**AGREEMENT FOR SALE OF PATENT**



**Small and Medium Enterprises Development Authority Ministry of Industries & Production**

**Government of Pakistan**

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**INTRODUCTION OF SMEDA**

The Small and Medium Enterprise Development Authority (SMEDA) was established with the objective to provide fresh impetus to the economy through the launch of an aggressive SME development strategy. Since its inception in October 1998, SMEDA had adopted a sectoral SME development approach. A few priority sectors were selected on the criterion of SME presence. In depth research was conducted and comprehensive development plans were formulated after identification of impediments and retardants. The all-encompassing sectoral development strategy involved overhauling of the regulatory environment by taking into consideration other important aspects including finance, marketing, technology and human resource development.

After successfully qualifying in the first phase of sector development SMEDA reorganized its operations in January 2001 with the task of SME development at a broader scale and enhanced outreach in terms of SMEDA’s areas of operation. Currently, SMEDA along with sectoral focus offers a range of services to SMEs including over the counter support systems, exclusive business development facilities, training and development and information dissemination through a wide range of publications. SMEDA’s activities can now be classified into the three following broad areas:

1. Creating a Conducive Environment; includes collaboration with policy makers to devise facilitating mechanisms for SMEs by removing regulatory impediments across numerous policy areas.
2. Cluster/Sector Development; comprises formulation and implementation of projects for SME clusters/sectors in collaboration with industry/trade associations and chambers.
3. Enhancing Access to Business Development Services; development and provision of services to meet the business management, strategic and operational requirements of SMEs.

SMEDA has so far successfully formulated strategies for sectors, including fruits and vegetables, marble and granite, gems and jewelry, marine fisheries, leather and footwear, textiles, surgical instruments, transport and dairy. Whereas the task of SME development at a broader scale still requires more coverage and enhanced reach in terms of SMEDA’s areas of operation.

# DISCLAIMER

Form of this document and the contents therein are provided only for general information purpose and on an "as is" basis without any warranties of any kind. Use of this document is at the user's sole risk. SMEDA assumes no responsibility for the accuracy or completeness of this document, its form and any of the information provided therein and shall not be liable for any damages arising from its use.

**AGREEMENT FOR SALE OF PATENT**

THIS PATENT SALE AGREEMENT (hereinafter referred to as the "Agreement") made and entered into at \_\_\_\_\_\_ (insert place) on this \_\_\_\_ (insert date) day of \_\_\_\_\_\_\_ (insert month) 20\_\_ (insert year),

**BY AND BETWEEN:**

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a sole proprietorship concern of Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through Mr/Mrs/Ms [insert Name];

OR

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address] CNIC # [insert Number] (hereinafter referred to as the “**Vendor**”, which expression shall, wherever the context so provides, include its successors, assigns, nominees and agents) of the first part.

**AND**

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr./Mrs./Ms. [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a sole proprietorship concern of Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through Mr/Mrs/Ms [insert Name];

OR

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address] CNIC # [insert Number] (hereinafter referred to as the “**buyer**”, which expression shall, wherever the

context so provides, include its successors, assigns, nominees and agents) of the second part.

(The Vendor and the Buyer are hereinafter collectively referred to as the “Parties”, and individually as the “Party”).

**WHEREAS** the vendor is engaged in the business of manufacturing \_\_\_\_\_\_\_\_\_\_\_ under the name and style of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**AND WHEREAS** the vendor is the sole owner to the exclusion of others of patent specified in schedule I hereto by virtue of Patent Number\_\_\_\_\_\_\_\_\_\_\_\_\_\_ granted in his/its favor by the Intellectual Property Organization of Pakistan vide order dated\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter the “Patent”)

**AND WHEREAS** the patent is in respect of the improvements made by the vendor on the inventions referred to in the said patent and invention in connection with the manufacture of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (write name of the product such as a medicine or a machine).

**AND WHEREAS** the vendor intends to sell the above stated patent and the buyer has shown interest in buying the patent.

**NOWTHEREOFRE** the parties hereby agree as follows:

1. **Sale of Patent**
2. The vendor shall sell and the buyer shall by:
3. The patent bearing No.\_\_\_\_\_\_\_\_\_\_\_\_ granted in favour of the vendor in respect of an invention of\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(name of the product) more specifically mentioned in schedule-I to this agreement.
4. The benefit of the improvement and all rights and interests on the inventions as referred in the patent.
5. The benefit of all future inventions which the vendor may make in respect of the patented product.
6. The right, title and interest to apply for and get any further local or foreign patents of the patented product and such further inventions as started above.
7. **Consideration for Sale**

In consideration of the sale of the patent unto the buyer the buyer has agreed to make lump sum payment of Rs.\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to the vendor through cross cheque/pay order/demand draft (enter the relevant mode of payment). The vendor hereby acknowledges the receipt of the entire consideration from the buyer vide cross cheque/pay order/demand draft No.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and there remains nothing outstanding to be settled between the parties.

1. **Vendor to inform Buyer**

The buyer or his/its successors in interest or assigns as the case may be shall be informed by the vendor from time to time as to the improvements and further inventions in relation to the patented product and shall be provided with full disclosure as to the exact way of working and using the same. The vendor hereby undertakes to do all acts and deeds that are deemed necessary to enable the buyer to obtain the patents for such improvements and further inventions as the case may be.

1. **Representations and Warranties**
2. The Vendor represents and warrants to the buyer:

i. that the Vendor has the right, power and authority to enter into this Agreement;

ii. that the Vendor is the exclusive owner of all right, title and interest, including all intellectual property rights, in the Patents;

iii. that the Patent is free of any liens, security interests, encumbrances or licenses;

iv. that the Patent do not infringe the rights of any person or entity;

v. that there are no claims, pending or threatened, with respect to Vendor's rights in the Patent;

vi. that the Vendor is not subject to any agreement, judgment or order inconsistent with the terms of this Agreement.

1. **Governing Law And Exclusive Jurisdiction**

This Agreement in all respects be read and construed and shall operate as a contract, in conformity with the laws of Pakistan and the courts at [insert place] shall have exclusive jurisdiction for adjudicating any dispute arising hereunder.

1. **Resolution Of Disputes**

Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Pakistan Arbitration Act, 1940, subject to the exclusive jurisdiction of the Courts of [insert place].

1. **Force Majeure**
2. Force Majeure shall mean any event that is beyond the reasonable control of a Party, or the effects of which adversely affect the performance by such Party of its obligations under this Agreement, including, but not limited to, acts of God, sabotage, insurrection, terrorism, riots, hostilities or war (whether declared or not), acts of the public enemy, civil disturbances, any kind of fire, explosion, flood or accidental damage, epidemics, landslides, washouts, lightening, storms, earthquakes, lockouts, blockades, shortage of labor or material, major equipment failure, or other causes beyond the control of the Party affected.
3. Notwithstanding anything contained hereinabove, neither Party shall be liable to the other if it is unable to perform any of its obligations under this Agreement due to the occurrence of Force Majeure.
4. The Party affected by the Force Majeure event shall be entitled to suspend performance of its obligations under the Agreement to the extent that such performance is impeded or made impossible by the events of Force Majeure.
5. Each Party shall give a notice within [insert number] days of the occurrence of the event of Force Majeure and shall promptly thereafter consult the other Party for the purpose of finding a mutually acceptable solution to the Force Majeure event.
6. **Indemnification**

If either party is found to be in breach of this Agreement, the offending Party will indemnify the offended Party for any losses accrued as a result of the breach. Lost profits incurred as a result of any such breach shall be repaid by the offending Party to the offended Party.

1. **Amendments**

This Agreement may be modified, extended, enlarged or amended from time to time by mutual agreement and consent of the Parties.

1. **Severability**

If a court of law finds any provision of this Agreement invalid or unenforceable at law for any reason, the remainder of this Agreement shall not be affected, and shall be interpreted so as best to effect the intent of the Parties.

1. **Agreement To Perform Necessary Acts**

The Assignee hereby agrees and undertakes to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

1. **Entire Agreement**

This Agreement contains the entire understanding and agreement between the Parties hereto with respect to its subject matter, and supersedes any prior or contemporaneous written or oral agreements, representations or warranties between them respecting the subject matter hereof.

1. **Non-waiver**

The failure of either Party to exercise any right provided in this Agreement shall not be construed as a waiver its right to subsequently enforce such provision or any other provision of this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have set their hands and seals the day, month and year mentioned hereinabove.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For and on behalf of the Vendor For and on behalf of the Buyer

**WITNESS NO. 1 WITNESS NO. 2**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Designation: \_\_\_\_\_\_\_\_\_\_\_\_ Designation: \_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_