

**AGREEMENT
FOR THE ACQUISITION OF CO-OWNERSHIP RIGHTS
IN COMPUTER SOFTWARE**

THIS AGREEMENT made effective as of the ____ day of _____, _____. (the "Agreement")

BETWEEN:

(the "Purchaser")

(insert name of purchaser)
(insert complete address)

-AND-

(the "Vendor")

(insert name of vendor)
(insert complete address)

RECITALS:

- A. The Vendor has developed or purchased and thereby owns all right, title, and interest, including all copyright interests, in and to certain computer software and related documentation described in Schedule "A" attached hereto.
- B. The Purchaser and the Vendor intend that the Purchaser shall acquire all patent rights and an undivided ____% *(insert number)* interest in all other right, title, and interest in and to such software and documentation in accordance with this Agreement.

NOW THEREFORE, IN CONSIDERATION OF the terms and conditions of this Agreement, the premises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Purchaser and the Vendor hereby agree as follows:

1. Definitions

The following definitions shall apply in this Agreement unless otherwise expressly provided or the context otherwise requires:

- (a) "Closing Date" means _____, *(insert date)* or such other date to which the Vendor and the Purchaser may agree in writing.
- (b) "Deliverables" means the copies of the Software and related materials to be provided to the Purchaser and all other deliverables specified in Schedule "B" attached hereto.
- (c) "Effective Date" means _____. *(insert date)*
- (d) "Existing Agreements" means the agreements contained in Schedule "C" attached hereto.
- (e) "Further Assurances" means communicating the facts concerning the Software, improvements in the Software, and to do generally, as and when requested by the Purchaser, everything reasonably possible to confirm the rights granted to the Purchaser, its successors, assigns, and legal representatives, to aid the Purchaser, its successors, assigns, and legal representatives to obtain and enforce proper protection for the Purchaser's rights in the Software and any improvements thereon in all countries throughout the world, including testifying before appropriate tribunals, recording in all appropriate registries evidence of the rights granted to the Purchaser by this Agreement, and obtaining in writing an assignment of all rights from all of the Vendor's employees, independent contractors, and all other entities acting on the Vendor's behalf which could have rights in or to the Software, either now and/or in the future.
- (f) "Individuals" means _____ *(insert full names)*, collectively.

- (g) "Patent Rights" means all, right, title, and interest, related to or arising out of the Software, in and to all domestic and foreign patent rights, patent registrations, and patent applications, all patentable subject matter, all patentable inventions, and all shop rights related to patentable subject matter.
- (h) "Purchase Price" means the sum of \$_____. (*insert amount*)
- (i) "Purchaser Group" means the Purchaser, its subsidiaries, affiliates, shareholders, officers, employees, independent contractors, agents, licensees, and sublicensees, collectively and individually.
- (j) "Purchaser Subsequent Modifications" means Subsequent Modifications made by or on behalf of the Purchaser or acquired by or on behalf of the Purchaser.
- (k) "Schedules" means the following Schedules, attached hereto and incorporated herein by reference for all purposes:
 - Schedule "A" - Computer Software and Related Documentation
 - Schedule "B" - Deliverables
 - Schedule "C" - Existing Agreements
 - Schedule "D" - Vendor Customers
 - Schedule "E" - Deed of Assignment
 - Schedule "F" - Independent Contractors
 - Schedule "G" -Agreements Between Vendor and Independent Contractors
 - Schedule "H" - Software Errors
 - Schedule "I" - Trademark Registrations and Related Documentation
 - Schedule "J" - Vendor Financial Statements
 - Schedule "K" - Warranties and Representations
 - Schedule "L" - Software Development and Acquisition of Rights
- (l) "Software" means the computer software and related documentation described in Schedule "A", hereof which includes:
 - (i) The Software in all formats;
 - (ii) All copyright, trade secret, moral, and other proprietary rights, except Patent Rights, in and to the Software, including those rights in countries other than _____; (*insert names of countries, as applicable*)
 - (iii) The Vendor software products known as " _____" (*insert title(s)*) and prior versions of the Software;
 - (iv) All documentation for the Software, including change control files, design documents, and software development specifications; and
 - (v) All derivative works and all enhanced, corrected, modified, and updated revisions and versions of the Software as developed and/or acquired by the Vendor on or before the Closing.
- (m) "Subsequent Modifications" means any change to the Software including enhanced, modified, and updated versions and derivative works of the Software made or acquired after _____. (*insert date*)
- (n) "Vendor Customers" means those entities that are licensees of the Software or prior versions of the Software as of the Effective Date and which the Vendor has identified specifically by name and address in Schedule "D" attached hereto.
- (o) "Vendor Subsequent Modifications" means Subsequent Modifications made by or on behalf of or acquired by or on behalf of the Vendor.

2. Sale of Patent Rights and Co-Ownership of All Other Rights

The Purchaser agrees to purchase and the Vendor hereby agrees to sell, assign, transfer, and convey to the Purchaser an undivided ____% (*insert number*) interest in all right, title, and interest in and to the Software, other than the Patent Rights. The Purchaser agrees to purchase and, subject to the license of Patent Rights described below, the Vendor hereby agrees to sell, assign, transfer, and convey to the Purchaser exclusively all right, title, and interest in and to the Patent Rights.

- (a) The Purchaser and the Vendor expressly agree that there shall not be any duty of accounting or contribution for any reason, including for any income or expenses, however characterized, arising out of the rights granted to the Purchaser or retained by the Vendor, in and to the Software.
- (b) For further clarification, the Vendor and the Purchaser expressly agree as follows:
 - (i) Unless otherwise expressly agreed in writing by the Vendor, the Purchaser shall not have any rights in or to the Vendor Subsequent Modifications.
 - (ii) Unless otherwise expressly agreed in writing by the Purchaser, the Vendor shall not have any rights in or to the Purchaser Subsequent Modifications.
 - (iii) The Purchaser shall be the exclusive owner of the Patent Rights.
- (c) The Vendor shall from time to time, but without any further consideration therefor, execute and deliver such instruments or documents and take all other actions that do not require significant time or expense which the Purchaser may reasonably request in order to more effectively carry out this Agreement and to vest in the Purchaser the rights granted herein. Upon the written request of the Purchaser, the Vendor shall provide Further Assurances.
- (d) The undivided ____% (*insert number*) interest in the software is being provided and sold by the Vendor to the Purchaser "as is" and without warranty. THE VENDOR HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

3. License of Patent Rights

The Purchaser hereby grants and the Vendor hereby accepts a worldwide, non-exclusive, non-transferable, and royalty-free license to use and possess the Patent Rights in accordance with this Section 3 and undertakes to provide the Vendor with any documents reasonably required by the Vendor describing, documenting and evidencing the Patent Rights, now and in the future; provided, however, the Vendor's use of the Patent Rights shall be subject, in addition to this Section 3, to the same restrictions as apply to the Vendor's use of the Software.

- (a) The Vendor may sublicense the Patent Rights. The Vendor expressly agrees to comply with the export control laws and regulations of Canada.
- (b) The license granted in this Section 3 is perpetual; provided the Vendor adheres to the provisions of this Section 3.
- (c) This license does not give the Vendor title or any other rights in the Patent Rights, except as expressly set forth in this Section 3. All rights not expressly granted to the Vendor remain in the Purchaser.