

Knowledge Qualifiers in IP Representations and Warranties

In most transactions involving the sale or license of intellectual property, a buyer or licensee will request that a seller or licensor represent and warrant that such intellectual property does not infringe or misappropriate the intellectual property rights of a third party.

In a **post** on the Morgan Lewis website, **Rahul Kapoor** and **Shokoh H. Yaghoubi** explain that this representation and warranty is often heavily negotiated in a license or purchase agreement. That's because the seller or licensor wants to limit its obligations for breach of this representation to limit its liability under the agreement, whereas the buyer or licensee wants to keep this provision as broad as possible to ensure that it receives appropriate protection from third-party claims for the intellectual property it licenses or buys.

Their article offers some advice on structuring this type of contract clause.

Read the article.