

Model Technology Transfer Agreement

THIS AGREEMENT made and entered into on between having its main office and place of business at ,Hereinafter referred to as Licensor and having its main office and place of business at, hereinafter referred to as Licensee. This agreement is under the laws of

WHEREAS, Licensor has long been engaged in the manufacture and sale of and

WHEREAS, Licensor has acquired and possesses valuable technical information on the design, manufacture and use of the Licensed Products; and

WHEREAS, Licensee desires to obtain, and Licensor is willing to grant, the right and license to manufacture, use and sell the Licensed Products utilizing technical information furnished by Licensor.

NOW, THEREFORE, in consideration of premises and covenants, the parties hereto agree as follows:

Article1. Definitions

As used in this Agreement, the following terms have the following meanings respectively;

1. "Licensed Products": (Please insert details of the Products)
2. "Technical Information" means all the technical knowledge, know-how, standard calculations, data and information developed or otherwise generally used by Licensor pertaining to the manufacture, use and sale of the Licensed Products.
3. "Industrial Property Rights and Licensed Trademarks " mean any or all rights under patents, utility models and application therefore presently owned or hereafter acquired by Licensor and/or which Licensor has or may have the right to control or grant license thereof during the term hereof and which are applicable to or may be used in manufacture of the Products.

Article2. Grant of License

Licensor hereby grants to Licensee (an exclusive or non-exclusive –please select one of them) right to manufacture, use and sell the Licensed Products using the Industrial Property Rights and Technical Information furnished by Licensor.

Article3. Sales and Information

1. Upon written request of Licensee, Licensor shall furnish Licensee with necessary drawings, technical data and price information on a breakdown basis in order to enable Licensee to prepare quotations, in so far as such information is currently available from Licensor.
2. To assist Licensee in selling the Licensed Products, Licensor will furnish Licensee with one complete set of current materials generally used for sales promotion, such as brochures, catalogues and technical data available from Licensor, which cover the entire range of the Licensed Products.

Article4. Technical Assistance and Services

1. Licensor shall supply Licensee with the following data in order that Licensee may manufacture to the best advantage the Licensed Products without delay.
 - a) Drawings for designing, manufacturing and assembling.
 - b) Specifications.
 - c) Materials list.
 - d) General calculation sheet.
 - e) Data for inspections and trial operations.
 - f) Fabrication and assembly procedures.
 - g) Operating and instruction manuals.
 - h) Any other necessary technical data and know-how generally used by Licensor.
2. Licensor shall, by request of Licensee, permit a reasonable number of technical personnel designated by Licensee to have opportunity to study the design and manufacture of the Licensed Products at Licensor's place of business. Licensee shall advise Licensor, in advance, of the purposes, numbers, names, qualifications and probable lengths of stay of Licensee's designated personnel desiring to visit Licensor. Licensor shall arrange to make available qualified personnel for consultation with, and training of such Licensee's personnel. Cost for round trips,

meals, lodging and other expenses of Licensee's personnel dispatched for training shall be borne by Licensee.

3. Upon written request of Licensee, Licensor shall send to Licensee, subject to availability to personnel and to mutual agreement, qualified engineers and/or technicians to render assistance and services to Licensee in connection with the manufacture, sale and operation of the Licensed Products for a reasonable period to be agreed upon by the parties hereto, provided, however, that Licensee agrees to bear the travelling expenses to and from..... and living expenses in incurred by any such engineer and/or technicians. Licensor assures that such engineers and/or technicians are qualified with professional standards and reasonable skill, and will perform the assistance and services with care and diligence.

Article5. Improvements

If at any time during the term of this Agreement one party hereto discovers or comes into the possession of any improvements or further inventions relating to the Licensed Products or in connection with the design, manufacture, use and sale of the same, the party shall furnish the other party with information on such improvements or further inventions without any delay and free of charge.

Article6. Payment

1. In consideration of the Technical Information and the Industrial Property Rights furnished by Licensor to Licensee hereunder, Licensee shall pay to Licensor the following royalties in the amount and in the manner specified below.

(a) Initial Payment

Licensee shall pay Licensor the initial payment equivalent to....., withindays from the date of approval of this Agreement.

(b) Royalty

..... percent of selling price for each sale of the Licensed Products without any deduction other than sales returned quarterly.

2. For the supervision and assistance by Licensor under paragraph 3 of Article 4, Licensee shall pay to Licensor service fees within.....days after receipt of an invoice from Licensor.

3. All payments due under this Article shall be made in US currency.

4. All payments made to Licensor hereunder shall be by means of official.

Article7. Supply of component, parts and raw materials

Upon Licensee's written request, Licensor shall supply components, parts and raw materials to Licensee in due time and at reasonable and competitive prices.

Article8. Records, Auditing and Reports

1. Licensee shall send its statement of royalties due for the immediately preceding 3 month period together with full evidences which Licensor may require, to reach Licensor not later than.... days after the expiration of the immediately preceding3 month period.

2. At the time of remitting the royalties, Licensee shall submit to Licensor a written report stating selling price, overall order price with clients, the number, and the type of the Licensed Products sold or used by Licensee under this Agreement.

Article9. Guarantee

1. During the terms of this Agreement, Licensor shall be responsible for damage resulting from defective Technical Information and parts furnished to Licensee by Licensor.

2. Licensor shall not be responsible for consequential damages resulting from the faulty application of Technical Information by Licensee.

Article10. Duration and Termination

1. This Agreement shall be effective for an initial period of ... years from the effective date of this Agreement. After the end of this period, the Agreement shall expire without notice. The parties may agree to extend the term of this Agreement.

2. If either party hereto continues in default of any obligation imposed on it here in for more than.... days after written notice has been dispatched by the other party requesting the party in default to remedy such default, the other party may terminate this effect by registered airmail to the first party and this Agreement shall terminate on the date of dispatch of such notice. In the event of bankruptcy, receivership, insolvency, the other party may terminate this Agreement, effective immediately by giving the first party written notice to that effect.

Article11. Use of Trademark and Brand Name

1. Licensor hereby grants to Licensee, upon the terms and conditions hereinafter specified, (an exclusive, or non-exclusive, please select one of them), non-assignable license to use the Licensed Trademarks during such time as this Agreement subsist in such manner as not to deceive the public, on and in connection with the Licensed Products.

2. Licensee shall be entitled to use Licensed Trademarks on Licensee's letter headings, invoices and all advertising and promotional material in such form and in such manner as shall be approved at the first consulting in writing with the Licensor.

3. This License to use the Licensed Trademark is provided on a royalty free basis.

4. If this Agreement is terminated, Licensee shall immediately cease using the Licensed Trademark.

Article12. Patent Infringement

Should any Licensed Product manufactured by Licensee strictly in accordance with the Technical Information supplied by Licensor under this Agreement partially or totally infringe of patent right belonging to the third party which shall make a claim against Licensee for alleged infringement of such patent right, Licensee shall immediately by telex inform Licensor thereof and transfer the claim with all pertinent details to Licensor, who shall be responsible for handling of the claim and Licensee shall in no respect have any responsibility for the claim from such party.

Article13. Secrecy

Licensee agree that it shall not without prior written consent of Licensor sell, assign or divulge the Technical Information disclosed and furnished by Licensor hereunder in any manner to anyone except those of its employees and its subcontractors who will be using such information in the manufacture and erection of the Licensed Products.

Article14. Taxation

Customs duties, taxes and any similar charges which may be imposed by the governance with respect to this Agreement shall be borne by Licensee.

Article15. Arbitration

Any dispute arising of this Agreement or any difference of opinion between the parties hereto concerning their rights and obligations under this Agreement, shall be finally resolved by arbitration. Such arbitration proceedings shall take place in Tehran in accordance with the international arbitration law of Iran, but the proceedings should take place in the English language. The decision of the arbitration proceedings shall be final and binding upon both parties.

Article16. Effective Date

It is clearly understood and agreed by both parties that this Agreement shall be deemed effective since signature.

Article17. Applicable Law

This Agreement shall be construed and interpreted in accordance with the laws of Iran.

Article18. Force majeure

Neither party shall be liable to the other party for non-performance or delay in performance of any of its obligation under this Agreement due to causes reasonably beyond its control including fire, flood, strikes, labor troubles or other industrial disturbances, unavoidable accidents, governmental regulations, riots, and insurrections. Upon the occurrence of such a force majeure condition the affected party shall immediately notify the other party with as much detail as possible and shall promptly inform the other party of any further developments. Immediately after the cause is removed, the affected party shall perform such

obligations with all due speed unless the Agreement is previously terminated in accordance with Article 10 hereof.

Article19. Notices

All communication notices or the like between the parties shall be valid when made by telegraph or telex communication subsequently to be confirmed in writing and addressed to the following addresses.

To Licensee:

To Licensor:

Article20. Language

1. The language to be used in rendering the Technical Information disclosed and furnished to Licensee by Licensor under this Agreement shall be in English.
2. The language for correspondence between the parties and any documentation shall be in English.

Article21. Entirety

This instrument embodies the entire agreement and understanding between the parties hereto relative to the subject matter hereof and there are no understandings, agreements, conditions or representations, oral or written, expressed or implied, with reference to the subject matter hereof that are not merged herein or superseded hereby. No modification hereof shall be of any force or effect unless reduced to writing and signed by the parties claimed to be bound thereby and no modification shall be effected by the acknowledgement or acceptance of any order containing different conditions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

For and on behalf of
By:
Typed name:
Position:

for and on behalf of
By:
Typed name:
Position: