# IP rights sale agreement: in invention or process

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Schedule 1: Description of [Excalibur]

Schedule 2: Supporting IP Schedule 3: Third Party IP Schedule 4: Press release

Schedule 5: List of Manufacturers

This agreement is dated: [date] It is made between: [ABC Limited], a company incorporated in [Province] of Canada [under incorporation ■ ■ " ■ ■ ■ ■ "). And [DEF Limited], a company incorporated in Canada [under incorporation number [number] and whose registered office = = = = = [ = = = = = ] ( = = = " = ■ ■ ■ "). It is now agreed as follows: 1. **Definitions** "[Excalibur]" means the package of software, graphic design, control system, user interface, reporting and all other systems which, together with the Supporting IP, constitute the **•••• ••• •••** .,.................... "Confidential Information" means all information about the parties to this agreement, including any information which may give a commercially competitive advantage to any other person. It does not include information that it is reasonably necessary to disclose to a customer or other person ------information about staff and their personal contact information. data or information relating to product plans, marketing strategies, finance, operations, customer relationships, customer profiles, sales estimates, business plans.

"Derived Product"

means a product, being or containing Intellectual

.....................

	Property, in any medium which is based on or ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
"Intellectual Property"	means intellectual property of every sort, whether or not registered or registrable in any country, including intellectual property of kinds coming into existence after today; and including, among others, patents, trademarks, unregistered marks, designs, copyrights, software, domain names, discoveries, Know
"Know-how"	means scientific or technical information, and other procedures and ways of working and organising
"Market"	means an industry sector identifiable by reference to its product or service,   , , , , , , , , , , , , , , , , , ,
OR	
"Market"	means the market for [agricultural machinery / unmanned aerial vehicles / food processing machinery, or as the case may be]
"Supporting IP"	means all Intellectual Property required for any purpose whatever, in connection with the operation, control or servicing of [ • • • ], • • • 2.
"Third Party IP"	means intellectual property owned by some person other than the parties, which has been incorporated into [Excalibur] • • • • • • • • • • • • • • • • • • •

## 2. Interpretation

In this agreement unless the context otherwise requires:

2.1	a reference to one gender shall include any or all genders and a reference to the singular may be interpreted • • • • • • • • • • • • • • • • • • •
2.2	a reference to a person includes a human individual, a corporate entity, a partnership, a governmental authority
2.3	in connection with any benefit given by this agreement, a reference to a party includes ••••••••••••••••••••••••••••••••••••
2.4	a reference to a paragraph or schedule is to a paragraph or schedule to this agreement unless the context • • • • • • • • • • • • • • • • • • •
2.5	the headings to the paragraphs and schedules (if any) to this agreement are inserted • • • • • • • • • • • • • • • • • • •
2.6	any agreement by any party not to do or omit to do something includes an obligation not to allow some • • • • • • • • • • • • • • • • • • •
2.7	a reference to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information, ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
2.8	all money sums mentioned in this • • • • • • • • • • • • • • • • • • •
2.9	this agreement is made only in the English language. If there is any ■

### 3. Warranties for authority

		-
3.1	Each	of the parties warrants that it
		].
3.2	Each	of the parties warrants and undertakes that it is ■ ■ ■ ■ ■ ■ ■ ■
	•••	
3.3		of the parties warrants that it is not insolvent and knows of ■ ■ ■
	•.	
3.4	Each	of the <b></b> :
	3.4.1	conflict with or result in the breach of any ■ ■ ■ ■ ■ ■ ■ ■ ■
	0.4.0	conflict with any law or • • • • • • • • • • • • • • • • • •
	3.4.2	Conflict with any law or
	3.4.3	constitute a default (or event which with the giving • • • • •
Rela	ations	ship of parties

### 4.

4.2	Neither party shall have, nor represent that it ■ ■ ■ , ■ ■ ■ ■ ■ ■ ■
4.1	Nothing in this agreement shall create a partnership, ■ ■ ■ ■ ■ ■ ■

5. E	ntire	agree	ment
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5.1	This agreement contains the entire
	••.
5.2	No express or implied licence of [
	*****
5.3	Conditions, warranties or other terms implied by ■ ■ ■ ■ ■ ■ ■ ■ ■
5.4	Each party acknowledges that, in entering into this agreement, ■ ■ ■
5.5	As an exception to the last • • • • • • • • • • • • • • • • • • •
	[Enter list = = = = = = = = = = = = = = = = = = =
	<i>J.</i>

# 6. Seller's representations as to Intellectual property

The Seller represents and warrants that:

6.1	the Seller is the owner of [ $\blacksquare$
0.1	
6.2	the Seller is either the owner of the entire right, title and interest in and
	;
6.3	to the best of the knowledge of the Seller, ■ ■ ■ [ ■ ■ ■ ] ■ ■ ■ ■
	;
6.4	[except as listed in Schedule [3]] no action has been ■ ■ ■ ■ ■ ■ ■

	6.5	use of [Excalibur] and
		;
	6.6	The above representations and warranties shall terminate [■ ■ ■ ] ■
7.	Ass	signment of [Excalibur]
	7.1	For the price of \$ [amount] the Seller now ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
	7.2	The price shall be paid
	7.3	[Immediately after this agreement becomes effective / within 48 hours
	7.4	If within [8] weeks of today, the Licensee identifies to the Seller, any material in any medium that is missing after delivery of [■■■■]■■■
	7.5	The Seller agrees to take whatever action is necessary, for a period of

# 8. Licence of Supporting IP

9.

8.1	The Licensee acknowledges that the Seller owns all right, title and
8.2	Subject to this agreement, the Seller
8.3	The licence is limited to •••••••••••••••••••••••••••••••••••
8.4	The licence is irrevocable, perpetual, •••••, ••••, •••••
8.5	The Licensee must not sub-
8.6	The Licensee may not represent or
8.7	The Licensee may not remove any identification
8.8	So far as any goodwill is generated
Sub	
	-licence for use of Supporting IP by third parties
The fo	llowing terms ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ - ■ ■ ■ ■ ■
9.1	No express or implied licence of the Supporting
9.2	This license includes the right of the Licensee to copy

9.3	The Licensee shall use only ••••••5].
9.4	The Licensee may seek approval from the Seller of any other third
9.5	No disclosure may be made by the Licensee until the third party has properly executed a sub-licence agreement in  , , , , , , , , , , , , , , , , , , ,
9.6	The Licensee shall remain wholly responsible
9.7	It is a condition of this grant • • • • • • • • • • • • • • • • • • •
	9.7.1 denigrate the Seller or •••••, ••••, ••••, ••••
	9.7.2 reduce the value of •••••••••••••••••••••••••••••••••••
Thir	d Party IP
Optio	n One
10.1	The Seller has obtained all necessary permissions and •••••••••••••••••••••••••••••••••••
10.2	The Seller grants a licence of in respect of • • • • • • • • • • • • • • • • • •

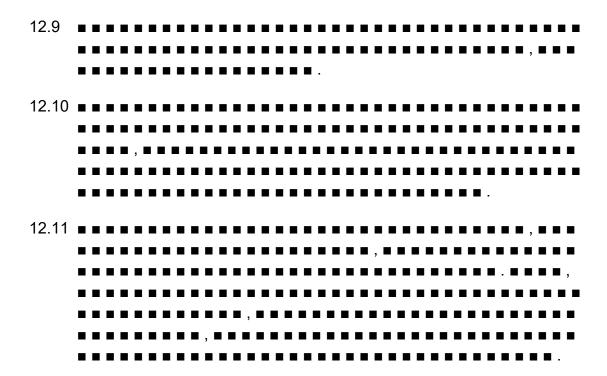
10.

**Option Two** 

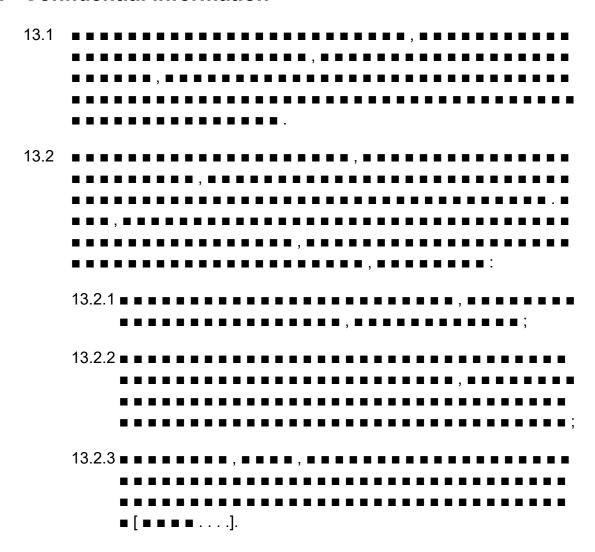
	10.3	[Excalibur] and/or the same same same same same same same sam
		10.3.1 it is subject to proprietary
		10.3.2 the Seller now grants a sub-licence in any area in which
		10.3.3 The Seller gives no warranty whatever as to any aspect of • • • • • • • • • • • • • • • • • •
11.	Drot	
11.	PIO	tection / restrictions on use of the Supporting IP
11.	The L	tection / restrictions on use of the Supporting IP icensee agrees that within the parameters set
	The L	attend training in the use of the Supporting IP or procure
	The L	icensee agrees that within the parameters set
	The L	icensee agrees that within the parameters set   attend training in the use of the Supporting IP or procure  notify the Seller immediately it discovers any fault or defect

# 12. Third party infringement of Supporting IP

12.1	If either party becomes in any way aware
12.2	,,
12.3	The Seller must notify the Licensee within [28]
12.4	The Licensee agrees to co-operate with the Seller in any litigation or other enforcement action that the Seller may
12.5	All reasonable lawyers' fee and other expenses incurred by the Licensee in
12.6	The Licensee shall have the right to participate
12.7	The Licensee shall have no recourse against the Seller arising out of the Seller's handling of or decisions concerning
12.8	If the Seller fails to take action on a matter which affects or may ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■



#### 13. Confidential Information



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	13.2.6	 • • • •		• • • •	••••	••••		
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13.3		 	■ ■ , ■	 			• • • • •	
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### 14. Disclaimer

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14.3						 		• • • •	 
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	14.3.2	,				 			 
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		14.3.3
		14.3.4
	14.4	
15.	Inde	emnity by Licensee
	15.1	•:
		15.1.1
		15.1.2 its breach of this agreement;
		15.1.3
		15.1.4
		15.1.5
16.	The	measure of damages
	16.1	

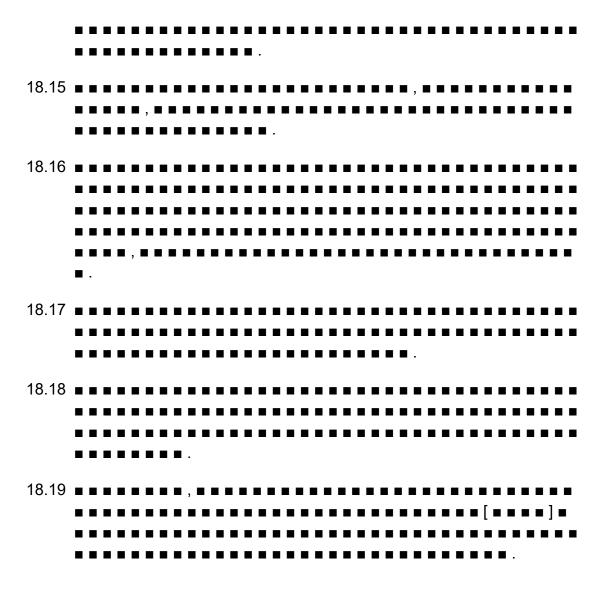
16.2	
Pub	licity / Announcements
17.1	
OR	
17.2	No party shall:
	17.2.1 make any public announcement; or
	17.2.2 disclose any information; or
	17.2.3
17.3	
17.4	4,
Mis	cellaneous matters
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**17.** 

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**Signed by** [personal name] on behalf of [Seller name] as its representative who personally accepts liability for the proper authorisation by [Seller name] to enter into this agreement.

**Signed by** [personal name] on behalf of [Licensee name] as its representative who personally accepts liability for the proper authorisation by [Licensee name] to enter into this agreement.

# **Schedule 1: Description of [Excalibur]**

# Schedule 2: Supporting IP

# **Schedule 3: Third Party IP**

### Schedule 4: Press release

### **Schedule 5: List of Manufacturers**

## **Explanatory notes:**

IP rights sale agreement: in invention or process

### **General notes**

#### 1. This agreement

·····o ug. ooo
This agreement is drawn in general terms without specific reference to any industry. We suggest that you should give careful thought to
This agreement has been drawn to protect the seller as far as possible. It follows that it is tough on your counter party. However, that is relative. If you are entering into a joint venture
It follows that the agreement will contain provisions which you regard as too strong. We have drawn it that way because it is very easy for you to assess our words and decide what you should delete. It would not be so easy
It is your document

#### 2.

There is a great psychological advantage in "presenting" the document for a deal. Your counter party may want additions, deletions and conditions, but he is still working on your document. It is rather like playing a new board game where the referee insists on the rules but you have the only rule book. It is very rare indeed for a counter party to say "Sorry, I do not . . . . . . . . . . . . . . . . . .

We also consider whether your counter party is here in your jurisdiction or in some other. Our documents are based on the law where you are. However, there are surprisingly few occasions where fundamental issues arise from an international element. 

#### 3. Why are some terms duplicated?

What is valid in one jurisdiction may be invalid in another. So we provide both because if one alternative is void, .......

#### 4. What you should delete

### Paragraph specific notes:

Notes referring to specific paragraphs

#### 1. Definitions

what definitions are needed and whether they really $\blacksquare$
The definition relating to the subject matter of the agreement requires particular care on your part. The better you can define it,
We have given a name to the whole of the package (Excalibur) but ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
You may also have to differentiate between the name you give to the package and any other name you might use to sell your own products. Be careful to avoid accidentally including in the definition of what you are selling, a name or software which

You should first decide on the contents of the document, then return to check

	As for "Supporting IP", you can of course give
	By all means use the find/replace function in your word processor to change them. Here are examples of changes to defined terms, but if you do change the defined word,
	You should first decide on the contents of the document, then return to check
2.	Interpretation
	Leave these items in place unless there is a good reason to edit or remove.  Each of these items has been carefully considered
	*****
3.	Warranties for authority
	The importance of these warranties is largely in removing a defence of "I did not realise" in the event of
4.	Relationship of parties
	We have no comment
5.	Entire agreement
	This paragraph prevents a party from later saying he was relying on some other document or web site or what was said. These provisions are more important in an international trade agreement, when another country ■ ■ ■ ■
	,
6.	Seller's representations as to intellectual property
	These points are necessary for the proper protection of the licensee. They
7.	Assignment of [Excalibur]

	This is the basis of the agreement. It is the actual transfer of property and statement of the
8.	Licence of Supporting IP
	These points may well be self evident, but written into the agreement
9.	Sub-licence for use
	Your buyer needs provision for others to work on the subject matter in ways which will involve his use
10.	Third Party IP
	We have provided complete alternative paragraphs. If in doubt, use the second alternative. This formalises the sub licence of IP owned by some third party. However, this
11.	Protection / restrictions on use of the Supporting IP
	Options on three unconnected matters.
12.	Third party infringement of Supporting IP
	Infringements leading to litigation are not common, but when they happen, the usual short notes found in legal agreements are hopelessly inadequate. When litigation happens, the
	,
13.	Confidential Information
	We have included this paragraph because a business has so many secrets ■

	Remember to tie
14.	Disclaimer
	As stated, this disclaimer
	What disclaimer or warranty you give will depend on
	We have provided
15.	Indemnity by Licensee
	Very widely ••••••, ••••, ••••, ••••
16.	The measure of damages
	A = = = = =
17.	Publicity / Announcements
	This paragraph is largely to protect from
18.	Miscellaneous matters
	A number of special points. We have identified each of these as
	,
Sched	dule 1- Description of [Excalibur]
	It is absolutely essential that you define the subject

### **Schedule 2- Supporting IP**

The same comments apply as for Schedule 1.

### Schedule 3- Third Party IP

The same comments apply as for Schedule 1.

#### **Schedule 4- Press release**

Attach press release.

#### **Schedule 5- List of manufacturers**

List approved manufacturers.

### **End of notes**