

NZ-COMmfg03

Prototype development agreement

[ABC Ltd]

AND

[DEF Ltd]

Dated: [Date]

Contents

1. Definitions
2. Interpretation
3. Entire agreement
4. Client's warranties
5. Manufacturer's warranties
6. Scope of work
7. Representative liaison and design review
8. Product design testing
9. Regulatory approvals
10. Setup costs
11. Design price and payment
12. Production specification and material coverage
13. Delivery
14. Transportation
15. Taxes
16. Visitors
17. On-site audits
18. Limitation of liability
19. Use of sub-contractors
20. Confidential Information
21. "Work made for hire"
22. Inventions already made
23. New IP
24. Protection of Licensed Material
25. Third party infringement
26. Duration and termination
27. Change of Control
28. Publicity / Announcements
29. Assignment
30. Indemnities
31. Damages not adequate
32. Uncontrollable events
33. Miscellaneous matters

Schedule 1 Detailed specification and phases

Schedule 2 Standards

Schedule 3 List of setup tools and equipment

Schedule 4 Press release

This agreement is dated: [date]

It is made between:

[ABC Ltd], a company incorporated in New Zealand, Company Number/NZBN [number] whose registered [] (" ");

and

[DEF Ltd], a company incorporated in New Zealand, Company Number/NZBN [number] whose registered [] (" ").

Background:

- A. The Client is a designer, manufacturer and merchant of high performance cycles. The Manufacturer is .
- B. The Client has ideas and preliminary drawings of a wheel it .
- C. The Parties have agreed that the Manufacturer will undertake the detailed design of the Super Fizz Wheel and the manufacture .

It is now agreed as follows:

1. Definitions

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

- | | |
|----------------------------|---|
| “Affiliate” | means, with respect to any person, any human individual, or corporate body, or organisation of people acting together, who is able to Control its affairs or actions; . |
| “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 ■■■■, ■■ ■■■■■■, ■■■■■■■■■■, ■■■■■■■■■■;

[illegible]

information created or arising from this agreement;

information owned by a third party and in respect
of which a party ■■■■■■■■■■■■■■■■■■■■
■■■■■ - ■■■■.

information, comment or implication published on
 ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ .

[illegible][illegible]

“Control”

[illegible]

“Incoterm”

means latest version of pre-defined commercial rules of international trade published by ■■■■ ■■■■ ■■■■ 2020 .

“Intellectual Property”

means intellectual property of every sort, whether or not registered or registrable in any country, including ■■■■ ■■■■ ■■■■ ;

and including:

patents, trade marks, unregistered marks, designs, copyrights, software, domain names, discoveries, know-how, creations and inventions, moral rights, together with all rights ■■■■ ■■■■ ■■■■ ■■■■ .

concepts, ideas, designs, inventions, improvements, discoveries, data, processes, methods, techniques, know-how, and information, ■■■■ ■■■■ ■■■■ ■■■■ .

“Know-how”

means scientific or technical information, and other procedures and ways of working and organising ■■■■ ■■■■ ■■■■ .

“Licensed Material”

means Intellectual Property and machines, prototypes, models, finished goods, and all other tangible and intangible things which are now or may in future be, ■■■■ ■■■■ ■■■■ , ■■■■ ■■■■ ■■■■ .

“Party”

means one of the parties to this agreement, ■■■■ ■■■■ ■■■■ .

“Product”

means the [\[Super Fizz Wheel\]](#) or any other product which ■■■■ ■■■■ ■■■■ ■■■■ .

“Project”	means the work to be done under the ■■■■ ■■■■■■■■■■.
“Specification”	means the detailed specification set out ■■■■ ■■■■ 1 .
“Stage”	means one of a series of stages in making Prototypes of the Product, ■■■■ ■■■■■■■■■■.
“Standards”	means the standards, protocols and regulatory requirements as ■■■■ 2 .

This agreement shall be interpreted as ■■■■■■■■■■.

- 4

4. Client's warranties

The Client warrants that:

- 4.1. it is either the owner of the entire right, title and interest in and to the Licensed Material or it has been granted a licence to those rights and that any such [REDACTED];
- 4.2. use of the Licensed Material by the Manufacturer does not infringe [REDACTED];
- 4.3. it has power to enter [REDACTED] [REDACTED].
- 4.4. it is not insolvent and knows of no circumstance which would [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].
- 4.5. it has taken out a policy [REDACTED]
[REDACTED] \$ [REDACTED].

5. Manufacturer's warranties

The Manufacturer warrants that:

- 5.1. It is a registered [what, if any?] and is certified to [ISO 9001] [28] , .
- 5.2. it is not aware of anything within .
- 5.3. it has the necessary experience, all necessary , , .
- 5.4. it is not a party to any other , , .

- 5.5. it has taken out a policy
 \$ [.....].

6. Scope of work

The Manufacturer shall:

- 6.1. complete the design of the Product.
- 6.2. prepare a series of 20 prototypes. .
- 6.3. for each Prototype Stage, submit 20 prototypes for evaluation. .
- 6.4. complete the design of the Product.

7. Representative liaison and design reviews

- [illegible]

[illegible][illegible]

17. On site audits

- [illegible]

- 17.2. On notice of at least [seven] days, the Client and/or any professional advisor, may attend at _____ , _____ , _____ . _____ , _____

OR

- 17.3. The Parties agree that within [number] days after the end of each period of [six] months, based on the financial year of the Client/

AND

- [illegible]

- [illegible]

- 17.6. If any discrepancy is found in _____,
 _____ [_____] _____.

18. Limitation of liability

18.1. The law differs from one

18.2. The Manufacturer shall not
 :

18.2.1 indirect or consequential loss; or

18.2.2 economic loss or other ■■■■■■■■■■ , ■■■■ , ■■■
■■■■■■■■■■ : ■■■■

[illegible]

The above provisions apply even if such

18.3. Except in the case of death or personal injury, the total liability of the Manufacturer under _____, _____, _____, _____ \$ [10 , 000]. _____, _____, _____.

[illegible]

18.5. Conditions, warranties or other terms implied by _____
_____, _____,
_____.

18.6. The Manufacturer is not
.....:

[illegible][illegible]

18.6.3 the model or serial number ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
 ■ ■ ■ ■ ■ ■ , ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ , ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ .

19. Use of sub-contractors

The Manufacturer shall not sub-
.

OR

The Manufacturer may perform any or _____
 _____ - _____ :

[illegible]

OR

[illegible][illegible][illegible]

19.5. So far as work under this -
, [.....].

20. Confidential Information

20.1. The Parties are aware that, as a result of this agreement, they will each have access to and be entrusted with Confidential Information of the other. All _____, _____
_____, _____
_____. _____,
_____.

21. “Work made for hire”

[illegible][illegible][illegible][illegible]

OR

[illegible]

21.6. [■■■■■■■■■■ 2] ■■■■■■■■■■
 ■■■■■■■■■■ ■■■■■■■■■■ [
 ■■■■■■■■■■ 1] ■■■■■■■■■■
 ■■■■■■■■■■.

21.7. $[\dots 2] \dots$
 \dots
 \dots , \dots
 $\dots [\dots$
 $\dots 1]$, $\dots [\dots 1] \dots$
 \dots .

21.8. [■■■■■■■■■■ 2] ■■■■■■■■■■ [■■■■■■■■■■ 1
] ■■■■■■■■■■
■■■■■ [■■■■■■■■■■ 2] ■■■■■■■■■■

[illegible]

22. Inventions already made

[illegible][illegible][illegible][illegible][illegible]

23. New IP

[illegible]

25. Third party infringement

[illegible][illegible][illegible][illegible][illegible][illegible][illegible]

26. Duration and termination

[illegible]

26.1. By mutual agreement on an agreed date.

[illegible][illegible][illegible][illegible]

26.4.2 ;

26.4.3

[illegible][illegible]

28.2. Neither Party shall:

28.2.1 make any public announcement; or

28.2.2 disclose any information; or

[illegible]

.....

[illegible]

29. Assignment

[illegible]

OR

[illegible][illegible]

[illegible][illegible]

31. Damages not adequate

32. Uncontrollable events

[illegible]

© Andrew Taylor and Net Lawman Ltd

Schedule 1: Detailed specification and phases

Schedule 2: Standards

Schedule 3: List of setup tools and equipment

Schedule 4: Press release

Explanatory notes:

Prototype development agreement

General notes:

1. Recognition of our copyright in this document

We assert our copyright in this document. When you downloaded it, you agreed to our terms and conditions, which set out in full how it may and may not be used. Without amending those terms, we remind you that you may not distribute it further or republish it in any way without permission from Net

[illegible]

2. Document review service

If you would like our legal team to check your edited version, we ■■■■■■■■
■■■■■■■■■■■■■■■■■■■■■.

Please contact our support team at support@netlawman.co.nz for further information.

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 ■ ■ ■ ■ ■ ■ ■ ■ .

[illegible]

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.

[illegible]

If you do change any defined word, make sure it applies to every use ■ ■ ■
■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ .

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 in the context of this
agreement and has been included for a purpose.

[REDACTED]

3. Entire agreement

[illegible]

4. Client's warranties

[illegible]

The main reason for inclusion of this paragraph is that you really do need the next paragraph - warranties by the manufacturer. Your willingness to give these warranties may make

5. Manufacturer's warranties

[illegible]

6. Scope of work

FCA – Free Carrier

CPT - Carriage Paid To

CIP – Carriage and Insurance Paid to

DAP – Delivered at Place

DPU – Delivered at Place Unloaded

DDP – Delivered Duty Paid

16. Visitors

A framework of practical business provisions. You can set this paragraph to apply to any category who might have

17. On site audits

If you are paying on some calculated basis and not a fixed sum, you need to be able to control the process on which costs are based. We

18. Limitation of liability

[illegible]

19. Use of sub-contractors

[illegible]

20. Confidential Information

We have given you a very full

21. “Work made for hire”

We have provided the
.....

In most Western countries, the originator of any “work” has a packet of rights. If he does not sell those rights, they remain his, usually for a limited number of years. This can be very unfair to a person who

[illegible][illegible]

We advise that publicity _____
_____, _____ “_____”.

Give careful thought to this. Consider the circumstances on both sides which may

These indemnities favour you, ■■■■■■■■■■ . ■■■■■■■■■■ ■■■■■■■■■■
■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■
■■■■■■■■■■ . ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■■■■■

Schedule 2 Standards

Schedule 3List of setup tools and equipment

Schedule 4Press release

Ends of notes