

**LICENSE / MANUFACTURING AGREEMENT**

**BETWEEN:** .....

**01** (hereinafter referred to as the "Manufacturer")

**AND:** .....

(hereinafter referred to as the "Inventor")

(the Manufacturer and the Inventor hereinafter collectively referred to as the "Parties")

**PREAMBLE**

**02** WHEREAS the Inventor declares having invented .....  
..... (hereinafter referred to as the "Invention") which description,  
specifications and plans are attached to this Agreement under Schedule ".....".

**03** WHEREAS the Manufacturer operates a business mainly involved in the manufacturing, marketing,  
promotion, distribution, sub-distribution, sale and repair of .....  
.....;

WHEREAS the Inventor wishes to grant the Manufacturer an exclusive license for the  
manufacturing, marketing, promotion, distribution, sub-distribution, sale and repair of Invention units,  
for good and valuable consideration;

WHEREAS the Manufacturer wishes to hold the said exclusive license;

WHEREAS the Parties wish to evidence their agreement in writing;

WHEREAS the Parties are duly authorized and have the capacity to enter into and execute this  
Agreement;

**NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

**1.00 PREAMBLE**

The preamble hereto shall form an integral part hereof.

**2.00 OBJECT**

The Inventor grants the Manufacturer the exclusive right to design and build the molds, dies,  
equipment and appropriate tools for the mass production of Invention units, as well as the  
exclusive right to manufacture, market, promote, distribute, sub-distribute, sell and repair of  
Invention units, either for the current model as well as any other model, whether modified,  
new or improved. This right is world-wide.

**3.00 CONSIDERATION**

Manufact.	Inventor

**04 3.01 Royalties**  
The Manufacturer shall pay the Inventor royalties of ..... per cent (.....%) of the selling price (before transportation, handling charges and taxes) of each Invention unit.

**05 3.02 Terms of Royalties Payments**  
On a monthly basis, on the .....(.....th) day following the end of the previous month, the Manufacturer shall pay the Inventor the above-mentioned royalties with respect to the sales reported during the previous month.

**3.03 Credits and Returns**  
The Manufacturer may deduct from his sales any amount allowed as credit or for any returned Invention units.

**3.04 Sales and Rentals Report**  
Upon payment of royalties to the Inventor, the Manufacturer shall also remit a detailed report on sales, rentals, allowed credits and returned Invention units.

**3.05 Samples**  
The Manufacturer does not have to pay royalties on free samples reasonably distributed for promotional purposes.

**4.00 SPECIAL PROVISIONS**

**4.01 Representations and Guarantees of the Inventor**  
The Inventor declares, represents and guarantees to the Manufacturer, who would not have signed this Agreement if the following declarations, representations and guarantees had not been made by the Inventor, that:

- a) the Inventor has actually invented the Invention;
- b) the Inventor is the sole inventor of the Invention;
- c) the Inventor has submitted to the Registrar of Trade Marks, an application for registration, in his name only, of the trade mark “.....” on ..... (File #.....);
- d) the Inventor has deposited with the Intellectual Property Office, an application for a registration, in his name only, of an industrial drawing on ..... (File # .....);
- e) the Inventor has deposited with the Intellectual Property Office, an application for a registration, in his name only, of a patent on ..... (File #.....);
- f) no agreement has been entered into between the Inventor and any other person, natural or legal, with respect to the assignment, transfer, alienation or licensing of all or part of his rights in the previously mentioned patent, trade mark and industrial drawings.

**4.02 Legal Proceedings**  
In the event that the Manufacturer or any distributor or sub-distributor appointed by him for the marketing of the Invention is impleaded or becomes a party in any judicial proceeding with regard to any patent, trade mark or industrial drawings related to the Invention, the Inventor undertakes to take over their defense and indemnify them for any condemnation, as well as for any legal costs and attorney's fees they might have to bear as a consequence. Moreover the Manufacturer is authorized to compensate all such expenses and those of any distributor and sub-distributor against royalties payable to the Inventor by virtue of this Agreement.

**4.03 Exclusivity**

Manufact.	Inventor