

# License Agreement

## Introduction

This License Agreement ("the Agreement") is made between ROTOR COMPONENTES TECNOLÓGICOS, S.L ("ROTOR"), with its headquarters at C/ MIÑO 14 28864, AJALVIR, MADRID (SPAIN)("the Licensor"), and

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Located at \_\_\_\_\_ (the Licensee").

The Licensor and the Licensee shall be collectively referred to as "the Parties" and individually as "the Party". The Parties mutually acknowledge their legal capacity to enter into and be bound by "The Agreement" and to that effect state the following

### WHEREAS

- I. Licensor is the owner of data and know how regarding the development commonly known as the crank arm and specifically to the unique interface features on the crank arm that mate with the bottom bracket spindle as described in Annexes No. A-B.
- II. Licensor is the owner of European trademark application No 018471178 (EUTMA).
- III. Licensee is interested in manufacturing and commercializing the Licensed Products as defined below.
- IV. The Parties are interested in executing this Agreement on the basis of the clauses detailed hereinafter

Now therefore, for and in consideration of the abovementioned recitals, the Parties intending to be legally bound by the Agreement agree as follows:

#### 1. The Property

"The Property" is defined as the standard set forth in the documents annexed as No. A-B provided by Licensor to Licensee together with the Trademark application referred to as "EUTMA" European application no. 018471178, and any trademark applications related to the aforementioned trademark application that are issued, filed, or to be filed in any and all countries not covered by said EUTMA.

#### 2. Licensed Products

Licensed Products are defined as bicycle components sold or produced by or on behalf of the Licensee that comply with the information provided in Annexes A-B and incorporates the E U T M A . This is limited to a part commonly known as the crank arm and specifically to the unique **interface features on the crank arm** that mate with the bottom bracket spindle as shown in Annexes A-B.

The Licensor shall keep the right to update, modify or further develop the technical information as shown in Annexes A-B, without being obliged to do so. The Licensee will be duly informed in written about any modification on this technical information through the submission of a document that will be annexed to the Agreement and will become part of it effective immediately upon reception of the updated information.

#### 3. Grant of Rights

The Licensor grants to the Licensee a non-exclusive, royalty free 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. The license attached to the Licensed Product solely for the benefit of the Licensee's downstream resellers and customers.

ROTOR does not grant, and the Licensee does not have, the right to grant sublicenses or assign the License to any third party. The License shall be used exclusively in conjunction with the **bottom bracket spindle** purchased from third parties either proprietaries or licensees of the "Connected Licensed Products" that incorporates the Property, defined and limited to the part commonly known as the bicycle bottom bracket spindle and specifically the unique interface features on the bottom bracket spindle that mate with the crank arm, (hereinafter, "Licensee Third Parties Bottom bracket spindles"). For the avoidance of any doubt, the Licensee is not allowed to use the Licensed Products to manufacture, distribute or sale products under third parties' trademarks, apart from the Licensee and the Licensor trademarks.

#### **4. Reservation of Rights**

The 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 the Licensee under this Agreement are worldwide ("Territory").

#### **6. Term**

This Agreement shall commence upon the Effective Date of signing this Agreement and shall expire as per clause 14 Termination 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 **crank arm** to drive bottom bracket spindle interface, in strict compliance with technical specification "Female Crank Interface", attached as Annex 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 the EUTMA in compliance with the style guidelines specification "ETORDRIVE Brand Guide/ Crank arms Artwork", attached as Annex B.

#### **8. Licensee Warranties**

The Licensee warrants that it will manufacture the Licensed Products under at least but not limited to 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.

The Licensor expressly disclaims all warranties in connection with the enforceability, non-infringement or validity of the trademark.

The Licensor expressly disclaims all warranties from any liability arising from the structural integrity, the strength, safety, or geometric compatibility of the Licensed Products and the defects due to manufacturing processes, quality control, or other processes not performed by or on behalf of the Licensor

Licensee acknowledge that Licensor cannot warrant the quality of the manufacturing process of the Licensed Products and/or the compliance of the information provided in Annexes No. A-B by Third Parties

#### **9.- Manufacturing Standards**

As soon as practicable after the Effective Date if the Licensee requires it, the Licensor reserves the exclusive right to offer in a separate Agreement a paid optional checking procedure to verify compliance with the geometry requirements set forth in

technical specification "Female Crank Interface", attached as Annex A, and reserves the right to maintain a list of companies who have passed this checking procedure successfully. This Compatibility List will be available on the standard web page ([www.etordrive.com](http://www.etordrive.com)).

Even with the optional checking the Licensor expressly disclaims all warranties from any liability arising from the industrial manufacturing of the products by the Licensee. Ensuring appropriate functionality is the sole responsibility of the Licensee.

#### **10 Indemnification by Licensee**

The Licensee shall indemnify the 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 "Female Crank Interface" attached as Annex A, and style guidelines "ETORDRIVE Brand Guide/ Crank arms Artwork" attached as Annex B.
- (e) arising from any failure of the Licensed products when they have not been directly manufactured by or on behalf of the Licensor, including but not limited to defects due to manufacturing processes, quality control, or others.

#### **11. Intellectual Property Protection**

The Licensor 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. Licensor makes no warranty with respect to the validity of any patent, trademark, or copyright which may be granted. Specifically, Parties acknowledge that EUTMA is still an application in process before European Union Intellectual Office.

#### **12 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. The Licensor shall have the right (but not the obligation) to commence lawsuits against third persons arising from infringement of the Property or Licensed Products

#### **13. Confidentiality**

As used herein, the term "**Confidential Information**" means: (a) the terms and conditions of this Agreement; (b) data of Licensee and Licensee employees ("**Licensee Data**"); (c) data of Licensor and Licensor employees ("**Licensor Data**") and (d) non-public information disclosed by one party (the "**disclosing party**") to the other party (the "**receiving party**") in connection with the performance of this Agreement, including but not limited to information learned from the disclosing party's employees or agents or through inspection of the disclosing party's property. "**Confidential Information**" includes, without limitation, all business, financial, technical, marketing and other information of a party marked or designated by such party as "confidential" or "proprietary;" or information which, by the nature of the circumstances surrounding the disclosure, ought in good faith be treated as confidential, including, without limitation, the Software, specific terms, pricing and fees set forth in this Agreement.

#### **14 Termination**

This Agreement shall terminate with the expiration of the longest-living trademark(s) or last-remaining trademark application

(as listed in the definition of the Property), whichever occurs last, unless terminated sooner under a provision of this Agreement. The provisions related to Confidential Information, Applicable Law and Settlement of disputes shall survive the termination of this Agreement.

#### **15 Licensor's Right to Terminate**

The Licensor may terminate this Agreement for any reason by giving Licensee at least 30 days' prior notice. In case of non-compliance with the technical specifications defined in Annex A and/or style guidelines attached in Annex B the Licensor may terminate this Agreement effective immediately. Termination is not an exclusive remedy and all other remedies will be available whether or not this Agreement is terminated.

#### **16 Effect of Termination**

After the termination of this Agreement, all rights granted to the Licensee shall terminate and revert to the Licensor. Thus, the Licensee will refrain from further manufacturing, copying, marketing, distribution, or use of any Licensed Product or other product which incorporates the Property. The provisions relating to Confidential Information, Applicable Law and Settlement of disputes shall survive indefinitely after the termination of this Agreement.

#### **17 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.

#### **18 Governing Law**

This Agreement shall be governed in accordance with the laws of and jurisdiction shall apply within Spain

#### **19 Waiver**

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

#### **20 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.

#### **21 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.

#### **22 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.

#### **23 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.

#### **24 Assignability**

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

**25 Personal data**

In accordance with the provisions of current regulations on the protection of personal data, and especially REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of April 27, 2016 regarding the protection of natural persons in the Regarding the processing of personal data and the free circulation of these data, as well as Organic Law 3/2018, of December 5, on the Protection of Personal Data and guarantee of digital rights, the Parties are obliged, in relation to (i ) the personal data of the other party, or (ii) the data that one of the parties accessed on behalf of the other party due to the Agreement, to: Treat the data only in accordance with the instructions of the owner; Not to use the data for purposes other than those that appear in this Agreement; Do not communicate the data to third parties, not only for their conservation. Implement the security measures that are applicable by regulation, in order to preserve the integrity, confidentiality and availability of the data; and Destroy or return the data to its owner, as well as any support or document to which any data that has been processed once the Agreement has been completed.

**26 Notices and other communications**

Any notice to be given under this Agreement shall be in writing and shall be sent to the addresses and recipients listed below:

If it is required in this Agreement that a formal notice, consent or approval shall be given, such notice shall be signed by an authorized representative of the Party and shall either be served personally or sent by mail with recorded delivery acknowledgement.

Any change of persons or contact details shall be notified immediately by the respective Party to the other Party. In the event that the respective Party does not communicate the aforementioned changes, it will be understood that said Party has been correctly notified of the notifications sent to the last person and address provided.

•ROTOR COMPONENTES TECNOLÓGICOS, S.L.

LICENSEE:

Contact person:

Contact person:

\_\_\_\_\_

\_\_\_\_\_

E-mail:

E-mail:

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

LICENSOR:

LICENSEE:

\_\_\_\_\_  
signature

\_\_\_\_\_  
signature

\_\_\_\_\_  
name

\_\_\_\_\_  
name

\_\_\_\_\_  
title

\_\_\_\_\_  
title

\_\_\_\_\_  
date

\_\_\_\_\_  
date

# **Annex A**

“Female Crank Interface”

TECHNICAL SPECIFICATION

## **Annex B**

“ETORDRIVE Brand Guide/ Crank arms Artwork”

STYLE GUIDELINES