

DEVELOPMENT AND PURCHASE AGREEMENT + SOW TEMPLATE

/TEMPLATE TO BE USED ON THE BUYER'S SIDE/

PRICE – EUR 299

TECHNICAL DATA SHEET AND TERMS OF USE

Contract description The Development and Purchase Agreement intends to set forth the terms applicable to the development by the Supplier of a customized product for the Buyer and the subsequent supply of the same product after completion of development, testing and approval for mass production.

In the Template you will find:

- ◆ **Development Services** – description of services, deliverables, milestones and consideration (NRE – non-recurring engineering fee), acceptance criteria.
- ◆ **Products** – upon successful completion of the development services and prototypes' approval for mass production, Supplier will deliver the products to the Buyer.
- ◆ **Intellectual Property Rights** – in the proposed template, the development is made “for hire” and accordingly Buyer will own all IPR on the deliverables. Either Party will continue to retain the IPR existing prior to the Agreement (pre-existing IPR), while limited licenses are granted to the extent needed for the purposes hereby foreseen.
- ◆ **Order, Delivery, and Risk Allocation** – Procedures for placing orders, delivery terms (e.g., Incoterms), title transfer, and risk of loss.
- ◆ **Warranties and Liability** – allocation of product warranties, disclaimers, indemnification, and limitation of liability.
- ◆ **Compliance Obligations** – Regulatory compliance, anti-corruption, export controls and data protection (if applicable). The template is meant to be used worldwide so we do not refer to compliance requirements of any specific jurisdiction, although the regulations in place in USA, UK and EU are taken into consideration.
- ◆ **Confidentiality** – Protection of proprietary information (referent to NDA or in alternative specific applicable terms)
- ◆ **Term and Termination** – agreement duration, renewal conditions, termination rights (for cause or convenience), and post-termination obligations.
- ◆ **Governing Law and Dispute Resolution** – Jurisdiction and competent court. We propose ordinary court and laws. If you intend to choose the arbitration, we recommend to carefully consider the associated costs, which can vary significantly in

consideration of the structure you select for the arbitration panel and of the relevant jurisdiction.

◆ **Exhibit:** SoW Template

Recommended use

- ◆ The Template is suitable to be used on the side of the Buyer, for any kind of electronic or mechanical product or device.
- ◆ The liability and IPR indemnity and make any adjustment required to fit with the specific business case.
- ◆ All commercial and technical terms are recommendations only and based on common market practice and should be revised and edited as needed.

**Composition
language**

and Pages (including annexes) – 20 pages; 29 Articles + SoW Template
Language - English

Terms of use

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DOCUMENT PREVIEW

DEVELOPMENT AND PURCHASE AGREEMENT

/TEMPLATE TO BE USED ON THE BUYER'S SIDE/

This Development and Purchase Agreement is entered into effective as from the Effective Date

by and between

[*Company name and company form, for ex. Ltd, Inc, LLC, SA, SpA, s.r.l. etc.*] a company duly incorporated and validly existing under the laws of [*jurisdiction of incorporation – please note that it can be different from the jurisdiction where the registered office is*] with its registered office at [*registered office*], tax registration number [*VAT and/or tax identification number*] (“**Supplier**”)

and

[*Company name and company form, for ex. Ltd, Inc, LLC, SA, SpA, s.r.l. etc.*] a company duly incorporated and validly existing under the laws of [*jurisdiction of incorporation – please note that it can be different from the jurisdiction where the registered office is*] with its registered office at [*registered office*], tax registration number [*VAT and/or tax identification number*] (“**Buyer**”).

(hereinafter referred to severally as “**Party**” and jointly as “**Parties**”)

*

1. DEFINITIONS

For the purposes hereof, the following terms shall have the meaning ascribed to each one of them.

- “**Affiliate**” of Buyer or Supplier shall mean any entity or person which: (i) is controlled by Buyer or Supplier; or (ii) controls Buyer or Supplier; or (iii) is under common control of Buyer or Supplier. For this purpose, “**Control**” means that more than fifty one percent (51%) of the controlled entity’s shares or ownership interest representing the right to make decisions for such entity are owned or controlled, directly or indirectly, by the controlling entity. An entity is considered an Affiliate only so long as such ownership or control exists.
- “**Acceptance Criteria**” shall mean the criteria for assessment of compliance of Deliverables to applicable technical specifications as agreed upon by the Parties in the Statement of Work;
- “**Agreement**” shall mean this development and purchase agreement and its Exhibits as amended from time to time;
- “**Background IPR**” shall mean all IPR of a Party or its licensors existing on the date of signature of this Agreement or acquired independently of the performance of this Agreement.
- “**Confidential Information**” shall mean information relating to the disclosing party’s business, or to the businesses of its Affiliates, associates and/or other related entities or customers, suppliers and other business partners that is not available to the general public including, without limitation, trade secrets, financial, corporate, marketing, product, research, technical, computer programs, source codes, object codes, software, reports, know-how, manufacturing and/or personnel information and any other information, in whatever form or media, specifically identified by the disclosing party as confidential at the time of its disclosure, or the nature of which is such that it would generally be considered confidential in the industry in which the disclosing party does business;
- “**Deliverables**” shall mean any tangible and intangible items that are the output of the Development Services and are defined in the Statement of Work;

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2. DEVELOPMENT SERVICES

- 2.1. Development Services. The Supplier hereby undertakes and agree to perform the Development Services for the benefit of the Buyer, in accordance with the terms stated in this Agreement and in any applicable SoW. The Development Services will be of professional quality conforming to generally accepted industry standards and will use staff with appropriate skills, competence and experience. The Development Services will be the original work of the Supplier who will meet the requirements defined under any Statement of Work and applicable Specifications.
- 2.2. SoW. The Statement of Work shall include identification of key employees to be dedicated by the Supplier to the project. The Supplier will not be entitled to change the dedicated employees unless upon prior written consent by Buyer unless the change results from events outside the Supplier's reasonable control. The Statement of Work might furthermore define constitution and functioning of steering committee. The terms of this Agreement shall apply to each Statement of Work unless expressly derogated therein.
- 2.3. Changes. During the term of each SoW, Buyer will be entitled to require any reasonable change to the Specification or Deliverables and the Supplier shall implement the requested change as soon as possible at no further cost for Buyer. Whenever the required changes imply an additional cost, the Supplier will submit the revised quotation to the Buyer for its written approval before implementation.
- 2.4. Personnel. Unless otherwise agreed, each Party's personnel assigned to the development work shall perform their tasks at that Party's own facilities. If any personnel of one Party is required to work at the facilities of the other Party, the other Party shall make available, at no charge, office space, computer, telephone service and related equipment as is reasonably necessary for the carrying out of the task allocated to the personnel of the visiting Party. The request to work at the facilities of another Party must be pre-scheduled and pre-approved by both Parties.

3. DELIVERABLES

- 3.1. INCOTERMS. The Deliverables shall be provided to Buyer according to the schedule defined in the Statement of Work. Unless otherwise expressly agreed in writing, Deliverables shall be Delivered Duty Paid (“**DDP**”) or equivalent, according to the most updated version of Incoterms as issued by ICC, Paris, (France) at Buyer's premises or to the place communicated by Buyer from time to time. The acceptance procedure shall be described and agreed by both Parties in the SoW at the beginning of each Deliverables development.
- 3.2. The Deliverables shall comply with the Specification and all the applicable laws and regulations. If the tested samples of Deliverables, in the sole opinion of Buyer, fail the acceptance test procedure in whole or in part, the Supplier shall, at its sole expenses, rectify the failure and submit new samples to undertake a further acceptance test procedure. If the new samples of Deliverables still fail the acceptance test procedure, the Parties shall convene an emergency meeting to discuss and agree on the next course of action and the Supplier shall be liable as stated under indemnification paragraph below.
- 3.3. Testing, validating and approving the Deliverables samples for mass production will be at the charge of Supplier and Buyer jointly, although the responsibility of the relevant approval will remain with the Supplier. Approval for mass production does not imply final acceptance of the Deliverables and will not exempt nor discharge the Supplier from any liability with respect to any potential non-compliance of the Deliverables with the applicable Specifications or with the terms and conditions of this Agreement and/or of the applicable SoW. Supplier undertakes to provide warranty on any Deliverable and accordingly to make, at its own cost and expenses and in a timely

manner, any modification, enhancement, update, bug fix and any other change required in order to assure that the Deliverables will comply with the applicable Specifications and/or SoW for a

7. FORECAST AND LEAD TIMES

- 7.1. Forecast. Buyer will issue a continuous non-binding rolling forecast of demand for purchases planned over the following 6 (six) months (“**Forecast**”). Forecast will be regularly updated. Forecast is not to be regarded as firm commitment to purchase but only intended for planning purposes. Accordingly, Buyer is not obliged to buy the quantities as specified in the Forecast. Purchase Orders in line with Forecast will be delivered at delivery dates as provided by Forecast. Supplier commits to hold any time buffer stock in volumes corresponding to 20% of the volumes forecasted by Buyer over the following month. Moreover the Supplier commits to spend its best commercial efforts to accommodate any extra demand in addition to forecasted quantities.
- 7.2. Lead Time. For the purposes hereof, “**Lead Time**” means the time required to elapse between the date of the Purchase Order and the date of delivery of Products. Supplier commits to comply with Lead Times below 6 (six) weeks. Lead Time are applicable only for quantities not in line with Forecast. Supplier shall inform Buyer about any deviation having impact on the reliability of supply immediately in writing.

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29. BUSINESS ETHICS AND COMPLIANCE

- 29.1. Conflicts of Interest. Each Party represents that there are no conflicts of interest between its rights and obligations under this Agreement and any other activity or interest of such Party. Each Party shall promptly notify the other Party in writing upon becoming aware of any actual or potential conflict of interest relating to this Agreement.
- 29.2. Business Conduct and Representations. Each Party shall:
- (i) conduct its business in a manner that reflects favorably at all times on the other Party, including its goodwill and reputation;
 - (ii) avoid deceptive, misleading, or unethical practices that are or may be detrimental to the other Party or the public;
 - (iii) make no false or misleading representations regarding the other Party or its products and/or services;
 - (iv) not publish, employ, or cooperate in the publication of any misleading or deceptive advertising or promotional material relating to the other Party or its products and/or services;
 - (v) make no representations, warranties, or guarantees to customers, the industry, or the public concerning the specifications, features, or capabilities of the other Party’s products or services that are inconsistent with the written information supplied by the other Party.
- 29.3. Antibribery and anticorruption. Neither the Party nor, to the best of its knowledge, any of its employees, officers, directors, shareholders, agents, affiliates, or other representatives has been convicted of, or pleaded guilty to, any offence involving fraud, corruption, or moral turpitude.

Neither the Party nor any of its employees, officers, directors, shareholders, agents, or affiliates shall, directly or indirectly, offer, promise, authorize, or provide any payment or anything of value to any government official, political party, candidate for political office, or other public official for the purpose of: (a) influencing any act or decision in an official capacity, including any failure to perform official functions; (b) inducing such person to use their influence to affect any governmental act or decision; or (c) securing any improper advantage.

29.4. Termination. Any breach of this Section shall constitute a material breach of this Agreement, entitling the non-breaching Party to terminate the Agreement immediately, without prejudice to any other rights or remedies available at law or in equity.

THE PARTIES ACKNOWLEDGE THAT EACH HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS AND REPRESENT THAT THEY HAVE THE AUTHORITY TO ENTER INTO THIS AGREEMENT ON BEHALF OF THE PERSON, ENTITY OR CORPORATION ON BEHALF OF WHICH THEY ARE SIGNING.

SUPPLIER

[SUPPLIER'S NAME OR STAMP]

By: _____

Name:

Title:

Date:

BUYER

[BUYER'S NAME OR STAMP]

By: _____

Name:

Title:

Date:

EXHIBIT A
STATEMENT OF WORK

[NOTE – GENERAL TEMPLATE TO BE REVISED, COMPLETED AND ADJUSTED TO FIT THE SPECIFIC BUSINESS CASE]

1. PURPOSE OF THE SOW

The materials and information in this Statement of Work contain information that is confidential and proprietary to the Buyer. This information is submitted with the understanding that it will be held in strict confidence and will not be disclosed, duplicated, or used, in whole or in part, for any purpose other than evaluation of this Statement of Work. This Statement of Work (“**SOW**”) is effective as of the date of signature of this SOW between the Parties and describes the work to be performed (“**Services**”) by Supplier as requested by the Buyer.

This document covers the following items:

- Roles and Responsibilities
- Project Overview, Assumptions, & Scope
- Ongoing Support
- Pricing

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