


Software/Product License Agreement

- 🔊 This agreement has been designed originally for licensing a software product, but you can modify it to license almost any type of product. (In this case, they will own a version and be able to do whatever they want with their copy.)
- 🔊 The first part of the cover letter should be completed and distributed to the Licensee along with a copy of the General Licensing Agreement.

Date: **[Month, Day, Year]**

To: **[Name of Licensee]**

From:  **[Owner/Founder]**

[Company]

Subject: **Product Licensing Agreement**

Attached is a “General Licensing” Agreement in order to grant you a license in our software, subject to certain conditions and obligations.

I believe that it embodies everything we discussed.

Please read the agreement carefully.

We recommend that you also have it reviewed by your own qualified legal counsel.

Time is of the essence.

Please sign and return it to me asp.

Thank you very much!

From JIAN

NOTICE:

We wish we could provide an agreement that was tailored *exactly* to your business. While this is not always possible, we feel that we've come very close and that this document provides you with the head-start that you need to get your deal moving. Nevertheless, we must make this disclaimer:

- 🔴 **Do Not Use This Agreement 'As-Is.'**
- 🔴 **This Agreement Is Not Legal Advice.**
- 🔴 **Read it Thoroughly and Make All Appropriate Changes to Fit Your Requirements.**
- 🔴 **You Should Have this Agreement Reviewed and Approved by a Qualified Attorney at Law Before Using It.**
- 🔴 **JIAN Accepts No Liability for the Effectiveness of This Document For Your Purposes.**

Free Access to Attorneys, Accountants & Consultants in Your Area

We're building a network of business experts who are eager to help you when you need it. They can review your work, make suggestions, handle unique situations and introduce you to influential people. On our website you can search by expertise and location, then e-mail or jump straight to their website. Although they are professionals and charge for their services, most offer an initial consultation free of charge. They're in your area and you can contact them directly.


- Please visit our website under [Expert Referral Network](#).

Ongoing Update Service Keeps You Current


Things change, laws change, the world changes... new ideas come along all the time. When you register, you can access our website to get updates and changes... like new and improved spreadsheets and documents. They can be downloaded directly to your computer.

- Please visit our website under [Updates](#).
- Remember to bookmark our website: www.JIAN.com

Editing Your Sample Contract

Since this entire agreement is formatted in Word, you can edit it like any other Word document. You can jump from variable to variable by clicking the above  green arrows (JIAN Menu) which will take you forward / backward and highlight the entire sample text identified within the “[]” brackets – simply edit / type-over with your information.

To make sure you have filled in all the variables, use Word's 'FIND' function to locate any “[]” which may contain an unedited variable.

- Click the  icon in the JIAN menu above to turn the expert comments on/off.
- Upon completion, delete any unnecessary blank lines that remain.
- You may format this document any way you like.
- Delete this page.

drafting designs for microchips and are given special protections under U.S. Law. Obviously, if you are not licensing a microchip you don't need to include "mask works" in the definition at "Intellectual Property Rights." Start with the definition given below and tailor it to fit your specific needs.

- **“Intellectual Property Rights”** The term “Intellectual Property Rights” means and includes trade secrets, know-how, patents, patent applications, copyrights, copyright registrations, moral rights, trademarks, service marks, trademark and service mark registrations, mask works and goodwill and all other proprietary rights and intellectual property rights arising or protectable under the laws of the United States of America or any other jurisdiction.
- 🔊 The term “Licensed Technology” is a broad reference to the packages of software, hard copy information, and the rights therein. It is useful to have broad definitions like this when you will refer often to the entire licensed package in the Agreement.
- **“Licensed Technology”** The term “Licensed Technology” means, collectively, the Licensed Software, the Documentation and all Intellectual Property Rights in and to the Licensed Software, the Documentation or any part or component thereof.
- 🔊 The following definition states what a "derivative work" means. An example of a derivative work would be a "new and improved" version of the licensed software or an entirely new application that incorporates the functions of the licensed software.
- **“Derivative”** The term “derivative” means and includes; (1) any derivative work (as defined in the United States Copyright Law) of any part or all of the Licensed Technology; and (2) any software, product, concept, invention, design, development, algorithm, subroutine or documentation, that is derived, modified, adapted or translated in any way from any of the Licensed Technology.
- 🔊 Section 2 concerns when the software and documentation is actually handed over to the licensee.

2. Delivery of Licensed Technology

- 🔊 The software and documentation are handed over, or "delivered" to the Licensee when this Agreement is signed and at a location to be determined by the owner of the software. For example, the Licensee could go to the offices of the owner, the parties could sign the Agreement, and the Licensee could leave with copies of the software and documentation.

2.1 Delivery. Concurrently with execution of this Agreement, [Licensor] shall deliver to [Licensee], at such location as [Licensee] may designate: (1) two complete copies of the entire source code for all of the Licensed Software (including without limitation all programmer's notes, comments and annotations); (2) Two complete copies of the Licensed Software in object code format; and (3) Two complete copies of the Documentation.

- 🔊 What happens if the owner of the licensed software makes modifications or issues a new update? The following section states that the Licensee is entitled to any modifications and updates when and if they are prepared. Note, that the owner could charge a fee for providing updates.

2.2 Updates. [Licensor] shall also promptly provide [Licensee] with any and all revisions, updates, modifications and enhancements to the Licensed Software (in both object and source code format) and the Documentation, when and if prepared.

3. Grant of License Rights

- 🔊 Section 3 entails a grant of the software license and the specific aspects of the license.
- 🔊 The Licensee can sell copies.
- 🔊 If you are not 'selling' them a copy and all of the rights that go with that, you will need to carefully reword this section.

3.1 Grant of License. Subject to the provisions of Section 3.2 below, [Licensor] hereby grants to [Licensee] the non-exclusive, perpetual, irrevocable, worldwide, transferable, royalty-free and fully-paid up right and license (the “License”) to: (1) use in any manner, duplicate, display, improve, modify,

manufacture, have copied, reproduced and duplicated, improved, modified and manufactured, import, export, market, distribute, sublicense and otherwise commercially exploit in any manner: (1) the Licensed Software and any portion thereof in source and / or object code form; and (2) the documentation or any part thereof; and

☞ The Licensee can create derivative works.

3.1.1 Develop, prepare, create, use in any manner, copy, reproduce and duplicate, display, improve, modify, manufacture, have developed, prepared, created, copied, reproduced and duplicated, improved, modified and manufactured, import, export, market, distribute, sublicense and otherwise commercially exploit, any derivative; and

☞ The Licensee can sublicense the software to others.

3.1.2 Sublicense any third party or parties to exercise any of the rights and licenses granted to [Licensee] in subsections 3.1 and 3.1.1.

☞ You will note that the initial grant was of a "non-exclusive" license, meaning that the Licensor retained the right to grant the exact same software license to other parties. The next section states that the license will become exclusive on the date the Licensee pays a certain dollar amount in cash or like consideration.

3.2 Exclusivity. The License becomes exclusive on the exclusivity date. Despite anything in this Agreement to the contrary, on the Exclusivity Date (as defined below) the License granted to [Licensee] by [Company] under Section 3.1 above shall (subject only to the provisions of Section 3.2.3 below) become exclusive, without the need for any further action, writing or execution of any document on the part of [Company], [Licensee] or any other party.

3.2.1 Exclusivity Date. As used herein, the term "Exclusivity Date" shall mean the date on which the cumulative amount of Funds (as defined below) received by [Company] in the amount \$[x], provided such date occurs within [xx] months after the effective date. As used herein, the term "Funds" means cash, loans of cash, or canceled indebtedness of [Company] for money owed.

☞ The exclusive license is not entirely exclusive. The Licensor reserves for itself a non-exclusive license to use and sell the software, but not derivatives of the software. Also, any prior sublicensees named in Exhibit A (you will need to complete and attach to the Agreement) will continue to hold their respective sublicenses.

3.2.2 Effect of Exclusivity. Except for the outstanding non-exclusive licenses to the Licensed Software more fully described in Exhibit A attached, when the License becomes exclusive on the Exclusivity Date, [Licensee]'s rights under the License shall be exclusive of all persons, entities and parties throughout the entire world, other than [Company], it being understood that [Company] shall retain, on a non-exclusive basis only, the non-exclusive, perpetual, irrevocable, worldwide right to use, copy, reproduce and duplicate, market and distribute the Licensed Software; provided, however, that [Company] shall not have the right to assign any of its rights with respect to the Licensed Software or Documentation (whether such assignment is made voluntarily, involuntarily, by contract, merger or operation of law) without the prior written consent of [Licensee]. [Company] further agrees that it shall have no right to make, prepare, market, sell, license, transfer or commercially exploit any derivative, but [Company] may prepare, reproduce and duplicate, market and distribute any modification or correction of the Licensed Software that does not substantially improve, alter or enhance the operating features or functions of the Licensed Software as it exists on the date of this Agreement.

☞ In the next section the Licensor agrees not to grant rights in the licensed software to others during the time the license is non-exclusive. However, if the Licensee fails to pay the required consideration, in a certain time (to be completed by you), then exclusively protection is lost.

3.2.3 Protection of Exclusivity. As a material inducement to [Licensee] to enter into this Agreement,

and in order to protect the potential exclusive License rights of [Licensee] as provided above, [Company] agrees that, during the Protected Period (as defined below), neither [Company] nor any of its officers, directors, employees, contractors or agents, will at any time or in any way use, modify, disclose or undertake to sell, assign, lease, license, sublicense or otherwise transfer, hypothecate, encumber or suffer a lien upon any interest in the Licensed Technology or any part thereof or assist anyone else in so doing. As used herein, the "Protected Period" means all times after the Effective Date; except that, if [Company] has not received at least \$[x] of Funds from the sale or sales of shares of its capital stock and / or loans or cash advances within [xx] months after the Effective Date, then the Protected Period shall terminate and end [xx] months after the Effective Date.

🔊 The Licenser gives its assurance of cooperation in this next section.

3.3 Further Assurance. [Company] will execute and deliver such other and further documents and take such other actions, at [Licensee] expense, as [Licensee] may request reasonably and in good faith to further evidence and confirm the rights of [Company] and its sublicensees and transferees in this Agreement.

🔊 The Licensee will have to pay a certain dollar amount in exchange for the grant of the license.

4. Consideration, Payment for License

As full consideration for the license and other rights granted by [Company] to [Licensee] under this Agreement, [Licensee] shall pay the amount at \$[x], and / or [x] common shares of [Licensee] at \$[x]/ per share.

🔊 Because the Licenser retains an interest in the licensed software, the parties need to define the scope of their ownership interests.

5. Ownership

🔊 The Licenser retains ownership of the licensed software.

5.1 By [Company]. [Company] will retain all right, title and interest in and to the Licensed Software, the Documentation, Derivatives, and all Intellectual Property Rights and interests incorporated therein, subject to the rights and licenses granted to [Licensee] in this Agreement.

🔊 The Licensee will own all derivatives and related documentation and intellectual property. YOU MAY NOT WANT TO ALLOW THIS! If not, you will need to modify this agreement in several places – change payment to royalties,

5.2 By [Licensee]. [Licensee] shall own all right, title and interest in and to: (1) all derivatives developed by or for [Licensee] or its sublicensees (whether developed internally or by contractors); (2) all documentation of any kind developed by or for [Licensee] (whether developed internally or by contractors) with respect to the Licensed Technology or any derivative; and (3) all Intellectual Property Rights in and to such derivatives and documentation.

🔊 In Section 6, the Licenser gives a complete set of representations and warranties stating they own the software, they can license it to the Licenser, and there are no third party rights. They will violate by licensing the software.

6. Representations & Warranties

6.1 [Company] owns all right, title and interest in and to all the Licensed Technology;

6.2 [Company] has not sold or assigned the Licensed Technology, the Documentation or any interest or rights therein to any third party,

🔊 You will note that in the next two sections, the Licensor only warrants to the best of its knowledge. This is done because the Licensor does not want to warrant and represent that no one else has come up with the same or similar software.

6.3 To the best of [Company] knowledge and belief, neither the Licensed Technology, the Documentation nor any products that embody or employ the Licensed Technology are in the public domain, or have been licensed, except as described in Exhibit A in this Agreement;

6.4 To the best of [Company]'s knowledge and belief, the grant of the licenses and rights by [Company] to [Licensee] under Section 3 of this Agreement (including the potential grant of the exclusive license rights described herein) does not and will not infringe upon the contractual or proprietary rights or Intellectual Property Rights of any third party;

6.5 No person or entity other than [Company] is in possession of or owns any of the Licensed Technology or Documentation (except for those licensees who may have possession of Licensed Technology as described in Exhibit A hereto);

6.6 [Company] has full power, authority and legal right to execute and deliver this Agreement and perform all its obligations hereunder and this Agreement has been duly and validly approved by all necessary corporate action of [Company]'s Board of Directors and shareholders;

6.7 [Company]'s execution and delivery of this Agreement, and the performance of its obligations under this Agreement, do not breach, and will not result in a breach or violation of, [Company]'s corporate charter and bylaws, any indenture, security interest, mortgage, grant, research project, endowment, gift, contract or other Agreement or commitment to which [Company] or any of its officers, directors, employees or contractors is a party or by which [Company] or any of its officers, directors, employees or contractors is bound or of any law, governmental rule, regulation, order or grant known to [Company] to be binding upon [Company] or any of its officers, directors, employees or contractors or the Licensed Technology; and

6.8 There is no action, suit, claim, arbitration, or proceeding pending or threatened (or basis therefore) that (1) questions this Agreement or the power, authority and right of [Company] to execute, deliver and perform its obligations under this Agreement or (2) alleges that the Licensed Technology infringes any rights (including Intellectual Property Rights) of third parties.

7. Indemnification & Enforcement

🔊 In the next section, the Licensor agrees to indemnify the licensee if any of the warranties or representations in Section 6 are incorrect or untrue.

7.1 Indemnification by [Company]. [Company] shall indemnify [Licensee] from and against any and all liability, costs, expenses, or damages of any kind or nature, including but not limited to reasonable fees of attorneys, accountants, and other professionals, suffered or incurred by [Licensee] as a result of any action, suit, claim, arbitration or proceeding brought against [Licensee] (or its officers, directors, shareholders, employees, agents or sublicensees) by any person not a party to this Agreement based in whole or in part on any of the representations and warranties contained in Section 6 being untrue or incorrect in any respect (Action), provided that [Licensee] will promptly notify [Company] of any such Action in writing and will give [Company] the opportunity to defend or settle such Action. [Licensee] agrees to cooperate with [Company], at [Company]'s expense, in defending or settling any such Action. [Licensee] will not be liable under this Section 7.1 to the extent that the Action brought against [Licensee] is based on modifications or enhancements to the Licensed Technology made by [Licensee] or a third party.

🔊 Because both parties have an interest in the licensed software, both may want to take action against infringers. In this next section, the Licensee or its sublicensees are given the first option to sue infringers.

7.2 Enforcement. [Licensee] and / or its sublicensees will have the first right, at their own expense, to institute infringement actions against third parties based on any applicable Intellectual Property Rights related to the Licensed Technology or any part thereof. If [Licensee] does not institute an infringement proceeding against an offending third party within [xx] days of written notice by [Company] to [Licensee], then at the end of such [xx]-day period, [Company] will have the right, but not the duty, to institute such an action and the costs and expenses of any such action (including without limitation attorneys' fees) will be borne by [Company]. Each party will execute all necessary and proper documents and take such action as is appropriate to allow the party bringing such an infringement action to (at its own expense) institute and prosecute such infringement action. Any award paid by third parties as a result of such an infringement action (whether by way of settlement or otherwise) will be paid to [Company].

🔊 Foreign countries do not automatically protect intellectual property rights recognized in the U.S. Therefore, to protect intellectual property rights abroad, the owners of such rights must register, file for protection, or take such action so as to protect their rights to their intellectual property. In the following section, the parties decide who gets what rights to protect the intellectual property in countries other than the .

7.3 Protection of Intellectual Property Rights. [Company] shall have the first right, at its sole discretion and expense, to register and file for protection of the Intellectual Property Rights in the Licensed Technology its or their names in any and all countries outside of the United States. [Licensee] will have a similar right, at its expense, to register or file for protection of any such Intellectual Property Rights in its name, if (1) [Licensee] first notifies [Company] in writing of [Licensee]'s intention to protect such Intellectual Property Rights in any country where [Company] has not exercised its prior right to protect such Intellectual Property Rights, and (2) [Company] has not notified [Company] in writing within [x] (Enter number) days of [Licensee]'s notice, of [Company]'s intention and actual efforts to protect such Intellectual Property Rights. Each party will, and will use its best efforts to have its employees, consultants and agents, execute any and all assignments, applications or other instruments necessary to register any such copyrights or trademarks or secure any such patents in the name of the party protecting such Intellectual Property Rights.

8. Confidentiality

🔊 It is in the interests of both parties to treat the licensed software as confidential. Section 8 addresses these interests. Basically, both parties agree to keep the licensed software confidential.

8.1 [Licensee] Obligations. [Licensee] acknowledges that [Company] has a proprietary interest in the [Licensee] Licensed Software and agree to use all reasonable efforts to protect the Licensed Software from unauthorized disclosure, use or release, including, without limitation: (1) taking the same care to prevent unauthorized disclosure of the Licensed Software that [Licensee] takes to protect information, data, or other tangible and intangible property or its own that it regards as proprietary or confidential; and (2) having its employees, contractors, agents, customers and others who are given access to the Licensed Software sign confidentiality Agreements binding them not to disclose or use Licensed Software.

8.2 [Company]'s Obligations. [Company] acknowledges that [Licensee] will have a proprietary interest in the Licensed Software and that it is necessary for [Company] to hold the Licensed Software in confidence to protect [Company]'s rights under this Agreement. Accordingly, [Company] agrees: (1) that [Company] will not sell, disclose or otherwise make Licensed Software available to others except as permitted under the terms of Section 3 hereof; (2) to hold in confidence and use all reasonable efforts to protect the Licensed Software from unauthorized disclosure, use or release, including without limitation:

(2.1) providing reasonable physical security at [Company]’s facilities to limit access to copies of the Licensed Software; and (2.2) having its employees, contractors, agents, customers and others who may have access to the Licensed Technology sign confidentiality Agreements binding them not to disclose or use the Licensed Technology.

9. General Provisions

🔊 The General Provisions that follow are fairly standard. These provisions enhance the balance of the Agreement by defining certain common issues such as notice, assignment, legal remedies, waiver, and attorney fees, etc.

9.1 **Independent Contractors.** The relationship between both parties established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to give either party the power to direct and control the day-to-day activities of the other. Neither party is an agent, representative or partner of the other party. Neither party shall have any right, power or authority to enter into any agreement for, or on behalf of, or incur any obligation or liability of, or to otherwise bind, the other party. This Agreement shall not be interpreted or construed to create an association, agency, joint venture or partnership between the parties or to impose any liability attributable to such relationship upon either party.

🔊 You may or may not want to make this deal public – at least limit that event by this agreement and work out if/how/when you want to do that later.

9.2 **Publicity.** Neither party will make any public announcement or issue any press release concerning the terms of this Agreement without the prior approval of both parties.

🔊 Make it clear that you will not try to hire away each others employees. If you do or it happens then there is compensation built-in and you can avoid further legal proceedings.

9.3 **Non-Solicitation.** Neither party shall solicit for employment or hire the other’s current or future employees, either directly or indirectly, during the Term of this Agreement, without obtaining the other’s prior written approval. Should an employee change employment from one party to the other, the new employer shall pay the old employer a fee equivalent to Twenty Percent (20%) of the employee’s new compensation, annualized for the first year.

🔊 You must decide which state governs this Agreement and where any legal action would be taken. Generally, it is your (company’s) state of residence.

9.4 **Governing Law & Jurisdiction.** This agreement and the parties’ actions under this Agreement shall be governed by and construed under the laws of the state of [State], without reference to conflict of law principles. The parties hereby expressly consent to the jurisdiction and venue of the federal and state courts within the state of [State]. Each party hereby irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party at its address set forth in the preamble of this Agreement, such service to become effective thirty (30) days after such mailing.

🔊 This Agreement is intended to be the only Agreement and that no other documents or communications are binding. Therefore, it is very important to make sure that everything [Company] and [Client] have agreed to be included in this Agreement. Otherwise, it is as if it were not agreed to.

9.5 **Entire Agreement.** This Agreement, including the attached exhibits, constitutes the entire Agreement between both parties concerning this transaction, and replaces all previous communications, representations, understandings, and Agreements, whether verbal or written between the parties to this Agreement or their representatives. No representations or statements of any kind made by either party, which are not expressly stated in this Agreement, shall be binding on such parties.

☞ Any changes to this Agreement must be in writing and signed by the party against whom that writing is to be used.

9.6 **All Amendments in Writing.** No waiver, amendment or modification of any provisions of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom such waiver, amendment or modification is sought to be enforced. Furthermore, no provisions in either party's purchase orders or in any other business forms employed by either party will supersede the terms and conditions of this Agreement.

☞ All notices between the parties must be in writing and either delivered in person or by certified or registered mail, return receipt requested.

9.7 **Notices.** Any notice required or permitted by this Agreement shall be deemed given if sent by registered mail, postage prepaid with return receipt requested, addressed to the other party at the address set forth in the preamble of this Agreement or at such other address for which such party gives notice hereunder. Delivery shall be deemed effective three (3) days after deposit with postal authorities.

☞ In the event of a lawsuit or any legal proceeding involving this Agreement, the losing party will have to pay the winning party his or her costs and expenses, including reasonable attorney fees.

9.8 **Costs of Legal Action.** In the event any action is brought to enforce this Agreement, the prevailing party shall be entitled to recover its costs of enforcement including, without limitation, attorneys' fees and court costs.

☞ Legal remedies, i.e., money damages, may not be sufficient; therefore, both parties agree to equitable remedies such as an injunction where the breaching party would be required to do or not to do something.

9.9 **Inadequate Legal Remedy.** Both parties understand and acknowledge that violation of their respective covenants and Agreements may cause the other irreparable harm and damage, that may not be recovered at law, and each agrees that the other's remedies for breach may be in equity by way of injunctive relief, as well as for damages and any other relief available to the non-breaching party, whether in law or in equity.

☞ Assuming the parties wish to use Arbitration in the event of a dispute, the following section should be included. You take your chances with an arbitrator, but it keeps legal costs down and keeps you out of a drawn out legal process.

9.10 **Arbitration.** Any dispute relating to the interpretation or performance of this Agreement shall be resolved at the request of either party through binding arbitration. Arbitration shall be conducted in [County], [State] in accordance with the then-existing rules of the American Arbitration Association. Judgment upon any award by the arbitrators may be entered by any state or federal court having jurisdiction. Both parties intend that this Agreement to arbitrate be irrevocable.


☞ Merely delaying to bring an action that one party has a right to bring does not cause that party to lose or waive his right to pursue that action.

9.11 **Delay is Not a Waiver.** No failure or delay by either party in exercising any right, power or remedy under this Agreement, except as specifically provided in this Agreement, shall operate as a waiver of any such right, power or remedy.

☞ Neither party will be blamed if there is a problem resulting from something beyond its control, such as an earthquake, flood, war.

9.12 **Force Majeure.** In the event that either party is unable to perform any of its obligations under this Agreement or to enjoy any of its benefits because of any Act of God, strike, fire, flood, governmental acts, orders or restrictions, Internet system unavailability, system malfunctions or any other reason where failure to perform is beyond the reasonable control and not caused by the negligence of the non-

performing party (a “Force Majeure Event”), the party who has been so affected shall give notice immediately to the other party and shall use its reasonable best efforts to resume performance. Failure to meet due dates resulting from a Force Majeure Event shall extend such due dates for a reasonable period. However, if the period of nonperformance exceeds sixty (60) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been affected may, by giving written notice, terminate this Agreement effective immediately upon such notice or at such later date as is therein specified.

- ☞ This section limits the ability of either party to transfer any of its rights or delegate any of its duties to third parties.
- ☞ You want to make sure that you can sell your business along with all of the relationships you have developed along the way. (Often these relationships can add tremendous value to your business and you want to make sure that all of your agreements can be transferred to the new owners.) I wouldn't want to seek (let alone pay for) permission to sell my company.
- ☞ Generally, neither party may assign their respective rights to a third party; however, with the possible exception of assignment to a successor corporation or partnership, either party may transfer its rights or obligations under this Agreement without the approval of the other party. This Agreement would be binding on the 3rd party.
- ☞ However, you may want mit each other's ability to pass along this deal to another possibly unknown and possibly unfriendly entity. The second paragraph prevents unauthorized transfer of responsibilities...
- ☞ CHOOSE one or the other of these two following paragraphs.

9.13 **Assignability & Binding Effect.** Except as expressly set forth within this Agreement, neither party may transfer or assign, directly or indirectly, this Agreement or its rights and obligations hereunder without the express written permission of the other party, not to be unreasonably withheld; provided, however, that both parties shall have the right to assign or otherwise transfer this Agreement to any parent, subsidiary, affiliated entity or pursuant to any merger, consolidation or reorganization, provided that all such assignees and transferees agree in writing to be bound by the terms of this Agreement prior to such assignment or transfer. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

☞ --Or --

- ☞ This paragraph DOES NOT ALLOW either party to transfer its rights to a successor company without prior approval.

9.13 **Non-Assignability & Binding Effect.** Except as otherwise provided for within this Agreement, neither party may assign any of its rights or delegate any of its obligations under this Agreement to any third party without the express written permission of the other. Any such assignment is deemed null and void.

- ☞ If any part of this Agreement is unenforceable or invalid, the balance of the Agreement should still be enforced. Basically, ignore any sections that are invalid.

9.14 **Severability.** If any provisions of this Agreement are held by a court of competent jurisdiction to be invalid under any applicable statute or rule of law, they are to that extent to be deemed omitted and the remaining provisions of this Agreement shall remain in full force and effect.

- ☞ The headings of the various sections are meant to explain or otherwise give meaning to those sections; they are for convenience only.

9.15 **Cumulative Rights.** Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative upon all other rights and remedies described in this section and allowed under applicable law.

9.16 **Headings.** The titles and headings of the various sections and sections in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement.

🔊 Every copy shall be just as valid as the original.

9.17 **Counterparts.** This Agreement may be executed in multiple counterparts, any one of which will be considered an original, but all of which will constitute one and the same instrument.

🔊 Even after the termination of the Agreement, the parties may still have certain responsibilities such as keeping information confidential.

9.18 **Survival of Certain Provisions.** The warranties and the indemnification and confidentiality obligations set forth in the Agreement shall survive the termination of the Agreement by either party for any reason.

Understood, Agreed & Approved

We have carefully reviewed this contract and agree to and accept all of its terms and conditions. We are executing this Agreement as of the Effective Date above.



[Company]

Vendor

[Owner/Founder]

Vendor Name

Title

Title

Exhibit A

