**SynPat’s Open Licensing Program – Process and Policies**

Last revision: April 2, 14

This Program Process and Policies (the “PPP”) sets forth the process and policies according to which SynPat acquires patents, funds each acquisition, licenses the acquired patents, sells patents, and shares its revenues with sellers and funding companies.

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#### SynPat Program – Aim

SynPat’s Open Licensing Program is designed to achieve two goals:

1. To enable patent owners to safely and quickly realize the full earning potential of their patents.
2. To enable operating companies to obtain necessary licenses to high quality high-impact patents on fair and reasonable terms via clearly defined and transparent processes.

#### SynPat Program - Overview

* **Acquisitions:** SynPat acquires portfolios of high-quality, high-impact patents, preferably from operating companies, at *prices set by the sellers*.
* **Funding:** To fund each acquisition, SynPat organizes an ad-hoc syndicate and invites *all* relevant operating companies to join the syndicate and equally share the seller’s upfront asking price, in return for a license under the acquired patents, at a cost rate, i.e. *without any mark-up, commission or transaction fees.*
* **Post-Syndication Licensing:** After SynPat acquires the patents, it offers licenses to companies that did not join the syndicate at two rates:
  + Regular Price – during a four-month period following SynPat’s acquisition of the patents, the regular rate is 50% higher than the cost rate paid by syndicate participants.
  + Validated Price – Risk averse companies that prefer to acquire a license after waiting and seeing whether the value, impact and quality of the patent portfolio is acknowledged and validated by other licensees, will be able to do so at twice the Regular Price any time after the four-month regular licensing period, as long as the patents are held by SynPat.
* **Seller’s Return:** In addition to receiving their upfront asking price, sellers are entitled to a *one-third (1/3) share of SynPat’s revenues* from licensing or sale of the acquired patents.
* **Participants’ Return:** Participants in the acquisition syndicate, in addition to receiving a license under *high-impact* patents at a *minimum price*, also collectively share a *one-third (1/3) share of SynPat’s revenues* from licensing or sale of the acquired patents.

#### SynPat Program - Principles

* **Reasonable:** The prices are determined by the “invisible hands” of the free market: the seller’s upfront asking price is validated (or not) when *willing* licensees collectively fund each acquisition.
* **Fair:** The license fee increases with time as risk goes down due to validation by an increasing number of licensees. Early adopters make the acquired patents available for and licensable by their peers, and therefore, enjoy not only a discounted rate, but also receive significant compensation for their risk, efforts and leadership.
* **Safe:** At any time, any company that believes it does not need a license can submit the issue in confidence to FedArb, a neutral dispute resolution entity comprised of 52 retired Federal judges whose decision is binding on SynPat but not on the prospective licensee.
* **Non-Discriminatory:** Participation in each ad-hoc syndicate is *open and available to all, at the same price for any given stage;* and since licenses are available at any stage of the Program, it is up to each company to choose whether and when to acquire a license under each portfolio.
* **Courtesy:** Any future sale of the patents by SynPat, is subject to the right to acquire a license from the buyer at a six times the Regular Price (**“Courtesy Price”**) for nine months after the sale, even if the patents are enforced by the buyer.
* **Full Transparency:** Since participation in each *ad-hoc* syndicate is *open and available to all*, and since licenses are available at any stage of the program, it is up to each prospective licensee to elect when to counter-execute SynPat’s standard license agreement and thereby acquire a license under the patents.
* **Accommodating Slow Markets:** Taking into consideration that in certain instances, the addressable market for a specific portfolio will be less responsive and may not timely react to an opportunity to participate in the funding of an acquisition, and since the 100 days due diligence period is mandated by the Program and cannot be extended, then, in efforts to not miss an opportunity for the market to obtain a desirable license, SynPat may decide to fund the Seller’s Upfront Price from alternative financial resources, without changing the original licensing prices.

#### Syndication Process

The Syndication Process is explained and illustrated in Figure 1 below, with the below paragraph numbers corresponding to the enumerated steps in the illustration.

1. The process is initiated upon SynPat’s execution of a Patent Purchase Agreement (PPA) with a patent seller at the Seller’s Upfront Price (SUP). The PPA includes a closing deadline of 100 days.
2. SynPat performs its due diligence and extends to operating companies executed offers to license the patents at prices equal to the SUP divided by the Number of Participants (NoP) in the syndicate. SynPat provides the PPA subject to a nondisclosure agreement to which the Seller is a beneficiary that prohibits disclosure of the existence of the PPA and any of the PPA's terms (the "NDA") along with diligence materials to facilitate review of the patents.
3. Companies that wish to participate in the syndicate must send SynPat a **Request to Participate**, stating the maximum license fee they commit to pay.
4. To proceed with the syndication, SynPat either accepts commitments from operating companies, the sum of which must be sufficient to fund the Purchase Price, or obtains alternative funding.
5. Upon receipt of Requests to Participate with aggregate commitments sufficient to pay the SUP or upon obtaining alternative funding, SynPat notifies Seller of its successful due diligence.
6. SynPat sends to all requesters a **Payment** **Notice** stating the exact License Fee (= the SUP divided by NoP)
7. Participants then counter execute the License Agreement, and pay their License Fee within seven calendar days directly to SynPat's bank account.
8. Upon full payment of the SUP to the Seller, the Patents are assigned to SynPat, which effectuates the licenses to all the Participants..

#### Syndication Legal Structure

The syndication process yields the following results:

1. Patent Seller receives its upfront price (aka Sellers Upfront Price, **SUP**),
2. Participants receive non-exclusive licenses under the patents, and
3. SynPat owns the patents.

The following arrangement secures Participants’ interests, allowing them to receive the license granted to them only after :

1. The **Patent Purchase Agreement (PPA)** allows SynPat to grant licenses to prospective Participants upon payment of the SUP to the Seller, regardless of receipt of actual payments by Participants.
2. The executed **Patent License Agreement (PLA)** from SynPat grants a license to prospective Participants, and becomes effective upon SynPat’s payment of the SUP to the Seller.

At this point in time, each Participant has a valid license and an obligation to pay its Participation Fee directly to SynPat's account.

To secure the Seller’s interests, it retains ownership in the patents at all times, and only after payment of the SUP by SynPat, the ownership in the patents is assigned to SynPat.

A failure by any Participant to pay its Participation Fee does not fail or invalidate the licenses granted to the other Participants. Such failure to pay will simply create a contractual breach of the Patent License Agreement between SynPat and the failing Participant.

#### General Terms and Conditions

##### Definitions

* 1. **“Due Diligence Period”** shall mean a period, not longer than one hundred (100) days, commencing on the Effective Date of the PPA, and ending upon the Seller’s receipt from SynPat of a Notice of Successful Due Diligence which means that funds for the Seller’s Upfront Price were successfully raised from a Syndicate or, in the event of a Shortfall, from a financial source.
  2. **“Invitation to Participate”** shall mean the written invitation from SynPat to Operating Companies to participate in a Syndicate in the form as attached hereto as **Exhibit 1**.
  3. **“Maximum Committed Fee”** shall mean an amount stated in a Request to Participate, which a company requesting to participate sets as the highest amount it would be willing to pay as a Participation Fee. So long as the Syndicate is not formed, any potential Participant will be able to raise its committed amount by sending a new Request to Participate stating a higher Maximum Committed Fee.
  4. “**Notice of Successful Due Diligence” (or “Syndicate Formation”)** shall mean the written notification from SynPat to Seller announcing that SynPat has completed its due diligence and is ready to close the transaction and pay the SUP, in the form as attached hereto as **Exhibit 3**.
  5. **“Number of Participants” or “NoP”** shall mean the sum total of Participants.
  6. **“Operating Company”** shall mean any company that makes and/or provides goods and/or services, where the goods and/or services are not limited to the sale, acquisition and/or licensing of patents and/or patent applications.
  7. **“Participant”** shall mean an Operating Company approved by SynPat to participate in the Syndicate, based on SynPat’s timely receipt from said Operating Company of a Request to Participate.
  8. **Participation Fee** shall mean an amount equal to the Seller’s Upfront Price divided by the Number of Participants (=SUP/NoP) (**“Cost Price”**).
  9. **Patent License Agreement (PLA)** shall mean the agreement executed by SynPat as a licensor, according to which SynPat grants a license under the Patents to potential licensees, which will be in full effect upon its counter execution by a licensee only after the Seller has assigned the Patents to SynPat. An executed copy of the PLA will be provided to each operating company that is invited to participate in the acquisition syndicate.
  10. **Patent Purchase Agreement (PPA)** shall mean the agreement executed by the seller of the Patents and SynPat, according to which the seller sells the Patents to SynPat. A copy of the PPA executed between the seller and SynPat will be provided for review under executed NDA of each operating company that is invited to participate in the acquisition syndicate and in the event of a Shortfall, also to Investor.
  11. **“Payment Notice”** shall mean a written notice from SynPat to each of the Participants, announcing that the Syndicate has been formed, reaffirming the licenses granted under the Patent License Agreement from SynPat (as a licensor) to each of the Participants (as licensees) subject to the terms of the PPA and requesting the transfer of their payment to SynPat in the form as attached hereto as **Exhibit 4**.
  12. **“Regular Licensing Stage”** shall mean a period commencing on the date of the **Notice of Successful Due Diligence** from SynPat to Seller, and expiring four (4) months thereafter, during which period licenses under the Patents are available in exchange for an amount equal to 1.5 \* Cost Price (= **“Regular Price”**).
  13. **“Request to Participate”** shall mean a written request issued by an Operating Company to SynPat, whether or not it was initially invited to Participate, indicating its interest to become a Participant in the Syndicate, which includes, among other obligations, an undertaking by the requester to pay a Participation Fee up to an amount designated by the requester in the form as attached hereto as **Exhibit 2**.
  14. **“Revenue Share Payments”** shall mean quarterly payments made by SynPat to Seller of amounts equal to one third (1/3) of SynPat’s Revenues in the preceding quarter according to the terms of the PPA, or shall also mean quarterly payments, made by SynPat to be equally shared by the Participants of amounts equal to one third (1/3) of SynPat’s Revenues in the preceding quarter, according to the terms of the PLA.
  15. **Revenue Share Reporting Form”** shall mean a written statement, from SynPat to Seller and Participants, setting forth SynPat’s Revenues in the form as attached hereto as **Exhibit 5**.
  16. **“Risk Averse Licensing Stage”** shall mean a period commencing at the expiry of the Regular Licensing Stage and ending in the event SynPat assigns its rights in the Patents to another, during which licenses under the Patents are available in exchange for an amount equal to 2 \* Regular Price (**“Validated Price”**).
  17. **“Shortfall”** shall refer to the situation when the Syndicated Amount is smaller than the Seller’s Upfront Price.
  18. **“Shortfall Adjustments”** shall mean a payment, made by SynPat to the Investor, of an amount equal to the Investor Contribution, according to Section 5 hereunder.
  19. **“Syndicate”** shall mean the smallest group of prospective Participants, for which the smallest Maximum Committed Fee multiplied by the number of participants in that group yields the highest amount.
  20. **“Syndicated Amount”** shall mean the number of Participants in the Syndicate multiplied by the smallest Maximum Committed Fee.
  21. **“SynPat’s Revenues”** shall mean any amount actually received by SynPat, its Affiliates, or on behalf of SynPat or its Affiliates in relation to the licensing of the Patents, or the sale of the Patents, minus Shortfall Adjustments, if made, under Section 8.
  22. **“SynPat’s Revenue Share”** shall mean one-third (1/3) of SynPat’s Revenues which remains with SynPat, after paying one third (1/3) of SynPat’s Revenues to the Seller, and one- third (1/3) of SynPat’s Revenues to the Participants (and be equally distributed among them).

##### Due Diligence and Solicitation.

* 1. Upon execution of a PPA, SynPat will complete its due diligence and invite Operating Companies to become Participants in a Syndicate to be formed within the Due Diligence Period.
  2. SynPat’s invitations to participate will include the following:
     1. Invitation to Participate Letter;
     2. A copy of the PPA;
     3. An NDA;
     4. SynPat’s Patent License Agreement to the prospective Participants signed by SynPat as licensor; and
     5. References to SynPat’s Open Licensing Online App, which includes due diligence information regarding the patents, information relating to the licensing opportunity, and any evidence of use and prior art reports that may exist.

##### Participation in a Syndicate.

* 1. Each invited company will be able to send to SynPat an executed Request to Participate.
  2. During the Due Diligence Period, SynPat will receive Requests to Participate, and will try to form a Syndicate based on the Maximum Committed Fee stated in each received Request to Participate.
  3. Any Participant may submit a request, either within a duly executed Request to Participate, or after submission of such Request, to acquire from SynPat the right to license any third party designated by the Participant (“Designated Third Party”).
  4. So long as the request to acquire the right to license the Designated Third Party is received by SynPat prior to receiving a duly executed Request to Participate or Patent License Agreement from the respective Designated Third Party, SynPat will refrain from soliciting interest in licenses to the applicable Designated Third Party. SynPat will use the date and time of actual receipt of any requests set forth in this Section 3 in guiding its actions and unless the date and time of the request to acquire the right to license a Designated Third Party can be clearly shown to have been received by SynPat prior to a request for license or participation by the Designated Third Party, SynPat will honor the request of the Designated Third Party.
  5. Participant’s price to acquire the right to license a Designated Third Party shall be the price of such a license in effect at the time of the request.

##### Syndication.

* 1. Upon receiving a combination of executed Requests to Participate with payment commitments (Maximum Committed Fee) qualified to form a Syndicate, SynPat will:
     1. Form a Syndicate and stop receiving additional Requests to Participate.
     2. Determine which companies are Participants.
     3. Calculate the Participation Fee to be equally paid by each Participant.
     4. Transmit a Payment Notice to each Participant requesting the wire transmittal of the Participation Fee directly to SynPat’s account.
  2. In the event of a Shortfall, SynPat may extend the Due Diligence Period by twenty (20) calendar days to raise additional funds (“Investor Contribution”) from one or more investors (“Investor(s)”) within or outside the Syndicate. The Investor will be required to transfer the Investor Contribution to SynPat at the same time the Participants transfer their Participation Fee(s) to SynPat.

##### Closing.

* 1. In parallel with sending the Payment Notice to each of the Participants pursuant to Section 4 above, SynPat shall transmit to Seller a Notice of Successful Due Diligence confirmingthat SynPat has received one or more executed Request(s) to Participate, alone or together with an Investor Contribution, which, in the aggregate, is sufficient to fund the Seller’s Upfront Price, into Seller’s bank account within seven (7) calendar days.
  2. According to the PPA, SynPat’s transmittal of the SUP to the Seller invokes the rights required for SynPat to grant licenses to the Participants, and the licenses that were granted by SynPat in the Patent License Agreement become valid and effective to Participants.
  3. Upon transfer of an amount equal to the Seller’s Upfront Price to the Seller, according to the PPA, the title in the Patents will be assigned to SynPat.
  4. In the event that SynPat does not transmit to the Seller a Notice of Successful Due Diligence and to the Participants a Payment Notice prior to the expiration of the Due Diligence Period, SynPat’s offers to participate in the syndicate shall automatically terminate.

##### Post Syndication Licensing.

* 1. After SynPat obtains the rights to the Patents, the Regular Licensing Stage begins, during which SynPat, in its sole discretion, continues to offer licenses to companies that did not join the syndicate before it closed. During the Regular Licensing Stage, licenses are available at Regular Price. Thereafter, during the Risk Averse Licensing Stage, licenses are available at Validated Price.

##### Revenue Share Payments to Seller and Participants.

* 1. In addition to receiving the Seller’s Upfront Price, the seller is entitled to receive from SynPat the Revenue Share Payments, and Revenue Share Reporting Forms.
  2. In addition to receiving a license under the acquired patents, each Participant is entitled to receive from SynPat an amount equal to the Revenue Share Payments divided by the Number of Participants, and Revenue Share Reporting Forms.

##### Repayment to Investors.

* 1. In the event of a Shortfall due to which Investor Contribution was received according to Section 4, the Investor Contribution shall be repaid by SynPat to such Investor(s) from SynPat’s Revenues. SynPat’s Revenues will be adjusted accordingly for its subsequent equal distribution among the Seller, Participants (including Investors), and SynPat. For example, if SUP = $6M, NoP = 2, Shortfall = $2M, Investor’s Contribution = $2M, and SynPat’s Revenues = $11M, then $2M (= Investor Contribution) will be paid to the Investor, and the remaining amount will be divided as follows: a Revenue Share Payment of $3M will be paid to the Seller, the two Participants will equally share $2M (=$3M\*4/6), the Investor will receive $1M (=$3M\*2/6), and SynPat will remain with $3M.
  2. In the event that such Investor Contribution is paid to Seller, and the participation fee that is actually paid by each Participant is smaller than SUP/NoP, then the Participation Fee will be adjusted to equal that actual payment each Participant is requested to pay after the Investor Contribution is added towards the SUP, except for the calculation of license fees in Regular or Risk Averse Licensing Stages, and in the event of a future sale of the Patents by SynPat, in which the Participation Fee will be equal to SUP/NoP.

##### Challenges by Potential Licensees.

* 1. Upon assignment of the title to the Patents pursuant to Section 2.3 of the PPA, SynPat may allow prospective licensees that believe they do not need a license to any or all of the Patents, to submit the issues in confidence to a neutral dispute resolution entity [currently FedArb ([www.fedarb.com](http:///h))] whose decision as to whether the prospective licensee’s refusal to take a license has a reasonable basis will be binding on SynPat only (i.e. not on such prospective licensee).

##### Patent Sale.

* 1. At any time during the Risk Averse Licensing Stage, SynPat, at it sole discretion, may sell the patents. Any sale of the patents by SynPat is subject to the right to acquire a license under the Patents at Courtesy Price which is 6x multiple of the Regular Price. This right can be invoked, even if the patents are enforced against a potential licensee, for nine (9) months after the sale by SynPat (the **“Courtesy Period”**).

##### Fees.

* 1. SynPat will make reasonable efforts to solicit interest among Operating Companies that are believed to be interested to Participate, free of charge. Operating Companies that join the Open Licensing Community, including Visitor members, will be able to designate in the Community Portal in which technologies and markets to receive Invitations to Participate. A community member who was not invited to Participate in an acquisition of a portfolio of patents relating to technologies or markets it had previously designated as technologies and markets of interest, shall be entitled to acquire a license to such a portfolio at a Cost Price, at any time, until the end of the Courtesy Period.
  2. Any Operating Company interested in acquiring licenses at a Regular Price during the Licensing Stage, or at a Validated Price during the Risk Averse Stage, or at a Courtesy Price during the Courtesy Period, will be able to do so as long as it maintains a status of a Licensee Member of the Open Licensing Community, and pays the annual Regular Membership fee of $10,000.
  3. Any Operating Company interested in becoming a Participant in any syndicate, acquire licenses as a Participant at Cost Price, be entitled to a share in one third of SynPat’s Revenues, have the right to acquire from SynPat the right to license a Designated Third Party and enjoy all other Participants’ privileges, will be able to do so as long as it maintains a status of a Participant Member of the Open Licensing Community, and pays the annual Participant Membership fee of $50,000.

**SynPat Forms**

**EXHIBIT 1:**

**Invitation to Participate** (depends on the type of transaction)

**EXHIBIT 2:**

**Request to Participate**

To: \_\_\_\_\_\_\_\_\_\_\_\_\_

Syndicated Patent Acquisitions Corporation (“SynPat”)

Re: **Request to Participate in a Syndicated Patent Acquisition**

Syndicate Number:\_\_\_\_\_\_\_\_

1. We would like to participate in the above referenced syndicate.
2. We acknowledge receipt of the following documents: a) Patent Purchase Agreement, executed by SynPat (as purchaser) and the Patent Seller; b) Patent License Agreement between SynPat (as Licensor) and us (as Licensee), signed by SynPat; c) Invitation to Participate in a Syndicated Patent Acquisition, from SynPat; d) this Request to Participate; e) Fenwick and West’s opinion letter to SynPat regarding certain tax implications; f) Nondisclosure Agreement and PricewaterhouseCoopers LLP (“PWC”) Third Party Release, to be filled in, signed, and sent back to SynPat together with this Request to Participate form.
3. We understand that:
   1. According to the Patent Purchase Agreement, SynPat has a right to acquire the Patents at the Seller’s Upfront Price (“SUP”), within 100 calendar days from the Effective Date. The license granted to us under the Patent License Agreement shall be in full effect when the rights in the Patents are transferred to SynPat pursuant to Section 2.2 of the Patent Purchase Agreement. The rights in the Patents will automatically be transferred to SynPat upon payment of the SUP to the seller, which shall be no longer than \_\_\_ days after SynPat receives from prospective Participants Requests to Participate with payment commitments sufficient, in the aggregate, to fund the SUP.
   2. Our License Fee will be calculated by PWC according to the following formula: Seller’s Upfront Price/Number of Participants (SUP/NoP), up to the maximum we authorize below.
   3. Upon collection of Requests to Participate with payment commitments sufficient, in the aggregate, to fund the SUP, SynPat will send to all the Participants Payment Notices stating the participation fee (same as license fee), and we shall wire our participation fee directly to SynPat’s bank account within seven (7) calendar days.
   4. As a Participant, we may request to acquire SynPat’s rights to license the third parties designated below, at a price equal to 1.5 \* SUP / NoP.
   5. Upon receipt of this Request to Participate, SynPat will confirm by sending a copy of this form back to us.
4. The maximum amount that we commit to pay as our participation fee (“Maximum Committed Fee”) is **\_\_\_\_\_\_\_\_\_** U.S. Dollars.
5. We would like to acquire SynPat’s rights to license the following Designated Third Parties: **\_\_\_\_\_\_\_\_**.
6. We **▢**do not / **▢**authorize SynPat to disclose our interest in participating.

Our signature below acknowledges that we have read, understood and agree to be bound by the terms and conditions of the Patent License Agreement as of our signing date below:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| Signature |  | Name |  | By |  | Title |
|  |  |  |  |  |  |  |
| Email |  | Telephone |  | Address |  |  |

**EXHIBIT 3:**

**Notice of Successful Due Diligence (Syndicate Formation)**

To:

\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_

Re: Notice of Successful Due Diligence according to Patent Purchase Agreement effective \_\_\_\_\_\_\_

Dear \_\_\_\_\_

Pursuant to Sections 2 and 3 of the Patent Purchase Agreement (“Agreement”), SynPat has initiated and completed a due diligence investigation of the Patents and after finding the Patents suitable for monetization, it has raised the funds necessary to pay the SUP.

Therefore, the Agreement continues in full force and effect, and according to Section 5.2, Closing the exclusive (i) right and ability to grant licenses, and releases for past liability; (ii) right to sue and recover damages for past, present, and/or future infringement, including the right to collect and receive any damages, royalties, or settlements for such infringements; and (iii) right to injunctive relief are hereby transferred to SynPat upon payment of the SUP to the Seller.

Best Regards,

Syndicated Patent Acquisition Corporation

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EXHIBIT 4:**

**Payment Notice to Participants**

Dear \_\_\_\_\_

Re: **Payment Notice of Participation Fee in a Syndicated Patent Acquisition**

Syndicate Number:\_\_\_\_\_\_\_\_, Participation Fee: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. I am happy to inform you that your License under the License Agreement between you and SynPat for the above referenced Syndicate is now in full force and effect as of the date of this letter. In addition, I would like to bring to your attention that as a Participant in the Syndicate, you are entitled to a third of SynPat’s Revenues divided by the total number of Participants (NoP) in this Syndicate.
2. After SynPat received your Request to Participate in this Syndicate, together with Requests to Participate from other requesting Participants, bearing payment commitments that in the aggregate sufficient to fund the Seller’s Upfront Price (SUP), it formed a Syndicate to acquire the Patents and sent to the Patent Seller a Notice of Successful Due Diligence (a copy is attached herewith) pursuant to Section 4 of the Patent Purchase Agreement.
3. As a result, the Patent Purchase Agreement continues in full force and effect, and according to Section 4.2 Assignment of Patents of the Patent Purchase Agreement, the rights and interests in and to the Patents, were transferred to SynPat, and the execution of no additional document or agreement is required in order to effectuate that transfer. Therefore, your License under the License Agreement is valid and in full force.
4. PWC received from SynPat, in confidence, a copy of each Request to Participate, and after verifying that the Maximum Committed Fee stated by each Participant is larger than the calculated Participation Fee (SUP/NoP), approved the formation of the Syndicate and the Participation Fee as stated above. Please note that since its formation, the Syndicate has been closed for any further participation.
5. Please wire the Participation Fee (which is your License Fee according to the Patent License Agreement) without deduction of bank transmission charges or other withholding, within seven (7) calendar days from the date of this Payment Notice to SynPat’s bank account as designated below. Rest assured that your license is already granted and is not contingent upon payments of Participation Fees by other Participants.

Best Regards,

Syndicated Patent Acquisition Corporation

Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EXHIBIT 5:**

**Revenue Share Reporting Form**

Date:

Company name: Syndicated Patent Acquisition corporation

This is to provide you with our Revenue Share Payments statement pursuant to Section 3.3 of the Patent Purchase Agreement between our companies of Effective Date, which covers SynPat’s Revenues and the Revenue Share Payments for the [*1st, 2nd, 3rd, 4th*] calendar quarter of [year].

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Item** | **Description** | **Stage** | **SynPat’s Revenues** | **Adjustments (if any) under Section 8** |  | **Revenue Share Payments due** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  | **Gross amount due** |  |
|  |  |  |  |  | **Less withholding tax (if applicable)** |  |
|  |  |  |  |  | **Net amount due** |  |

I attest that above is true, complete and accurate.

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title: