

License Agreement

Introduction

This License Agreement ("Agreement") is made between SRAM, LLC, a Delaware LLC with its headquarters at 1000 W. Fulton, 4th Floor, Chicago, Illinois 60607 ("Licensor"), and _____ located at _____

(Licensee"). Licensor and Licensee shall be collectively referred to as "the Parties" and individually as "the Party". Licensor is the owner of certain proprietary rights to an invention referred to as German application no. 10 2012 006 771.2 "Antreiber zur Anbringung einer Mehrfach-Ritzelanordnung für eine Fahrradschaltung mit kleinen Ritzeln" or "Driver for Attaching a Multiple Sprocket Assembly for a Bicycle Gearing with Small Sprockets". Licensee desires to license certain rights in the invention. Therefore the Parties agree as follows:

1. The Property

The Property is defined as the invention(s) described in German application DE 10 2012 006 771.2 - "Antreiber zur Anbringung einer Mehrfach-Ritzelanordnung für eine Fahrradschaltung mit kleinen Ritzeln" and any patent applications corresponding to the above-described patent application that are issued, filed, or to be filed in any and all foreign countries and the know-how associated with the inventions defined by the patent application.

2. Licensed Products

Licensed Products are defined as any hubs sold by the Licensee that incorporates the Property. This is limited specifically to a part commonly known as the driver body and the unique interface features on the driver body that mate with a drive cassette as shown in the application.

3. Grant of Rights

Licensor grants to Licensee a non-exclusive license to make, have manufactured, use, and sell the Property solely in association with the manufacture, sale, use, promotion, or distribution of the Licensed Products. Licensor does not grant any other technologies described in the Property. The license attaches to the Licensed Product solely for the benefit of Licensee's downstream resellers and customers. SRAM does not grant, and Licensee does not have, the right to grant sublicenses to any third party.

4. Reservation of Rights

Licensor expressly reserves all rights other than those being conveyed or granted in this Agreement.

5. Territory

The rights granted to and obligations undertaken by Licensee under this Agreement are worldwide ("Territory").

6. Term

This Agreement shall commence upon the Effective Date and shall expire simultaneously with the expiration of the longest-living patent(s) or last-

remaining patent application(s) as listed in the definition of the Property, whichever occurs last, unless sooner terminated pursuant to a provision of this Agreement.

7. License Fee and Consideration

Licensor grants Licensee a zero-royalty license. In consideration thereof, Licensee agrees to:

- (a) manufacture all Licensed Products, and specifically the driver body to drive cassette interface, in strict compliance with technical specification 90-2415-181-000 and 90-2415-189-000, attached as Exhibit A, without any modifications, including but not limited to the addition, removal or modification of any features shown; and
- (b) mark the Licensed Products and all related packaging, advertising, sales brochures and technical literature, whether in printed or electronic media, with "XD-Compatible" or "XDR Compatible".

8. Licensee Warranties

Licensee warrants that it will manufacture the Licensed Products under the same high quality standards applied by Licensee to similar products and that their manufacture shall be in conformance with all applicable laws and regulations, including but not limited to all intellectual property laws.

9. Indemnification by Licensee

Licensee shall indemnify Licensor and hold Licensor harmless from any damages and liabilities (including reasonable attorneys' fees and costs):

- (a) arising from any breach of Licensee's warranties and representation as defined in the Licensee Warranties, above;
- (b) arising out of any decision by a court of competent jurisdiction from which no right to appeal exists regarding alleged defects or failures to perform of the Licensed Products or any product liability claims or use of the Licensed Products;
- (c) arising from any Licensed Product defects or failures; and
- (d) arising from any use of technical specification 90-2415-181-000 and 90-2415-189-000.

10. Intellectual Property Protection

Licensors may, but is not obligated to seek, in its own name and at its own expense, appropriate patent, trademark, or copyright protection for the Property. Licensors makes no warranty with respect to the validity of any patent, trademark, or copyright which may be granted.

11. Infringement Against Third Parties

In the event that either Party learns of imitations or infringements of the Property or Licensed Products, that Party shall notify the other in writing of the infringements or imitations. Licensors shall have the right (but not the obligation) to commence lawsuits against third persons arising from infringement of the Property or Licensed Products

12. Termination

This Agreement shall terminate with the expiration of the longest-living patent(s) or last-remaining patent application (as listed in the definition of the Property), whichever occurs last, unless terminated sooner under a provision of this Agreement.

13. Licensors Right to Terminate

Licensors may terminate this Agreement for any reason by giving Licensee at least 30 days' prior notice.

14. Effect of Termination

After the termination of this license, all rights granted to Licensee under this Agreement shall terminate and revert to Licensors and Licensee will refrain from further manufacturing, copying, marketing, distribution, or use of any Licensed Product or other product which incorporates the Property

15. Attorneys' Fees and Expenses

The prevailing Party shall have the right to collect from the other Party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Agreement.

The Parties, having read this Agreement, indicates their consent to the terms and conditions by their signature below.

LICENSOR:

signature

Kevin Wesling

name

Director of Advanced Development

title

date

16. Governing Law

This Agreement shall be governed in accordance with the laws of and jurisdiction shall apply within Federal Republic of Germany.

17. Waiver

The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights.

18. Invalidity

If any provision of this Agreement is invalid under applicable statute or rule of law, it is to be considered omitted and the remaining provisions of this Agreement shall in no way be affected.

19. Entire Understanding

This Agreement expresses the complete understanding of the Parties and supersedes all prior representations, agreements, and understandings, whether written or oral. This Agreement may not be altered except by a written document signed by both Parties.

20. Attachments & Exhibits

The Parties agree and acknowledge that all attachments, exhibits, and schedules referred to in this Agreement are incorporated in this Agreement by reference.

21. No Joint Venture

Nothing contained in this Agreement shall be construed to place the Parties in the relationship of agent, employee, franchisee, officer, partners, or joint ventures. Neither Party may create or assume any obligation on behalf of the other.

22. Assignability

Licensee may not assign or transfer its rights or obligations pursuant to this Agreement without the prior written consent of Licensors. Any assignment or transfer in violation of this section shall be void.

LICENSEE:

signature

name

title

date