

**Common Terms and Conditions Guide**  
**Section 1 – Solicitation Provisions**

**Clause Number: 1006**  
**Effective: 10/15/2002**  
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**Royalties**

If Bidder's proposal contains costs or charges for royalties, license fees, patent or license amortization costs, or similar costs or fees, Bidder shall include the following information with the proposal for each item of royalty, license fee, or cost:

- (a) Name and address of the licensor;
- (b) Date of the license agreement;
- (c) The patent numbers, patent application serial numbers, or other basis upon which the royalty is payable;
- (d) A brief description, including any part or model numbers, of each offered item or component with respect to which the royalty is payable;
- (e) The percentage or dollar rate of the royalty per unit;
- (f) The unit price;
- (g) The number of units; and
- (h) The total dollar amount of royalties.

In addition, as a precondition to the execution of the contract contemplated by this solicitation, Buyer may require a copy of the current license agreement and identification of the applicable claims of specific patents.