

BUSINESS AND COMMERCE CODE

TITLE 7. RECEIPTS, DOCUMENTS OF TITLE, AND OTHER INSTRUMENTS

CHAPTER 254. NOTE OR LIEN IDENTIFYING A PATENT RIGHT

Sec. 254.001. IDENTIFICATION OF PATENT RIGHT. (a) A note or lien evidencing or securing the purchase price for a patent right or patent right territory must contain on the face of the note or lien a statement that the note or lien was given for a patent right or patent right territory.

(b) The statement required by Subsection (a):

(1) is notice to a subsequent purchaser of the note or lien of all equities between the original parties to the note or lien; and

(2) subjects a subsequent holder of the note or lien to all defenses available against the original parties to the note or lien.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 2.01, eff. April 1, 2009.

Sec. 254.002. FAILURE TO IDENTIFY PATENT RIGHT; CRIMINAL PENALTY. (a) A person selling a patent right or patent right territory may not take a note or lien evidencing or securing the purchase price for the patent right or patent right territory without placing on the face of the note or lien the statement required by Section 254.001(a).

(b) A person who violates this section commits an offense. An offense under this section is a misdemeanor punishable by a fine of not less than \$25 or more than \$200.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 2.01, eff. April 1, 2009.