

UNIVERSITY of HOUSTON



Software License and Distribution Agreement

This Software License and Distribution Agreement (“Agreement”) is entered into on _____ (“Effective Date”), by and between the University of Houston, an agency of the State of Texas pursuant to Chapter 111, Texas Education Code, located at 316 E. Cullen Building, Houston, Texas 77204-2015 (“Licensor”) and _____ (“Licensee”), a corporation doing business at _____ (“Distributor”).

RECITALS

- A. Licensor owns the rights to certain software products and related documents.
- B. Distributor provides certain informatics services and owns the right to certain software products used with its business.
- C. Distributor desires that Licensor grant to Distributor an exclusive license for commercial distribution only of Licensor’s software products _____ on a standalone basis and as incorporated into Distributor’s software products under the terms of this Agreement.
- D. Distributor desires that Licensor grant to Distributor an exclusive license to utilize Licensor’s software products to create proprietary databases and to provide on-line services, under the terms of this Agreement.

Licensor and Distributor agree as follows:

1. DEFINITIONS.

- a. Distributor Products means Distributor software products and related documentation which are distributed by Distributor pursuant to this Agreement in combination with a Licensor Product.
- b. Intellectual Property Rights means patent rights, copyright rights, trade secret rights, and any other intellectual property rights recognized by the law of each applicable jurisdiction.
- c. Licensor Products means Licensor’s software products and related documentation listed on Exhibit A, including, but not limited to, any error corrections, modifications, additions, updates, upgrades, or enhancements provided by Licensor to Distributor.
- d. Marks means Licensor’s trademarks, trade names, service marks, and/or service names specified in Exhibit A.
- e. Relicensor means any Licensee, corporation, partnership or other entity that licenses and distributes products to its end-user customers. Relicensors include, without limitation, distributors, resellers, value-added resellers, and original equipment manufacturers.
- f. Updates means minor changes to _____ to correct functional errors.
- g. Upgrades means improvements to _____ that change the user interface.
- h. Enhancements means substantial alterations to the function _____ An alternative term is version.

2. LICENSES.

- a. Licensor Products License. Licensor grants to Distributor an exclusive commercial, non-transferable, 10 year, worldwide license:

- (1) to use, copy, modify and create derivative works based upon Licensor Products, in source code and object code forms, for commercial and internal business purposes only and for use on a _____, including without limitation, to incorporate Licensor Products into Distributor Products, generating proprietary databases and providing on-line services; and
 - (2) to market, distribute, and sublicense (either directly or indirectly through Relicensors) Licensor Products, in object code form, either as a standalone product or as incorporated into Distributor Products for commercial purposes only and for use on a _____.
 - b. Licensor Marks License. Licensor grants to Distributor a non-exclusive, non-transferable Distributor, perpetual, worldwide license to use the Marks with Distributor's marketing, distribution and sublicensing of Licensor Products pursuant to Section 2.a, provided that the use is under Licensor's then-current trademark usage guidelines. Nothing in this Agreement grants Distributor ownership or any rights in or to use the Marks, except under this license. Upon any termination of this Agreement, Distributor will no longer make any use of any Marks.
 - c. Other Agreements. Distributor may not distribute or sublicense Licensor Products to any end user or Relicensor unless each end user and Relicensor has executed an end user or Relicensor software license agreement with, as the case may be, that protects Licensor's proprietary rights in Licensor Products to at least the same degree as the terms and conditions of this Agreement.
3. **DELIVERY**. Licensor will deliver to Distributor a master copy of Licensor's Products within five (5) days of the Effective Date of this Agreement.
4. **PAYMENTS**.
- a. Pricing Freedom. Distributor is, and remains, entirely free to determine its end user and Relicensor prices and fees in its sole discretion.
 - b. Royalty Payments. In consideration of the license rights granted to Distributor, Distributor shall pay Licensor royalties equal to _____ for each revenue bearing copy of Licensor Products that Distributor distributes, sublicenses or otherwise makes available pursuant to this Agreement and for each subscription to, licensing of, or other granting of access to any proprietary database or data processing service created by or requiring the use of Licensor Products. Distributor shall pay royalties within thirty (30) days after the end of each calendar quarter based on Distributor's distribution and sublicensing of Licensor Products during the calendar quarter.
 - c. Taxes. All amounts payable under this Agreement are exclusive of all sales, use, and other taxes. Distributor shall pay all taxes assessed concerning the performance of this Agreement by Distributor, except for taxes payable on Licensor's net income.
5. **MAINTENANCE AND SUPPORT**.
- a. Licensor Support. Licensor will provide Distributor with the following maintenance and support services:
 - (1) error corrections (updates) for Licensor Products by Licensor's standard maintenance and support policies and procedures;
 - (2) updates for Licensor Products, to the extent that Licensor generally provides updates to Licensor's customers without separate charge; and
 - (3) reasonable availability during normal business hours for inquiries from Distributor relating to Licensor Products.
 - b. Distributor Support. Distributor is responsible for providing maintenance and support services to end-users, sublicensees, distributees and other beneficiaries of Licensor

Products whose rights to Licensor Products were obtained from Distributor pursuant to this Agreement.

6. CONFIDENTIALITY.

- a. Confidential Information. For the purposes of this Agreement “Confidential Information” means:
- (1) Licensor Products and Distributor Products;
 - (2) any business or technical information of Licensor or Distributor’s, including but not limited to any information relating to Licensor’s or Distributor’s product plans, designs, costs, product prices and names, finances, marketing plans, business opportunities, personnel, research, development or know-how;
 - (3) any information that is designated by the disclosing Party as “confidential” or “proprietary” or, if orally disclosed, reduced to writing by the disclosing Party within thirty (30) days of the disclosure; and
 - (4) the terms and conditions of this Agreement.
- b. Exclusions. Confidential Information does not include information that:
- (1) is developed by the receiving Party independently and without use of or concerning the disclosing Party’s Confidential Information;
 - (2) is obtained by the receiving Party from a third Party without restriction on disclosure and without breach of a nondisclosure obligation;
 - (3) is in or enters the public domain other than through the fault or negligence of the receiving Party and without breach of this Agreement;
 - (4) the receiving Party possesses before first receiving it from the disclosing Party; or
 - (5) as legally required to be disclosed by law, at which point the disclosing Party will notify the other Party.
- c. Obligation. Each Party will maintain in strict confidence, and will not use or disclose, except as expressly permitted under this Agreement, any Confidential Information received from the other Party. Each Party further agrees to use the same degree of care to maintain the confidentiality of all Confidential Information received from the other Party that it uses to maintain the confidentiality of its own information of similar importance, but in no event will it use less than reasonable care.

7. OWNERSHIP.

- a. Licensor Ownership.
- (1) Licensor presently owns and continues to own all worldwide right, title, and interest in and to Licensor Products and all worldwide Intellectual Property Rights, whether Licensor Products are separate or combined with any other products, programs, or data, including without limitation, any Distributor Products.
 - (2) Distributor will not delete or in any manner alter the Intellectual Property Rights notices of Licensor, if any, appearing on Licensor Products as delivered to Distributor.
 - (3) Distributor will use its reasonable efforts to protect Licensor’s Intellectual Property Rights in Licensor Products and will report promptly to Licensor any infringement of those rights.
 - (4) Licensor retains all rights for: 1) non-commercial distribution of _____, the Licensed Software; 2) use for Licensor’s own research; 3) and to publish results related to the Licensed Software.

- b. Distributor Ownership. Distributor presently owns and continues to own all worldwide right, title, and interest in and to Distributor Products and all worldwide Intellectual Property Rights, whether Distributor Products are separate or combined with any other products, programs, or data, including without limitation, any Licensor Products.

8. **WARRANTY.**

- a. Except for the rights, if any, of the Government of the United States, as set forth below, Licensor represents and warrants its belief that it is the owner of the entire right, title, and interest in and to Licensor Product, and that it has the sole right to grant licenses, and that it has not knowingly granted licenses to any other entity that would restrict rights granted except as stated.
- b. Distributor understands that Licensor Product may have been developed under a funding agreement with the Government of the United States of America and, if so, that the Government may have certain rights relative to Licensor Product. This Agreement is explicitly made subject to the Government's rights under any agreement and any applicable law or regulation. To the extent that there is a conflict between any agreement, applicable law, or regulation and this Agreement, the terms of the Government agreement, applicable law, or regulation prevails.
- c. Disclaimer of Other Warranties. THE WARRANTIES IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. _____INITIAL

9. **INDEMNIFICATION.** DISTRIBUTOR SHALL HOLD HARMLESS AND INDEMNIFY THE BOARD, SYSTEM, UNIVERSITY, ITS REGENTS, OFFICERS, EMPLOYEES, AND AGENTS FROM AND AGAINST ANY CLAIMS, DEMANDS, OR CAUSES OF ACTION, ARISING ON ACCOUNT OF ANY INJURY OR DEATH OF PERSONS OR DAMAGE TO PROPERTY CAUSED BY, OR ARISING OUT OF, OR RESULTING FROM, THE EXERCISE OR PRACTICE OF THE LICENSE GRANTED TO DISTRIBUTOR, ITS SUBSIDIARIES, OR THEIR OFFICERS, EMPLOYEES, AGENTS OR REPRESENTATIVES. _____INITIAL

10. **LIMITATIONS OF LIABILITY.** IN NO EVENT IS EITHER PARTY LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, WHETHER BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY, OR OTHERWISE, AND WHETHER OR NOT A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF DAMAGE. _____INITIAL

11. **TERM AND TERMINATION.**

- a. Term. The term of this Agreement begins on the Effective Date and continues in full force and effect, unless it is terminated earlier under the provisions in this Agreement.
- b. Events of Termination. Either Party has the right to terminate this Agreement if:
 - (1) the other Party breaches any financial or material term or condition of this Agreement and fails to cure the breach within ninety (90) days after written notice;
 - (2) the other Party becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors of which Licensor is listed; or
 - (3) the other Party becomes the subject of an involuntary petition in bankruptcy or any involuntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors, if the petition or proceeding is not dismissed within sixty (60) days of filing.
- c. Effect of Termination.
 - (1) Upon termination of this Agreement:

- i. all sublicenses granted by Distributor or its Relicensors before the effective date of any termination survives under the terms of the applicable end user software license agreement; and
 - ii. each Party will (except as specified in subsection (b) below) immediately return to the other Party or (at the other Party’s request) destroy all Confidential Information of the other Party in its possession or control, and will provide the other Party with any officer’s written certification as to the return or destruction of Confidential Information.
- (2) Upon termination of this Agreement, Distributor has the right to retain a reasonable number of copies of Licensor Products to provide maintenance and support for Licensor Products to its end users and Relicensors.
- d. Nonexclusive Remedy. The exercise by either Party of any remedy under this Agreement is without prejudice to its other remedies under this Agreement or otherwise.
 - e. Survival. The rights and obligations of the Parties contained in Sections 6, 7, 8, 9, 10, 11.c, and 11.d survive the termination of this Agreement.

12. **GENERAL.**

- a. Assignment. This Agreement binds and inures to the benefit of each Party’s permitted successors and assigns. Neither Party may assign this Agreement, in whole or in part, without the other Party’s prior written consent. Any attempt to assign this Agreement without consent is null and void.
- b. Governing Law. This Agreement is governed by and construed under the laws of the State of Texas applicable to agreements entered into, and to be performed entirely, within Texas between Texas residents.
- c. Compliance With Law. Each Party agrees to comply in all material respects with all applicable laws, rules, and regulations concerning its activities under this Agreement.
- d. Severability. If any provision of this Agreement is found invalid or unenforceable, that provision is enforced to the maximum extent permissible, and the other provisions of this Agreement remain in force.
- e. Force Majeure. Neither Party is responsible for any failure to perform due to causes beyond its reasonable control, including, but not limited to, acts of God, war, riot, embargoes, acts of civil or military authorities, denial of or delays in processing of export license applications, fire, floods, earthquakes, accidents, strikes, or fuel crises, provided that the Party gives prompt written notice to the other Party.
- f. Notices. All notices under this Agreement are deemed given when delivered personally, sent by confirmed facsimile transmission, or sent by certified or registered U.S. mail or nationally-recognized express courier, return receipt requested, to the address shown above or as may otherwise be specified by either Party to the other under this Section. Either Party may change its address for notices under this Agreement by giving written notice to the other Party by the means specified in this Section.

Office of Intellectual Management _____
 University of Houston _____
 316 E. Cullen Building _____
 Houston, TX 77204-2015 _____

- g. Independent Contractors. The Parties to this Agreement are independent contractors. There is no relationship of partnership, joint venture, employment, franchise, or agency between the Parties. Neither Party has the power to bind the other or incur obligations on the other’s behalf without the other’s prior written consent.
- h. Waiver. No failure of either Party to exercise or enforce any of its rights under this Agreement acts as a waiver of those rights.

U N I V E R S I T Y *of* H O U S T O N



**Exhibit A to the
Software License and Distribution Agreement**

Licensor Products

1. Software:

2. Documentation:

3. Marks: