

NZ-COMmfg01

Development and manufacturing agreement: customer version

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This agreement is dated [date] ■■■■■■■■■■■■ :

[Champion Bikes Ltd], a company incorporated in New Zealand [under company number [number] and] ■■■■■■■■■■■■ [■■■■■■■■■■] (“■■■■”);

and

[Wheely Makers Ltd], a company incorporated in New Zealand [under company number [number] and] ■■■■■■■■■■■■ [■■■■■■■■■■] (“■■■■”).

Background:

- A. [Champion] is a designer, manufacturer and merchant of high performance cycle wheels. [Wheely] ■■■■■■■■■■■■ ■■■■■■■■■■■■ .
- B. [Champion] and [Wheely] have agreed that production of the Product shall be undertaken by [Wheely] on ■■■■■■■■■■ [■■■■] ■■■■■■■■■■■■ ■■■■■■■■■■■■ .

It is now agreed as follows:

1. Definitions

In this agreement, the following words shall have the following meanings, ■■■■■■■■■■■■ :

“Confidential Information” means all information about a party, including any information which may give a commercially competitive advantage to ■■■■■■■■■■■■ . ■■■■■■■■■■■■ :
information about employees, their performance and ■■■■■■■■■■■■ ,
data or information relating to suppliers, product plans, marketing strategies, finance, performance, operations, customer ■■■■ , ■■■■■■■■■■ , ■■■■■■■■■■ ;
information about the Intellectual Property, the Know-how and all ■■■■■■■■■■■■ ■■■■■■■■■■■■ ;
information created or arising from this

10. Production specification and materials coverage

- 10.1. The materials specification as finally recorded [redacted]
[redacted]
[redacted] [redacted].
- 10.2. [Scrap / trimmings / [redacted] / [redacted]] [redacted]
[redacted] [redacted].
- 10.3. [Wheely] shall from time to time obtain arm's length, market prices for
[scrap / trimmings / offcuts / [redacted]] [redacted] [redacted]
[redacted] [redacted] [redacted]. [redacted] [redacted], [redacted]
[redacted] [redacted] [redacted] / [redacted] [redacted], [redacted]
[redacted] [redacted] [redacted] [redacted] [redacted].

11. Payment for Product development

[Champion] [redacted] [redacted] :

- 11.1. at acceptance by [redacted] [redacted] \$ [00 , 000]
]
- 11.2. at acceptance by [redacted] [redacted] \$ [00 , 000]
- 11.3. after receiving certificate of [redacted] [redacted] \$ [00 , 000]

12. Design price and payment

- 12.1. Wherever a payment obligation is specified in this [redacted], [redacted] [redacted]
[redacted] [redacted] [redacted] [redacted] [redacted] [redacted].
- 12.2. After acceptance by [Champion] of the [redacted], [redacted] [redacted]
[redacted] [redacted] [redacted] \$ [00 , 000].

OR

- 12.3. For development and testing, [Champion] shall pay [Wheely] [redacted]
[redacted] [redacted] [redacted] [redacted] [redacted]
[redacted] 1 , [redacted] [redacted] [redacted] [redacted].

12.4. For all work before commencement of commercial production,
[Champion] [1 . 5]
[1 . 9] .

12.5. In calculating the cost of materials:

12.5.1 cost shall include all costs []'s ;

12.5.2 cost shall be ;

12.5.3 materials shall include bought-in raw materials plus whatever
spare parts, ,
[]
[] .

12.6. In calculating the cost of labour:

12.6.1 all production cost shall be included;

12.6.2 the design team [] .

12.6.3 a fixed sum of \$ []
 , - .

13. Production price

13.1. When [Champion] has accepted the completion of the design and
orders the Product in a [100],
[]
 .

13.2. The price payable by [] :

For the first [1000] units \$ [number]

For the next [5000] units \$ [number]

For each additional unit \$ [number]

- 17.3. Tax shall be stated separately on [Wheely]'s invoices, collected [] , [] , [] .
- 17.4. [Wheely] will indemnify [Champion] against [] 's [] .
- 17.5. Wherever any sum is chargeable by [Wheely] to [Champion] for services based [] , [] , [] [] , [] .
- 17.6. In any case where [Champion] is prohibited by law from making a payment to [Wheely] without first withholding tax from that [] , [] [] , [] [] [] . [] [] .

18. Visitors

- 18.1. [Wheely] agrees to host visits by customers of [Champion] or other people [] , [] . [] [] .
- 18.2. There shall be no more than [one] visit [] [] , [] [] .
- 18.3. [Champion] undertakes to inform every visitor [] , [] .
- 18.4. [Champion] must make [] [] 's [] .

19. On site audits

19.1. On notice of at least [seven] days, [Champion]'s representative, its partners, financial supporters and its customers may attend at []'s []'s []'s . [] [] , [] .

19.2. On notice of at least [seven] days, [Champion] and/or any professional advisor may attend at any of []'s [] , [] , [] []'s [] .

OR

19.3. The parties agree that within [number] days after the end of each period of [six] month, based on the financial year of [[Wheely] / []], [] []'s [] []'s [] . [] []'s [] .

AND

19.4. The auditor shall be instructed not to disclose to [] [] [] .

19.5. The provisions of this paragraph apply equally to any sub- [] [] [] . [] [] - [] .

19.6. If any discrepancy is found in [] , [] [] [] .

20. Defective Product returned

These provisions apply in the event [redacted]
[redacted]:

20.1. [Wheely] will [redacted]:

20.1.1 the defect is reported to [redacted] [12] [redacted]
[redacted];

20.1.2 the Product is returned [redacted] [redacted].

20.1.3 the defect results only from faulty manufacture;

20.2. [Wheely] will refund the [redacted].

20.3. If [Wheely] repairs or replaces a Product, [Champion] [redacted]
[redacted] [redacted], [redacted].

21. [Wheely]'s manufacturing warranty

21.1. [Wheely] warrants that for period of [24] months from date of [redacted]
[redacted], [redacted]
[redacted] [redacted], [redacted], [redacted].

21.2. Non-warranty service pricing shall be negotiated [redacted]
[redacted].

21.3. If either party shall become aware of [redacted]
[redacted], [redacted].

22. [Wheely]'s Service provision

22.1. The Services are listed in Schedule 2. Before submitting the first order
to [Wheely] [redacted] 100 [redacted].

25. “Work made for hire”

25.1. []
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25.2. []
,
[], []
.

25.3. [] []
[]'s
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25.4. []
,
[].

26. Existing Intellectual Property

26.1.
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26.2. []
,
 (“ ”).

26.3. []
.

26.4. []
[]
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26.5. , []
[],
[] ,

28.10. [redacted]
[redacted]:

28.10.1 [redacted] [redacted], [redacted], [redacted],
[redacted];

28.10.2 [redacted] [redacted]'s [redacted].

29. Third party infringement

29.1. [redacted]
[redacted]
[redacted], [redacted]
[redacted].

29.2. [redacted] [redacted], [redacted]
[redacted], [redacted], [redacted]
[redacted], [redacted], [redacted]
[redacted].

29.3. [redacted] [redacted] [redacted] [redacted] [28] [redacted]
[redacted], [redacted]
[redacted].

29.4. [redacted] [redacted] - [redacted] [redacted]
[redacted] [redacted]
[redacted]. [redacted] - [redacted],
[redacted] [redacted]
[redacted].

29.5. [redacted]
[redacted] [redacted] - [redacted]
[redacted] [redacted]
[redacted] [redacted].

29.6. [redacted] [redacted]
[redacted], [redacted]
[redacted].

29.7. [redacted] [redacted] [redacted]
[redacted] [redacted]'s [redacted]

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..... [.....]
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29.8. [.....]
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29.9. [.....]
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29.10. [.....]
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29.11. ,
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30. Duration and termination

This agreement may be terminated:

30.1. by mutual agreement on an agreed date.

30.2. [.....]
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30.3. [.....] [..... /].

30.4.
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30.4.1
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30.4.2 ,
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30.4.3
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31. Change of Control

31.1. [.....]
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..... [.....]

31.2. [.....] , [.....]
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..... .

31.3. , [.....
.....]
..... .

31.4. [.....]

Schedule 1: Detailed specification and phases

Schedule 2: Services: end user service specification

Schedule 3: Standards

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Schedule 7: Press release

Schedule 8: Delivery locations

Explanatory notes:

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Paragraph specific notes:

Notes numbering refers to paragraph numbers.

1. Definitions

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really .

Please read the general notes sent along with .

Here we have provided a very full menu of items to cover in “Confidential Information”. Depending on your business, .

If your counter-party is in New Zealand, you may decide to remove or abbreviate the lists in “Intellectual Property”. We have included them, first to make sure your counter-party is under no illusions about IP, and second because some .

There is no copyright in know-how.

The definition relating to the subject matter of the agreement requires particular care on your part. We have used the term “Product”. This is a generic term. The document would read .

We have not included a specific, extensive licence by the customer (you?) to the manufacturer, but as a matter of law, you will license your IP .

By all means use the find/replace function in your word processor to change them. If you do change a defined term, make sure it .

Remember too, that when a word or phrase is defined, the defined meaning capitalised, takes precedence over the .

..... 2020
,

<https://iccwbo.org/resources-for-business/incoterms-rules/incoterms-2020/>

Incoterms are not legally binding, unless they are incorporated into an agreement by express reference to the specific Incoterm. We have worded Incoterms in this paragraph prescribed by the International

Below is a basic summary

The rules defined by Incoterms 2020 for (.....)
..... :

EXW – Ex Works

The seller makes the goods available at a named place of delivery. This can either be the seller’s premises or any other place. This term places the maximum obligation on the buyer and minimum obligations on the seller. EXW is often used when making an initial quotation for the sale of goods without any costs included. The buyer pays all transportation costs and also bears the risks for bringing the goods to their final
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FCA – Free Carrier

The seller hands over the goods, cleared for export, into the disposal of the first carrier (named by the buyer) at the named place. The carrier can be anyone i.e. buyer, seller or third party. The passing of risk depends on the where the goods are delivered. If the goods are delivered at seller’s
.....
.....
.....
.....

.....

CPT - Carriage Paid To

The seller pays for the carriage and delivers the goods to the buyer by handing them
.....

CIP – Carriage and Insurance Paid to

The seller pays for carriage and insurance to the named destination point,
.....

DAP – Delivered at Place

The seller pays for carriage to the named place, except for costs related to import clearance,
.....

DPU – Delivered at Place Unloaded

The seller pays for carriage, except for costs related to import clearance, and assumes all risks
.....

DDP – Delivered Duty Paid

The seller is responsible for delivering the goods to the named place. The seller must pay all costs in bringing the goods
.....

Rules for Sea and Inland Waterway Transport

The four rules defined by Incoterms 2020 for international
..... :

FAS – Free Alongside Ship

The seller is responsible for delivering goods to the buyer by placing the goods alongside the ship at the named port.
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“ ”
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..... ,
..... .

An important point of contract law also appears in this paragraph.
..... “ ”
..... ;
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..... .

We suggest leave it as is.

26. Existing Intellectual Property

Depending on the value and extent of the
..... ,
..... .
..... .

27. New IP

This is another area on which much litigation is based. At the start, both
..... .
..... .
..... - ,
..... ?

28. Protection of Intellectual Property

If you fail to protect your IP, someone will steal it. They may just steal it at the
edges, or they may
..... ,
..... ,
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..... .
..... .

29. Third party infringement

