

Intellectual Property Sale Agreement

This Intellectual Property Sale Agreement entered into [INSERT DATE] at [INSERT PLACE OF EXECUTION] by and among [STATE THE NAME OF INTELLECTUAL PROPERTY SELLER] (herein referred as "SELLER"), a corporation duly organized under the laws of [STATE THE COUNTRY OF INCORPORATION] with its principal office at [INSERT COMPLETE ADDRESS] and [STATE THE NAME OF INTELLECTUAL PROPERTY BUYER] (herein referred as "Buyer") having its main office at [INSERT COMPLETE ADDRESS].

WHEREAS,

1. The Seller, having been organized under the above-mentioned law intends to assign and sell his rights, title and interest on the Intellectual Property subject of this Agreement to the hereto buyer.
2. The Buyer expresses its desire to acquire the rights, title and interest on the Intellectual Property of the Seller.

PREMISES CONSIDERED, the parties voluntarily submit to be legally bound by the terms and conditions set forth as follows:

Article 1.

Sale of Intellectual Property

SECTION 1. The Seller shall irrevocably sell, transfer, convey and deliver the rights, title and interest to the Buyer who shall purchase the rights, title and interest of said intellectual property free from any lien or encumbrance. This purchase shall also include all the goodwill related to the subject Intellectual Property.

SECTION 2. This Agreement shall only cover the rights, title and interest to subject Intellectual Property and shall not include any liability or obligation of the Seller to third parties in relation to the said Intellectual Property.

Article 2.

Consideration

SECTION 1. In consideration of the sale, transfer, conveyance and delivery of the rights, title and interest of the Intellectual Property covered by this Agreement, the Buyer shall pay [INSERT AMOUNT OF MONEY] payable on [INSERT DATE].

SECTION 2. The Seller shall also be entitled to royalty fees of **five (5) percent of the revenues** earned and received by the Buyer in commercially utilizing the conveyed Intellectual Property. The said royalty will be paid to the Seller in an annual basis payable every end of the financial year.

SECTION 3. Failure on the part of the Buyer to tender payment of the purchase price within the agreed period does not automatically declare the Buyer in default. A written demand shall be delivered to the Buyer granting a grace period of ten (10) days from the original date of payment. Failure to meet the said grace period shall make the Buyer in default and hence, entitle the Seller to rescission of this Agreement. The Seller has full powers and authority to enter into this IP Sale Agreement and perform the obligations set forth herein. The Seller voluntarily enters into this

Article 3.

Other Fees, Taxes and Expenses

SECTION 1. Each party shall bear its own respective expenses incurred in the execution of the obligations as stipulated in this Agreement.

SECTION 2. Taxes and other charges in relation to the sale, transfer and conveyance of the rights, title and interest in Intellectual Property covered by this Agreement shall be shouldered by the Buyer.

Article 4.

Rights of the Parties

SECTION 1. Rights of the Seller. The Seller shall reserve the rights on the conveyed Intellectual Property as follows:

- a. This Agreement may be rescinded by the Seller, without any cost or indemnity, before the delivery of the subject Intellectual Property and payment of the consideration by the Buyer.
- b. Amendments to the provisions may be proposed and effected following the procedure stated in Article 10.
- c. The Seller may demand full performance of the obligations of the Buyer or seek for indemnity for failure of the latter to perform its obligations provided herein.
- d. The Seller shall be entitled to royalty fees for the commercial exploitation of the Intellectual Property as described in Section 2 of Article 2.
- e. [INSERT OTHER RIGHTS OF THE SELLER].

SECTION 2. Rights of the Buyer. The Buyer is entitled to the rights stated below:

- a. The Buyer reserves the right to conduct due diligence examination on the Intellectual Property under the covenants of this Agreement.
- b. Necessary documents may be promptly requested by the Buyer to validly effectuate the transfer and conveyance of the rights, title and interest in the Intellectual Property under the terms in this Agreement
- c. The Buyer may terminate this Agreement when a material breach of the provisions of this Agreement is committed by the Seller.
- d. [INSERT OTHER RIGHTS OF THE BUYER].

Article 5.

Obligations of the Parties

SECTION 1. Obligations of the Seller. In accordance with the terms and conditions set forth in this Agreement, the Seller has the following obligations:

- a. The Seller shall deliver or cause to deliver documents evidencing the sale, transfer and conveyance of the rights, title and interest in the subject Intellectual Property. The documents shall include those which prove that said Intellectual Property is free from any lien or encumbrance.
- b. It shall also seek the approval of government offices for the licensing and securing of permits to validly transfer and convey the rights, title and interest in the Intellectual Property subject of this Agreement.
- c. The Seller shall not sell, lease, encumber, or otherwise dispose any rights, title, and interest in the subject Intellectual Property to other persons or third party.
- d. It shall notify the Buyer of any updates on the processing of the transferring and conveying of the rights, title and interest in the Intellectual Property to effectuate said transfer.
- e. It shall notify the Buyer or any interested party of any legal action commenced involving the subject Intellectual Property which may be detrimental to the rights of the parties.
- f. [INSERT OTHER OBLIGATIONS OF THE SELLER]

SECTION 2. Obligations of the Buyer. The Buyer is bound to perform the obligations herein provided:

- a. The Buyer shall pay the consideration on the date of execution of this Agreement or within the grace period.
- b. It shall also execute or deliver necessary documents to give effect to the provisions of this Agreement.
- c. The buyer shall notify the Seller of the existence of any suit or proceeding instituted involving the subject matter that may harm the rights of the parties.
- d. [INSERT OTHER OBLIGATIONS OF THE BUYER].

Article 6.

Warranties

SECTION 1. The Seller guarantees to the Buyer that:

- a. The Seller is a duly incorporated corporation and registered under the laws of [STATE PLACE OF INCORPORATION]. Under the law, it is in good standing to possess the rights, power and authority to own, operate or lease properties to which it purports to own, operate or lease, and enter into agreements involving the said properties.
- b. Agreement and agrees to be bound by the terms and conditions.
- c. The subject Intellectual Property is free from any lien or encumbrance.
- d. There is no action instituted or pending in any competent court to the knowledge of the Seller that prejudices or threatens to prejudice the rights of the parties in relation to the subject Intellectual Property.
- e. [INSERT OTHER WARRANTIES OF THE SELLER].

SECTION 2. The Buyer warrant the following:

- a. It is organized under the laws of [STATE THE PLACE OF INCORPORATION] which granted it full legal capacity to enter into Agreements.
- b. The Buyer has the rights, powers and authority to perform the obligations in consonance with the terms and conditions of this Intellectual Property Agreement.
- c. The execution of the provisions of this Agreement by the Buyer will not be volatile of the laws, run in contrast with morals or public policy.
- d. The acts of the Buyer under the terms of this Agreement will not be prejudicial to the rights of third parties.
- e. There is no action instituted or pending in any court of competent jurisdiction, to the best of Buyer's knowledge that involves the subject matter that would prejudice or threaten to prejudice the rights of the parties.
- f. [INSERT OTHER WARRANTIES OF THE BUYER].

Article 7.

Additional Agreements

SECTION 1. The parties shall have access to information necessary to facilitate a smooth flow of the sale, transfer and conveyance of the rights, title and interest in the covered Intellectual Property.

SECTION 2. Each party shall inform the other party of any changes or occurrence of any event that would impair the party from performing its obligations under this Agreement

or limit the party's representations and warranties. Such notification shall be made in writing and furnish the other party by personal delivery or registered mail.

SECTION 3. The parties shall promptly do or cause to be done the required procedures to validly vest in the Buyer good and marketable title to the said Intellectual Property including obtaining all consents, waivers, authorizations and approvals from the government and other third parties required for the consummation of the Agreement.

SECTION 4. The Seller agrees to deliver without further consideration the documents needed for the updating of the record title to the Intellectual Property to reflect Buyer as the record owner thereof. At the request of the Buyer and at its expense, and without further consideration, the Seller shall reasonably cooperate with the Buyer in connection with the registration of the said Intellectual Property.

Article 8.

Novation

SECTION 1. Alterations in this IP Sale Agreement shall not be entertained unless both parties - the Seller and the Buyer expressly consent and put the same in a written instrument which shall state the old provision and the desired change.

SECTION 2. The party seeking for the change in the provision shall notify the other party of such change by delivering the said written instrument to the other party by personal service or registered mail. The receiving party shall communicate its reply on the said proposal within five (5) days from delivery. The proposed change shall be given effect after ten (10) days from receipt of the initiating party of the favorable reply. If the reply is not favorable, then such proposed change shall not be entertained.

SECTION 3. Material alterations, however, shall not be allowed if it significantly alters or renders the stipulations of this agreement invalid and unenforceable.

Article 9.

Termination of Agreement

SECTION 1. This IP Sale Agreement may be terminated and the transaction abandoned on the grounds enumerated:

- a. Fulfillment of all the obligations set forth in this Agreement by the parties.
- b. Mutual agreement of the parties and putting the said consent to terminate this Agreement in writing and parties signed the same.
- c. Failure to tender payment on the sale, transfer and conveyance of the rights, title and interest in the Intellectual Property subject of this Agreement.
- d. Material breach of any provisions of this Agreement. A breach of the provisions is considered material when it substantially affects the exercise of the rights of the parties under the terms of this Agreement.
- e. [INSERT OTHER GROUNDS FOR TERMINATION OF THE AGREEMENT].

SECTION 2. Successors-in-interest shall not bear any liability and all the rights as well as the rights and obligations of parties set forth in this Agreement shall cease to exist. However, termination of this Agreement on the ground of material breach shall not free the erring party from any liability.

Article 10.

Breach of Agreement

SECTION 1. Any acts falling under the category enumerated below shall be considered as breach of the terms and conditions of this Agreement.

- a. Changes in the consideration without the consent of the other party or failure to tender payment within the agreed date.
- b. Performing acts by either party beyond the authority granted to it by the other party, the provisions of this Agreement and the laws.
- c. Non-performance or partial performance of the obligations set forth herein that would hamper the other party from doing its part.
- d. Modification on any covenants in this Agreement without following the proper procedures stated in Article 10.
- e. [INSERT OTHER ACTS CONSIDERED AS BREACH OF THE AGREEMENT].

SECTION 2. Any breach committed by either party shall hold the same liable for pecuniary liabilities that may arise from the said breach. Penal sanctions may as well be imposed on the erring party if such violation is contrary to law and has substantially prejudice the rights of the party. Corresponding damages may also be awarded to the other party.

SECTION 3. Either party may seek for an injunctive relief or restraining order from a competent court for the continuous breach or threat of breach of the terms and conditions of this Agreement or when an act of a party would cause irreparable injury to the other party.

Article 11.

Conflict of Interest

SECTION 1. The Seller and the Buyer are precluded from entering into agreements or any similar contract involving the same or identical matter with another party or third parties in which such said agreement or contract might be prejudicial to the rights of the parties as set forth in this Agreement or hamper the parties from effectively performing their obligations herein..

SECTION 2. Any violation of this provision shall entitle the other party to reimbursement of any costs or expenses incurred in relation to the institution of the action, indemnification and payment of the corresponding damages.

Article 12.

Settlement of Disputes, Governing Law & Arbitration

- a. Any dispute and/or difference arising out of, or relating to this agreement including interpretation of its terms will be resolved through joint discussion by the authorized representatives of both the parties. Moreover, if the disputes are not resolved by discussion then the matter will be referred for adjudication to the Arbitration of a Sole arbitrator.
- b. This Agreement shall be governed by the laws of India. The Courts in Mumbai (City Name) shall have exclusive jurisdiction over the subject matter of this Agreement.
- c. In the event of any dispute or differences arising out of or in connection with this agreement, the parties hereto, agree to resolve their dispute by a sole arbitrator chosen by the parties in fast track procedure under the provision of Sec29B of Arbitration and Conciliation act of 1996. The award under this section shall be made within a period of 6 months from the date of commencement of the arbitral tribunal proceedings.
- d. The arbitration proceedings shall be conducted in English. The place of Arbitration shall be Mumbai (City Name). The award passed in the arbitration proceedings shall be final and binding on both the parties.
- e. The cost of arbitration proceedings shall be equally borne by both the parties.
- f. Each party shall individually bear the fees of their respective Advocate/Counsel for the proceedings.

Article 13.

Indemnification

SECTION 1. The Buyer agrees to defend, indemnify and hold the Seller, its assigns and successors-in-interest free from any liability from any loss, claim, damage, costs and expenses incurred arising out of:

- a. Any breach which occurred prior to the delivery, transfer and conveyance of the rights, title and interest in the subject Intellectual Property by the Seller to the Buyer.
- b. All matter assumed by the Buyer in accord with the terms and conditions of this Agreement.
- c. All actions, claims, suits, proceedings, judgments, costs and expenses including attorney's fees incurred with respect to third parties in relation to the above-mentioned matters.
- d. [INSERT OTHER CONDITIONS FOR INDEMNIFICATION].

SECTION 2. The Seller, on the other hand, binds to defend, indemnify and hold the Buyer, its assigns and successors-in-interest harmless from and against any loss, liabilities, claims, damage, costs and expenses incurred from the following:

- a. Infringement claims involving the Intellectual Property covered by this Agreement and transferred and conveyed to the Buyer.
- b. All actions, claims, suits, proceedings, judgments, costs and expenses including attorney's fees incurred with respect to claims of third parties.
- c. [INSERT OTHER CONDITIONS FOR INDEMNIFICATION].

SECTION 3. No claim on account of breach shall be made after a reasonable period. The claims on indemnification referred herein shall be made through a written notice delivered to the other party by personal service or registered mail.

Article 14.

Assignment of Rights

SECTION 1. No rights or obligation stipulated in this Agreement shall be assigned or transferred to a third party or parties without the consent of the other party. The covenants herein shall be binding upon and solely to the benefit of the Seller and the Buyer including their assigns and successors-in-interest.

Article 15.

Notices

SECTION 1. Any notices, reports, or communication mentioned in this Agreement shall always be made in writing and delivered to the parties by personal service or registered mail to the address herein provided.

If to the Seller:

[INSERT NAME OF SELLER]

[INSERT COMPLETE ADDRESS]

If to the Buyer:

[INSERT NAME OF BUYER]

[INSERT COMPLETE ADDRESS]

Section 2. For personal service, the date of actual receipt shall be deemed to be the date of delivery. In case of delivery of the notice or communication by registered mail, the date of mailing shall be considered the date of delivery.

SECTION 3. Any changes as to the address of the parties shall be made known to the other party through a notice. Failure to communicate said changes shall be taken against the defaulting party. Delivery of any notice or communication by the other party to the previous address absent the knowledge of any changes thereto shall be considered a valid delivery.

Article 16.

Construction

SECTION 1. In the interpretation of the terms and clauses used in this Agreement, the parties shall take favorable construction of the same according to the laws of [INSERT PLACE EXECUTION]. Any ambiguity shall be construed against the party who caused the same.

Article 17.

Severability Clause

SECTION 1. When a provision of this agreement or some parts thereof are found to be invalid and unenforceable, the said provision shall not affect the entirety agreement. The agreement shall remain valid and enforceable.

Article 18.

Scope of the Agreement

SECTION 1. The Seller and the Buyer, on their own volition, acknowledges to have read and fully understood the stipulations of this agreement. The parties recognize its existence and fully submit to its validity. Any repudiation of the herein provisions shall be construed against the repudiating party.

IN WITNESS WHEREOF, the Seller and the Buyer, through undersigned representatives put on hand this [INSERT DATE OF SIGNATURE] at [INSERT PLACE OF CONTRACT].

[INSERT NAME OF REPRESENTATIVE OF THE SELLER]

[SPECIFY THE NAME OF THE SELLER]

[INSERT DATE SIGNED]

[INSERT NAME OF REPRESENTATIVE OF THE BUYER]

[SPECIFY THE NAME OF THE BUYER]

[INSERT DATE SIGNED]