiencies or lack thereof of any nature in the Licensed Patents or the Licensed Products (“Agreement Cause of Action”).

- 6.4 LICENSEE agrees to indemnify, defend and hold LICENSOR harmless from any Injury under any Agreement Cause of Action, including the cost of defending any such Agreement Cause of Action, regardless of the cause of such Injury.
- 6.5 LICENSOR shall not be liable to LICENSEE for any special, indirect, incidental or consequential loss or damage including, without limitation, any punitive damages arising out of or in connection with this Agreement. LICENSOR's warranty obligations and LICENSEE's remedies hereunder are solely and exclusively as stated herein.
- 6.6 LICENSEE waives any claims or counterclaims it may have, make or assert against LICENSOR arising out of or in any manner connected with or related to the subject matter of this Agreement.

7. INTELLECTUAL PROPERTY INDEMNITY

- 7.1 LICENSOR makes no representation or warranty that use of the Licensed Patents to manufacture, Use, or Sale of Licensed Products hereunder, does not, and will not, infringe any United States or foreign patents, mask works, trade secrets, copyrights or other intellectual property rights covering all or any part of the Licensed Products, or the manufacture, Use, or Sale of the Licensed Products. LICENSEE agrees to defend at its own expense, any claim, suit or alleged infringements against LICENSEE arising out of LICENSEE's use of the Licensed Patents to manufacture, Use, or Sale Licensed Products as provided in this Agreement, and to pay all awards, damages, judgments, and costs arising out of such suits, claims or allegations respecting infringements of any United States or foreign intellectual property rights covering all or any part thereof of the Licensed Products (including all improvements, updates and Enhancements thereto), or their manufacture, Use, or Sale. LICENSEE further agrees that in the event of such suit or claim, LICENSEE will not seek indemnification from LICENSOR. LICENSEE shall nevertheless promptly notify LICENSOR of such claim, suit or alleged infringement, and LICENSOR shall have the right but no obligation, at its sole option, to be present in such action represented by its own counsel at its own expense.

- 7.2 In case the Licensed Products or any parts thereof are held to constitute an infringement and use thereof is enjoined, LICENSEE may by its own election and at its own expense, either: (a) procure the right to continue using the Licensed Products or any parts thereof; or (b) cease use of the Licensed Patent to manufacture, Use, or Sale Licensed Products or any parts thereof. The license grants do not include a release for any infringement occurring prior to the Effective Date.
- 7.3 If LICENSOR or any of its Affiliates, or LICENSEE or any of its Affiliates, are first sued for patent infringement (the “sued Party”) by the other Party hereto or any of its Affiliates, on account of the manufacture, Use, Sale or promotion of the sued Party’s Licensed Products, or LICENSEE’s VMEbus Developments, as applicable, then the sued Party may terminate all license grants and any other rights provided under this Agreement to such entity and such entity’s Affiliates. The foregoing shall not apply if the patent infringement suit that would otherwise trigger this clause is solely based on the sued Party’s Licensed Products, or LICENSEE’s VMEbus Developments, as applicable, not complying with the scope of the license grants set forth hereunder. For clarification, each Party reserves the right to use its Claims licensed pursuant to this Agreement defensively against any person or entity other than a Party to this Agreement or such Party’s Affiliates that first bring a patent infringement suit against such Party.

8. DURATION AND TERMINATION

- 8.1 The term of this Agreement and the License granted hereunder shall commence on the Effective Date and shall continue until the last of NORTHROP’s and LICENSEE’s Claims to expire.
- 8.2 LICENSOR shall have the right to terminate this Agreement and the licenses herein granted at any time if: (a) at any time LICENSEE shall be in default in making payments hereunder at the time and in the manner herein provided; or (b) LICENSEE shall be in default in observing or performing any other term or condition herein, for a period of thirty (30) days after LICENSOR provides written notice to LICENSEE.
- 8.3 LICENSEE shall within thirty (30) days after termination or expiration of this Agreement, deliver to LICENSOR a final statement certifying the number and description of Licensed Products on hand or in process of manufacture. LICENSOR shall also have the right to conduct a physical inventory in order to ascertain such inventory or verify such statement.
- 8.4 Provided all sums due to LICENSOR have first been paid, and all statements due have been furnished, after expiration or termination of this Agreement,

LICENSEE may continue to exercise the license(s) granted herein to complete the Use, or Sale of any Licensed Products then manufactured or being manufactured by LICENSEE at the date of expiration or termination, said right of disposal not to exceed one hundred eighty (180) days. Expiration or termination of this Agreement, however, shall not relieve LICENSEE of its obligations to make reports and payments for activities that occurred prior to expiration or termination of the Agreement.

9. FORCE MAJEURE

Each Party shall be excused for failures or delays in performance caused by war between the country of such Party's domicile and any other country, civil war, riots or insurrections in such Party's country, any laws, proclamations, ordinances, or regulations of the government of such Party, except that no Party shall be excused for failure or delay in making any payment of money. This provision shall not, however, release such Party from using its best efforts to avoid or remove such causes, and such Party shall continue performance hereunder with the utmost dispatch whenever such cause for failure or delay in performance has terminated.

10. COMPLIANCE WITH LAWS

LICENSEE warrants and represents that it will comply with all laws, regulations, ordinances, governments, standards and the like applicable to its activities under this Agreement or to the manufacture, Sale, promotion and advertisement of the Licensed Products, and agrees to indemnify and hold LICENSOR harmless with regard to LICENSEE's non-compliance of the same.

11. TAXES

11.1 LICENSOR shall be responsible for the payment of Domestic Income Taxes imposed on LICENSOR with respect to royalties, fees, compensation and other payments made to LICENSOR by LICENSEE pursuant to this Agreement. LICENSEE shall pay, indemnify, and hold LICENSOR harmless from all Other Taxes, howsoever imposed, whether levied, assessed, asserted, collected or claimed by any Taxing Authority against LICENSOR with regard to this Agreement, any royalties, fees, compensation or other payments thereunder, or any act or omission of LICENSOR or LICENSEE pursuant to this Agreement, or otherwise imposed, levied, assessed, asserted, collected or claimed, and LICENSOR shall not be liable for any Other Taxes by reason of any of the foregoing. LICENSEE shall pay to LICENSOR, or to the relevant Taxing Authority if requested to by LICENSOR or required by such Taxing Authority, all Other Taxes when due and in any event within five (5) days after receipt of notice from LICENSOR or the relevant Taxing Authority that such a payment has been requested or is due. LICENSEE shall provide immediate written notice to

LICENSOR of any amounts paid by LICENSEE directly to any Taxing Authority in accordance with the foregoing, together with appropriate receipts of payment or other proof thereof.

- 11.2 The payment to LICENSOR of the royalties, fees, compensation, or other payments provided for in this Agreement shall be made free and clear of any Other Taxes or any withholding, deduction or offset in respect thereof, and shall be made together with such additional payment as may be required, if any, to hold LICENSOR harmless from any Domestic Income Taxes imposed as a result of LICENSEE's obligations hereunder in respect of Other Taxes (including any such additional payment or obligation to make such additional payment). The payment of any Taxes levied upon or withheld from royalties, fees, compensations, or other payments due to LICENSOR and the filing of any Tax Returns with respect thereto shall be the responsibility of LICENSEE, who shall be liable to LICENSOR with respect to any amounts, fines, or penalties arising out of or resulting from any failure, delay, or error in discharging the aforesaid obligation; *provided, however:* (a) LICENSOR and LICENSEE each shall be solely responsible for the filing of its own Tax Returns for Domestic Income Taxes (for example, United States Internal Revenue Service Form 1120); (b) LICENSEE shall be solely responsible for the payment of Domestic Income Taxes imposed on LICENSEE; (c) LICENSOR shall be solely responsible for the payment of Domestic Income Taxes imposed on LICENSOR that are not required by applicable law to be withheld by LICENSEE from royalties, fees, compensation, or other payments provided for in this Agreement; and (d) LICENSEE shall provide LICENSOR immediate notice of any requirement of applicable law or any demand that LICENSEE withhold any Taxes from royalties, fees, compensation, or other payments provided for in this Agreement, and LICENSEE shall cooperate with LICENSOR as LICENSOR may reasonably request to avoid any such withholding requirement as permitted by applicable law (such as, for example and not by way of limitation, LICENSOR providing to LICENSEE such certifications, affidavits or other instruments as will relieve LICENSEE of such withholding requirement or LICENSOR obtaining from the relevant taxing authority an exemption from such withholding requirement).

12. NEWS RELEASES

- 12.1 LICENSEE hereby acknowledges the fact, that by executing this Agreement, it becomes a VMEbus Patent Licensee and that such information is not confidential. Either Party may make public announcements regarding LICENSEE's execution of this Agreement (e.g., listing LICENSEE as a VMEbus Patent Licensee on a website).
- 12.2 The Parties hereby agree that, without the prior written approval of LICENSOR: (a) LICENSEE may market, advertise, or otherwise promote the Sale of Licensed

Products; (b) this Agreement and the terms thereof may be made known to the U.S. Government by a Party; and (c) any material financial disclosures required pursuant to law or regulation may be promptly made by a Party.

13. TRADEMARKS AND NAMES

It is expressly understood that LICENSOR does not grant to LICENSEE any right to use the trade names of "NORTHROP," "NORTHROP GRUMMAN" or any other trademarks, logos, service marks, or trade names, registered or non-registered of LICENSOR, and LICENSEE agrees that it will not use the trade names, trademarks, logos, or service marks or trade names of LICENSOR without prior written approval from LICENSOR with any Licensed Product.

14. RELATIONSHIP BETWEEN PARTIES

This Agreement shall not create a joint venture, teaming arrangement, partnership or agency relationship between the Parties.

15. WAIVER OF RIGHTS

The failure of LICENSOR to enforce or insist on strict performance of any of the terms, conditions or provisions of this Agreement shall not be construed as a waiver of the right to assert or rely upon any such term, condition, or provision on any future occasion.

16. SEVERABILITY AND INVALIDITY

Notwithstanding anything to the contrary in this Agreement, each term of this Agreement is severable. The invalidity in whole or in part of any portion of this Agreement shall not affect the validity of the remaining portions.

17. CONSTRUCTION AND VENUE

This Agreement shall be interpreted and construed; its performance and any dispute arising hereunder shall be governed, in all respects by the substantive and procedural laws and judicial decisions of the State of California and the United States of America, except however that the California choice of law provisions shall not apply. The Parties agree that the exclusive venue for any action brought to enforce and/or interpret the provisions of this Agreement shall lie in the Superior Courts of the County of Los Angeles, State of California, or in the United States District Court, Central District of California, United States of America.

18. REMEDIES/SPECIFIC PERFORMANCE

LICENSEE acknowledges that the remedies available to LICENSOR with respect to this Agreement, including those available at law, may be inadequate in the event of any breach by LICENSEE of any of its obligations under this Agreement. Accordingly, the Parties agree that LICENSOR shall be entitled not only to damages for any breach of this Agreement by LICENSEE, but that the rights of LICENSOR hereunder shall also be specifically enforceable by a decree for specific performance or by an injunction against any violation of the terms of this Agreement by a court of competent jurisdiction.

19. AMENDMENT

This Agreement may be amended or modified only by an instrument in writing signed by duly authorized representatives of the respective Parties hereto.

20. NOTICE

Any notice pursuant to this Agreement shall be directed by one Party to the other at the address specified below or at such other address of which either Party may notify the other in writing:

For LICENSOR:

NORTHROP GRUMMAN SYSTEMS CORPORATION
Electronic Systems sector
1745A West Nursery Road
Linthicum, Maryland 21090 USA
Attention: Contracts Management
Telephone:
Facsimile:
Email:

With copies to:

NORTHROP GRUMMAN SYSTEMS CORPORATION
1840 Century Park East
Los Angeles, CA 90067 USA
Attention: Intellectual Asset Management
Email: ip.licensing@ngc.com

For LICENSEE:

COMPANY NAME

Business Unit
Street Address
City, State ZIP Country
Attention:
Telephone:
Facsimile:
Email:

21. ASSIGNMENT

LICENSEE may assign this Agreement, and any rights or obligations hereunder, whether by operation of contract, law or otherwise, provided that the assignee first agrees in writing to the terms and conditions of this Agreement. Any attempted assignment, transfer, or encumbrances of this Agreement by LICENSEE, or of any of the rights or licenses granted hereunder, in violation of this Section 21, shall be void and without any legal force or effect. LICENSOR shall have the right to assign this Agreement without the prior consent of or notice to LICENSEE.

22. GOVERNMENT APPROVAL

LICENSOR makes no representation that the manufacture, Use, or Sale of Licensed Products are or are not subject to United States or foreign government licensing requirements or restrictions on use, disclosure or transfer, including restrictions on use based on any rights that may be vested in the United States Government in the Licensed Patents, and rights shall be as disclosed to VITA in accordance with Section 2 of this Agreement. LICENSEE agrees that it will independently, and at its expense, obtain any necessary licenses or other authorizations. LICENSEE agrees that it will comply with all applicable sanctions, embargos, and export/import laws, including all International Traffic in Arms (“ITAR”) Regulations and United States Export Administration Regulations (“EAR”), and will not export or transfer the Licensed Products, or any other technical data pertaining thereto, to an unauthorized person or to any country for which any government agency requires a license or other approval.

23. NO STRICT CONSTRUCTION

The language used in this Agreement shall be deemed to be the language chosen by the Parties hereto to express their mutual intent, and no rule of strict construction will be applied against either Party.

24. LEGAL COSTS

In the event of any dispute under this Agreement, or if it is necessary for either Party to bring legal action to enforce its rights under this Agreement, the prevailing Party in any

such dispute or legal action or other proceeding shall be entitled to recover from the other Party its reasonable costs, attorneys fees and expenses including any legal fees and expert witness fees.

25. NO REQUIREMENT TO IMPLEMENT

Nothing in this Agreement shall be construed as requiring LICENSEE to manufacture, Make, Use and Sell Licensed Products, or limit the Parties from competing in any way without infringing each others' Intellectual Property, including engaging in activities, independently or with others, that may be deemed to be competitive with Licensed Products.

26. MARKING

26.1 LICENSEE shall place in a conspicuous location on all Licensed Products that utilize Licensed Patents a patent notice identifying the Licensed Patents in accordance with 35 U.S.C. § 287.

26.2 The markings required by this Section 26 shall not be required where prohibited by law or, in the case where the customer or End User is the United States Government, if requested by such customer.

27. COMPLETE AND EXCLUSIVE AGREEMENT

EACH PARTY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS. THE PARTIES AGREE THAT THIS AGREEMENT, INCLUDING APPENDICES HERETO WHICH ARE OR BECOME INCORPORATED HEREIN BY REFERENCE, AND ANY WRITTEN MODIFICATIONS MADE PURSUANT TO IT CONSTITUTE THE COMPLETE AND EXCLUSIVE EXPRESSION OF THE TERMS OF THE AGREEMENT BETWEEN THE PARTIES, AND SUPERSEDE ALL PRIOR OR CONTEMPORANEOUS PROPOSALS, ORAL OR WRITTEN, UNDERSTANDINGS, REPRESENTATIONS, CONDITIONS, WARRANTIES, COVENANTS, AND ALL OTHER COMMUNICATIONS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT. THE PARTIES FURTHER AGREE THAT THIS AGREEMENT MAY NOT IN ANY WAY BE EXPLAINED OR SUPPLEMENTED BY A PRIOR OR EXISTING COURSE OF DEALING BETWEEN THE PARTIES, BY ANY USAGE OF TRADE OR CUSTOM, OR BY ANY PRIOR PERFORMANCE BETWEEN THE PARTIES PURSUANT TO THIS AGREEMENT OR OTHERWISE.

[SIGNATURES APPEAR ON NEXT PAGE]

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in duplicate by their duly authorized representatives:

NORTHROP GRUMMAN SYSTEMS CORPORATION

Electronic Systems sector

COMPANY NAME

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Authorized Representative

Authorized Representative

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX A – LICENSED PATENTS

The term “Licensed Patents” means that matter defined in Section 1 of this Agreement and which is as set forth below:

A. United States Patents

<u>Number</u>	<u>Issue Date</u>	<u>Title</u>
<i>Reserved.</i>		

B. United States Patent Applications

<u>Number</u>	<u>Filing Date</u>	<u>Title</u>
61034300	March 6, 2008	Ruggedized, Self Aligning, Sliding Air Seal for Removable Electronic Unit

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APPENDIX B – FEES

LICENSEE agrees to pay to LICENSOR fees in connection with Section 5 of this Agreement in the following amounts and according to the following schedules:

A. Royalties

1. LICENSEE agrees to pay, to LICENSOR a percentage royalty of one-half of one percent (0.5%) of the Gross Selling Price (as defined in Section 1 of this Agreement, above) for each unit of Licensed Products Made, Used or Sold during the term of this Agreement, wherein such unit of Licensed Products incorporates one (1) or more claims of any issued Licensed Patent.
2. For the purposes of this Agreement, all royalties shall be payable when Licensed Products are Used or Sold, by LICENSEE to any other third party or an Affiliate, or put into Use. Licensed Product(s) shall be deemed Used or Sold when invoiced to such third parties or Affiliates or Used by LICENSEE, one (1) or more of its Affiliates, or by a third party. Licensed Product(s) shall be deemed Used by LICENSEE when first put to any Use by LICENSEE except for LICENSEE's own experimental, qualification, exhibition or trial purposes. All such royalties shall be payable to LICENSOR no later than the thirtieth (30th) day of each month for the preceding calendar quarter period, where such payments shall be due to LICENSOR each and every January 31, April 30, July 31, and October 30, as described in Section 5 of this Agreement in which any such units of Licensed Product incorporating one (1) or more claims of one (1) or more issued Licensed Patents are Made, Used or Sold by or on behalf of LICENSEE to any customer excluding LICENSOR. LICENSEE shall remit the royalty payments due as specified in Section C. Payments, of this Appendix B – Fees below.

B. Late Fees

LICENSEE shall pay LICENSOR a penalty of one percent (1.0%) per month or at the maximum late payment charge permitted by applicable law, whichever is less, compounded monthly, on any unpaid amount for each month (or fraction thereof) that such payment is in default.

C. Payments

Promptly, when due and payable, LICENSEE shall make such royalty fees and payments to LICENSOR by means of telegraphic transfer remittance in U.S. Dollars to the following bank account of LICENSOR. LICENSEE shall pay all bank charges resulting from the transfer of such royalty fees and payments.

Bank Name: JP Morgan Chase Bank
New York Plaza, 15th Floor
New York, NY 10004
ABA Number: 021000021
SWIFT: CHASUS33 (For international payments)
Credit Account Name: Northrop Grumman Systems Corporation
Account Number: 323861296

D. Additional Payment Terms

All financial obligations hereunder, of LICENSEE, are U.S. Dollar obligations and all payments shall be made to LICENSOR, in that currency, to LICENSOR'S New York bank account (reference Section C, above). In order to calculate the U.S. Dollar amount owed in fees or payments, any fees or payments expressed in the currency of another country shall be converted into U.S. Dollars at the official selling rate (most favorable to LICENSOR) for U.S. Dollars, as quoted by the JP Morgan Chase Bank, N.A, in New York, New York, on the date payment of such fees is due. Notwithstanding the foregoing, LICENSOR may, at its sole option, require LICENSEE to pay any fees expressed in the currency of such other country, in such currency. Any assessments or other charges made in respect to the payment shall be borne by LICENSEE.

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APPENDIX C – REPORT FORMAT

INSTRUCTIONS

Reports to Northrop Grumman should be sent in the following format. A Quarterly Report, listing all royalties due to LICENSOR for Sales of Licensed Products based on the Licensed Patents, as well as any Enhancements made to LICENSOR’s claimed VMEbus Technology, is due on or before the thirtieth (30th) day of January, April, July, and October of each year as described in Section 5 of the Agreement. Quarterly Reports are due even where no sales have been made (report “No Sales” under Section 1 of the Quarterly Report.)

ALL REPORTS SHOULD BE SENT TO:

Northrop Grumman Systems Corporation
Electronic Systems sector
1745A West Nursery Road
Linthicum, Maryland 21090 USA
Attention: Contracts Management

With a copy to:
Northrop Grumman Systems Corporation
1840 Century Park East
Los Angeles, CA 90067-2199 USA
Attention: Corporate Intellectual Asset Management
Email: ip.licensing@ngc.com

