

JOINT DEVELOPMENT AGREEMENT

THIS AGREEMENT made effective the _____ day of _____, _____.

BETWEEN:

CUSTOMER
(the "Customer")

OF THE FIRST PART

- and -

DEVELOPER
(the "Developer")

OF THE SECOND PART

THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions

Wherever used throughout this Agreement, the following terms shall have the following meanings:

- (a) "Acceptance" means successful completion of the Project as set forth in Section [no.].
- (b) "Background Technology" means, with respect to each party, the know-how and technology owned by or licensed to that party as more particularly described in Schedule "___" hereto.
- (c) "Customer Company" and "Customer Companies" mean Customer and any corporation which Customer effectively controls.
- (d) "Customer Supplied Equipment" means the hardware, equipment and other components provided by Customer for use by Developer from time to time in connection with the Project, such equipment and components as of the date hereof being listed on Schedule "___".
- (e) "Distributor" means any person, firm or corporation to whom any Customer Company has granted or shall grant the right to distribute the Product or any product containing the Product, directly or indirectly, to End Users.
- (f) "Effective Date" means [date].
- (g) "End User" means any person, firm or corporation which acquires from a Customer Company, Distributor or Manufacturer, the Product or any product containing the Product for its own use entirely and not for redistribution or resale.
- (h) "Hardware" means the physical equipment component of the Product.
- (i) "Inventions" means any discoveries, improvements or ideas (whether or not patentable or copyrightable), developed or discovered in connection with the Project by either party alone or by both parties jointly, including any discoveries, improvements or ideas made solely by Developer regarding the methods of design, structure or production of the Product.
- (j) "Manufacturer" means any person, firm or corporation to whom any Customer Company has granted or shall grant the right to manufacture the Product or a product containing the Product.
- (k) "Marketing Arrangements" means those arrangements and agreements described on Schedule "___".

- (l) "Milestone" means any of the events shown on Schedule "___".
- (m) "Project Documentation" means the software programs comprising the Software, including all Software Source Code, Product design documentation, design specifications and descriptions, Project control documents, calculation formulae and details of all algorithms and all other software, documentation, blue prints and parts lists reasonably required by Customer Companies to produce the Products.
- (n) "Product Documentation" means the information set forth in Schedule "___", describing the features, installation, use and maintenance of the Product in whatever format or media such information may be provided.
- (o) "Product(s)" means the products, software programs and systems and related technology which are described by the Specifications and any corrections, updates, revisions, modifications or enhancements thereto.
- (p) "Project Schedule" means the schedule of Milestones and dates attached hereto as Schedule "___".
- (q) "Project" means the work, services, research and development described in Schedule "___", undertaken since the Effective Date or to be undertaken by Customer and Developer to design, test and produce the Product, Project Documentation and Product Documentation.
- (r) "Prototype" means the versions of the Product developed and produced for purposes of technical trial testing in accordance with Section [no.].
- (s) "Software Source Code" means the program listings of the Software.
- (t) "Software" means the software program portion of the Product and any corrections, updates, revisions, modifications or enhancements thereof.
- (u) "Specifications" means the performance, technical and other requirements for the Product set forth in Schedule "___", as amended from time to time.
- (v) "Support Services" means the upgrades, warranty, maintenance, training, technical and marketing services described in Schedule "___".
- (w) "Test Criteria" means the testing methods and related standards set forth in Schedule "___" for determining whether the Product complies with the Specifications.

2. Development Project - Responsibilities of Parties