SNOMED CT® LICENSE AGREEMENT

THIS AGREEMENT is made as of February 2019, by and between International Health Terminology Standards Development Organisation, a private company limited by guarantee, incorporated and registered in England and Wales with company number 9915820, whose registered office is at One Kingdom Street, Paddington Central, London W2 6BD, England, and which trades as “SNOMED International” (“IHTSDO”); and Health Level Seven International (“LICENSEE”), 3300 Washtenaw Avenue, Suite 227, Ann Arbor, MI 48104, USA.

WHEREAS, SNOMED International owns all rights in a work of medical nomenclature and classification with coded concepts, coded terms (synonyms), multiple hierarchies and semantic definitions in machine-readable format known as SNOMED CT -- SNOMED Clinical Terms -- The Systematized Nomenclature of Medicine Clinical Terms (“SNOMED CT”);

WHEREAS, LICENSEE wishes to use a SNOMED CT set of coded concepts representing the International Patient Summary content in HL7 standards

WHEREAS, SNOMED International wishes to grant LICENSEE the rights necessary to do so, subject to the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. DEFINITIONS

For purposes of this Agreement, the following terms shall be defined as follows:

a. “Affiliate License” means the license for Affiliates for use of SNOMED CT as available from http://www.snomed.org/snomed-ct/get-snomed-ct, as updated from time to time.

b. The HL7 International Patient Summary (IPS) standard is an electronic health record extract containing essential healthcare information comprising at least the required elements of the IPS dataset. It is intended for use in the unscheduled, cross-border care scenario, as well as for local, regional and other care scenarios.

c. “Intellectual Property Rights” means patents, registered designs, trade marks and service marks (whether registered or not), copyright, database right, design right and moral right, in each case existing in any jurisdiction in the world, and other property rights in other jurisdictions that grant similar rights as the foregoing, including those subsisting in inventions, drawings, performances, software, databases, semiconductor topographies, business names, goodwill and the style of presentation of goods and services and in applications for the protection thereof.

d. “SNOMED CT HL7 International IPS set” shall be defined as the SNOMED CT concepts and concept identifiers as specified in Exhibit A. It shall include any additional SNOMED CT concepts and concept identifiers and terms which SNOMED International authorizes for incorporation into future versions of SNOMED CT HL7 International IPS set by mutual consent. Such a subset shall
not include inactives, veterinary content, hierarchies, semantic definitions (relationships) or logic.

e. “Users” shall be defined as developers and end users of EHR systems that access this SNOMED CT set in support of the HL7 International IPS as defined in HL7 implementation guides.

2. **GRANT OF LICENSE**

a. **License.** SNOMED International hereby grants LICENSEE a non-transferable, non-exclusive, worldwide, royalty free, fully paid up license (with the right to sublicense through multiple tiers) to distribute, display, reproduce, perform, modify (subject to Section 2(b)), incorporate, and use in HL7 Implementation Guides, including the International IPS implementation guides, those portions of the HL7 International IPS set as specified in Exhibit A, all in any media now known, or hereinafter invented. LICENSEE may provide the SNOMED CT HL7 International IPS SNOMED CT set, in electronic and/or printed form, to Users of HL7 standards. Users of the SNOMED HL7 IPS content in HL7 standards may, during the term of this Agreement and pursuant to its terms and conditions, have unlimited access to and use of the SNOMED CT concepts and concept identifiers as they appear in the SNOMED CT HL7 International IPS set during the term of this License Agreement fee free.

b. **Modifications and Updates.**

(i) LICENSEE may make modifications exclusively subject to the criteria set out in Exhibit B. Such proposed modifications shall be subject to review by SNOMED International and subject to final written approval of SNOMED International, given at its sole discretion, shall be incorporated into the SNOMED CT HL7 International IPS set by the LICENSEE in the following scheduled update.

(ii) LICENSEE may make no modifications of SNOMED CT HL7 International IPS set, except as provided herein. LICENSEE shall not modify SNOMED CT concepts and concept identifiers.

(iii) LICENSEE shall ensure the SNOMED CT HL7 International IPS set as defined in the HL7 published specification incorporates the latest version of SNOMED CT as of the time of publication. Updates issued by SNOMED International shall be incorporated in new publications of the HL7 IPS implementation guide(s) by the LICENSEE, in line with the schedule for issuing a new version.

(iv) Exhibit A, the SNOMED CT HL7 International IPS set, will be replaced with each scheduled and agreed update to the SNOMED CT HL7 International IPS set.

(v) Should SNOMED International choose to offer this free set, either as is or in conjunction with other SNOMED CT content, to other Users globally and at no fee, the processes set out in the agreement for update may need to be varied. Any changes would be done in conjunction with HL7 International to ensure there is no impact on implementations of the HL7 International IPS.
(vi) In such a case, SNOMED International would take responsibility for the distribution of the SNOMED CT set, including the HL7 International Use Case, and managing any changes and updates to it.

(vii) Notwithstanding anything in this Agreement to the contrary, if SNOMED International provides the SNOMED CT HL7 International IPS set, or any derivative, to third party licensees on terms less restrictive than the terms provided in this Agreement to LICENSEE, then (i) SNOMED International shall notify LICENSEE of such license; and (ii) LICENSEE’s utilization of the SNOMED CT HL7 International IPS set, or any derivative, on such less restrictive terms shall be deemed authorized and not a violation or breach of this Agreement.

3. LIABILITY

a. DISCLAIMER OF WARRANTY. LICENSEE ACKNOWLEDGES THAT SNOMED CT IS PROVIDED “AS IS.” The Parties agree, other than as set out in this paragraph 3, that all other warranties, obligations, representations or liabilities, express or implied, arising by law, in contract, civil liability or in tort, or otherwise, including but not limited to any implied warranty of fitness for a particular purpose or as to a condition of sale, do not apply. SNOMED INTERNATIONAL DOES NOT WARRANT THAT SNOMED CT WILL SATISFY LICENSEE REQUIREMENTS, OPERATE IN COMBINATIONS SELECTED BY LICENSEE, OR BE FREE FROM DEFECTS OR ERRORS.

b. Liability.

(i) IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY DIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, OR INDIRECT DAMAGES, WHETHER OR NOT FORESEEABLE, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(ii) Neither Party excludes or limits its liability for death or personal injury resulting from negligence or liability arising from fraud.

4. INTELLECTUAL PROPERTY

a. Ownership of Intellectual Property. LICENSEE acknowledges that SNOMED International owns all Intellectual Property Rights in SNOMED CT. This Agreement shall not assign or otherwise transfer any Intellectual Property Rights of either party either existing at the date this Agreement is entered into or created during the term of this Agreement. Neither party shall contest ownership of all or part of the other party’s pre-existing Intellectual Property Rights. LICENSEE shall not take any action adverse to SNOMED International’s Intellectual Property Rights in SNOMED CT. It shall not apply for, or assist others in applying for, any Intellectual Property Rights that include the trademark SNOMED CT or any similar term. LICENSEE shall not abbreviate the SNOMED, SNOMED Clinical Terms or SNOMED CT name if such name is
displayed on the User's computer screen, documentation, or promotional materials.

b. **Protection of Intellectual Property.** LICENSEE shall identify in informational materials provided to its Users that the HL7 International IPS implementation guide(s) contain SNOMED CT® and indicate the specific version. LICENSEE shall include the following notice of copyright and trademark acknowledgment on any electronic or printed version of the PRD items that include portions of SNOMED CT:

   “The HL7 International IPS implementation guides incorporate SNOMED CT®, used by permission of the International Health Terminology Standards Development Organisation. SNOMED CT® was originally created by the College of American Pathologists. SNOMED CT is a registered trademark of the International Health Terminology Standards Development Organisation, all rights reserved.”

c. **References to LICENSEE.** SNOMED International may use LICENSEE’S name and identify LICENSEE as a SNOMED CT licensee in advertising and promotional materials.

d. **Downloads.** The LICENSEE should put in place, where feasible, a mechanism to record downloads of HL7 International standards that include this IPS SNOMED CT set, sufficient to enable monitoring of any required recall or adverse usage notice.

5. **OBLIGATIONS OF LICENSEE**

a. **Use of SNOMED CT.** Except as expressly permitted by SNOMED International in writing or as otherwise permitted in this Agreement, LICENSEE shall not modify or change SNOMED CT concepts and concept identifiers included in the HL7 International IPS set.

b. **Scope.** Subject to Section 2(b)(vii), LICENSEE shall not incorporate any SNOMED CT content into its implementation guide(s) other than the concepts and concept identifiers in the SNOMED CT HL7 International IPS set as set out in this Agreement. The LICENSEE will include a SNOMED CT licensing statement making it clear that any use of SNOMED CT beyond the agreed set will be subject to SNOMED CT Affiliate licensing rules which may include a fee.

c. **Use in Standards:** LICENSEE shall use reasonable efforts to encourage the use of SNOMED CT as the core resource for interoperability and mapping of clinical terminology in the Registry, as described in paragraph 5d.

d. **Determining Needs.** Throughout the term of this Agreement, LICENSEE shall use reasonable efforts to assist SNOMED International in determining the broader needs for terminology in the IPS marketplace by providing suggestions on how the SNOMED CT work can be made more useable or useful. LICENSEE shall provide a link from its website to the SNOMED CT website.
6. **TERM, AMENDMENT AND TERMINATION**

a. **Term.** This Agreement shall commence on the date set forth above and unless terminated sooner pursuant to subparagraph 6(c), shall terminate at 23:59 on the fifth anniversary of the date this Agreement commenced. It shall renew following a review of the Agreement by both Parties for additional and successive five (5) year terms unless either party gives written notice of non-renewal to the other party at least ninety (90) days prior to the date of termination of the then current.

b. **Amendment.** As set out in Section 2(b), SNOMED International may choose to provide this free set and other SNOMED CT content for other global uses. This could lead to updating of this agreement and related processes in consultation with HL7 International to ensure that Users of the SNOMED CT HL7 International IPS set are not adversely impacted and HL7 has equal access to the global product (s).

c. **Termination.** Notwithstanding the foregoing, either party, at its sole option, may terminate this Agreement if the other materially violates any of its provisions, ceases to exist, or SNOMED International may terminate this Agreement if LICENSEE assigns this Agreement without the prior written consent of SNOMED International, and such violation remains uncured thirty (30) days after written notice thereof.

d. **Responsibilities Upon Expiration or Termination.** Upon expiration or termination of this Agreement, LICENSEE shall not include any additional concepts and concept identifiers from SNOMED CT within the HL7 International IPS standard unless the parties have executed a new written agreement authorizing such use. Upon expiration or termination of this Agreement, Users of the HL7 International IPS may continue to use the then current version of the SNOMED CT set, but such Users will no longer have access to updates. For a period of five years following such termination, LICENSEE shall provide notification to SNOMED International if LICENSEE is using new concepts and/or concept identifiers from SNOMED CT or other proprietary information of SNOMED International.

e. **Survival of Certain Obligations.** The obligations of LICENSEE under paragraphs 3, 4, and 7(a) shall survive termination of this Agreement.

f. **SNOMED International Remedies.** Nothing contained herein shall be construed as prohibiting SNOMED International from pursuing all remedies as may be available to SNOMED International for any such breach, including but not limited to, an action for injunctive relief or damages; provided however, that a condition precedent to SNOMED International’s pursuit of any remedy under this paragraph is a written notice from SNOMED International to LICENSEE citing a breach or threatened breach of this Agreement and LICENSEE’s failure to cure such breach within thirty (30) days of LICENSEE’S receipt of written notice.

g. **LICENSEE Remedies.** Nothing contained herein shall be construed as prohibiting LICENSEE from pursuing such remedies as may be available to
LICENSSEE for any SNOMED International breach, including but not limited to, an action for injunctive relief or damages.

7. MISCELLANEOUS

a. Choice of Law and Forum. This Agreement shall be governed by and construed in accordance with the laws of England and Wales. The English courts shall have exclusive jurisdiction to settle any dispute, controversy or claim (including any non-contractual dispute, controversy or claim) arising under or in connection with this Agreement. The English courts shall have exclusive jurisdiction to settle any dispute, controversy or claim (including any non-contractual dispute, controversy or claim) arising under or in connection with this Agreement and the LICENSEE waives its right to sue SNOMED International in any country other than England.

b. Waivers. Any waiver by either party of its rights under this Agreement shall not be construed as or constitute a continuing waiver of such rights or a waiver of any other rights hereunder.

c. Assignment.

(i) This Agreement may not be assigned by LICENSEE without the prior written consent of SNOMED International.

(ii) SNOMED International may transfer its rights and obligations under this Agreement to any party that succeeds (by purchase, merger, operation of law, reorganisation, or otherwise) to all or substantially all of SNOMED International’s capital stock, assets or business. In the event SNOMED International exercises its right under this paragraph 7(c)(ii), the LICENSEE shall, if requested to do so by SNOMED International in writing, promptly enter into any required transfer agreements to effect the transfer with SNOMED International and its successor. In the event that SNOMED International transfers all or part of its rights and obligations of any part of the SNOMED CT HL7 International IPS set to any other party, the LICENSEE will be notified and agreed action undertaken so that there is no impact on the use of the SNOMED CT HL7 International IPS set in implementation guide(s) by the LICENSEE.

d. Force Majeure. If, for any reason beyond its control, either party is unable to comply with its responsibilities under this Agreement, then performance by that party shall be excused until the reason for such inability ceases to exist. In such circumstances, each party shall use its best efforts to comply with the essential portions of this Agreement. In the event that such inability shall exist for a period of at least thirty (30) days, the parties shall meet to negotiate a resolution of any such existing performance problems. If the parties fail to negotiate a resolution with thirty (30) days, the Agreement may be terminated at the option of either party.

e. No Joint Venture or Partnership. LICENSEE is an independent contractor. Nothing in this Agreement shall be deemed to create a joint venture, partnership, agency, or similar relationship.
f. **Notices.** Any notice provided pursuant to this Agreement shall be in writing and shall be delivered or sent by overnight delivery to the parties at the following addresses:

**To SNO MED International:**

One Kingdom Street  
Paddington Central  
London W2 6BD  
United Kingdom

**To LICENSEE:**

HL7 International  
3300 Washtenaw Avenue, Suite 227,  
Ann Arbor,  
MI 48104, USA

The foregoing addresses may be changed on written notice to the other party.

**g. Entire Agreement.** This Agreement constitutes the entire understanding of the parties and supersedes all prior agreements between them relating to the subject of the Agreement. It may not be amended or modified except in writing signed by each of the parties.

**h. Exhibits:** The parties agree to update the Exhibits to this Agreement on an annual basis to reflect additions to the concepts and concept identifiers and remove all inactive and retired content.

**EXECUTED BY:**

**LICENSEE**

[Name] Charles Jaffe, MD  
[Title] CEO  
[Date] March 14, 2019

**SNO MED International**

[Name] Don Sweete  
[Title] CEO  
[Date] 26 February 2019
EXHIBIT A

SNOMED CT HL7 International IPS set

The SNOMED CT HL7 International IPS set version 1.00 is agreed as at signing of this SNOMED CT License Agreement. This is based on the January 2019 release of the SNOMED CT International Release and will be updated annually (unless otherwise required) in line with SNOMED CT International releases and with agreed requirements from HL7 International. Exhibit A is a separate document as a result but remains legally binding as per this Agreement.
EXHIBIT B

Criteria for Modifications

The following is guidance for making changes to the SNOMED CT HL7 International IPS set so that requirements can be met in an effective manner.

All provisions set out below are based on current SNOMED International requirements, and as a result of continuous improvement and evolving operational requirements may be subject to change, in collaboration with the Licensee.

Management of the subset:
1. The SNOMED CT HL7 International IPS set will be updated officially (Exhibit A revised) annually after SNOMED CT International releases, taking into account new requirements to the HL7 International IPS and changes to SNOMED CT,
   - The SNOMED CT HL7 International IPS set in implementation guides should clearly state the version of SNOMED CT used.
   - A process will be agreed to ensure that the expectations of both parties are met and that interim changes to the IPS set are managed in an agreed way.
2. The Licensee must provide a single point of contact for all requests for change to ensure that the SNOMED International has a contact point for any queries and there is consistency.
3. All requests for change must be submitted through the SNOMED CT central request submission portal by a single HL7 International point of contact with knowledge of the content.
4. The requests should clearly identify purpose of the request, timelines and identify that it is for the SNOMED CT HL7 International IPS set (to enable tracking).
5. All requests for new concepts should be accompanied by a text definition to enable full modelling of the concepts and a suggested hierarchy position.
6. Any expectations of delivery of new concepts and new concept identifiers added to SNOMED CT should take in to account the release cycle of SNOMED CT International – January and July annually – and adhere to the policies of content submission deadlines as posted on snomed.org.
7. SNOMED International ability to respond to requests will depend on resources and priorities for SNOMED CT, so there may be a need to defer requests to another release.
8. SNOMED International shall respond affirmatively or negatively to requests from HL7 International for inclusion of existing (as distinct from newly proposed) SNOMED CT concepts and concept identifiers in the SNOMED CT HL7 International IPS set within 30 days.
9. SNOMED International will respond to any specific queries from the Licensee about the status of the content of the ‘set’
10. SNOMED International will perform maintenance of the ‘set’ once per SNOMED CT release period and will provide a report on changes to the Licensee until such a time when there is tooling that the Licensee can use themselves.
11. SNOMED International reserves the right to inactivate, in any given release of any version of SNOMED CT, the concepts in the scope of the ‘set’. Where applicable, SNOMED International will provide paths to alternative concepts as part of the SNOMED CT historical association mechanism, and notify the licensee to include the alternative concepts in the subset.
12. SNOMED International reserves the right to move concepts to another version of SNOMED CT, or to a SNOMED CT extension, in which case SNOMED International will notify the licensee to discuss and agree implications on the set and agreed way forward.

Criteria for extending the SNOMED CT HL7 International IPS set:

1. Requests for additions of existing SNOMED CT concepts and concept identifiers to the agreed list of concepts are within the scope of the documented Use case (Exhibit C to the License Agreement)
2. The SNOMED CT HL7 International IPS set will not increase by more than 10% of the total over the first 5 years of the licensing arrangement, unless mutually agreed by both parties.
EXHIBIT C

Use Case for SNOMED CT Free starter set use in HL7 International Patient Summary (IPS) Implementations

The SNOMED CT IPS Free set is developed and offered for use in implementations of the HL7 CDA R2 and FHIR International Patient Summary (IPS) implementation guides world-wide and is applicable for much of the core content of these HL7 IPS specifications. An IPS document is an electronic health record extract containing essential healthcare information comprising at least the required elements of the IPS dataset. It is intended for use in the unscheduled, cross-border care scenario, as well as for local, regional and other care scenarios. The IPS dataset is a minimal and non-exhaustive patient summary dataset, specialty-agnostic and condition-independent, and readily usable by clinicians for the care of a patient. The specified data items can be used for both unplanned and planned care. The IPS specification is international in scope and attempts to align to the extent possible with related local and regional specifications (including, for example, the European CEN/TC 251 EN17269), thereby increasing its utility and value.

The HL7 IPS use case includes uses of the patient summary by an individual or a professional for the provision of healthcare across organizational, regional or national borders, and it covers HL7 CDA or FHIR IPS document instances assembled from one or more sources, including Electronic Health Records and other information systems such as registries. Thus, the HL7 IPS covers use cases for cross border care in Europe (as the eHDSI under CEF), South America and elsewhere around the globe, as well as for national, regional or local care coordination.

Organizations, information systems, or mHealth apps creating or receiving an HL7 IPS may or may not have a SNOMED license. For organizations, regions or countries that have a SNOMED license, the SNOMED CT free set enables easier specification of the patient summary requirements and better interoperability, while for those organizations, regions, or countries that do not have SNOMED licenses, the set can be a starting point for easier migration to SNOMED CT.