

FORM OF INTELLECTUAL PROPERTY TRANSFER AGREEMENT

THIS INTELLECTUAL PROPERTY TRANSFER AGREEMENT (the “Agreement”) is made on [DATE]

BETWEEN

1. **X**, a company incorporated in [REDACTED] whose principal office is at [REDACTED] (“X”); and
2. **Y**, a corporation organized under the laws of the State of Delaware, whose principal office is at [REDACTED] (the “**Company**”).

WHEREAS

(A) X has agreed to sell and/or transfer all of its and its applicable affiliates’ right, title and interest in the Intellectual Property (as defined below) to the Company, and

(B) The Company has agreed to purchase and accept the same for the Consideration (as defined below).

NOW, IT IS AGREED as follows:

1.1 Definitions and Interpretation.

1.2 In this Agreement:

Business Day means a day (other than a Saturday or Sunday) on which banks generally are open in New York, USA for the transaction of a full range of business.

Completion means completion of the transfer hereunder in accordance with Section 3.

Consideration has the meaning given to it Section 2.2.

Intellectual Property means the software applications (together with all source and object code and documentation related thereto and all intellectual property rights therein) and other intellectual property rights described on Schedule A.

Transfer Time means close of the Business Day on the date of this Agreement.

1.3 In this Agreement:

- (a) the **headings** are inserted for convenience only and shall not affect the construction of this Agreement;

Commented [A1]: There are recordable assignment forms for use with the USPTO that would not include proprietary information, such as payment terms. Therefore, it may be best for the parties to agree to record a simpler form with the USPTO, which they include as an attachment to a more formal agreement.

Commented [A2]: This agreement relates to software (copyrights), but could be adapted to cover other types of intellectual property as well. As discussed in the earlier comment, if the agreement related to patents, as well as other forms of IP, it may be advisable to record the patent assignment in a simple form, without listing all of the terms of the full agreement. The simple form can be an attachment to the full agreement.

- (b) a reference to *sell* or *purchase* or *transfer* includes a reference to procure the sale of or procure the purchase of or procure the transfer of, as the case may be; and
- (c) general words introduced by the word *other* shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of act, matter or thing, nor by the fact that they are followed by particular examples intended to be embraced by the general words.

2. THE TRANSFER

2.1 Effective as of the Transfer Time, X hereby sells and transfers and the Company hereby purchases all of X and its applicable affiliates' right, title and interest in the Intellectual Property.

2.2 The price for the sale and transfer in Section 2.1 shall be the sum of \$350,000, as outlined in Schedule A (the "Consideration").

2.3 If any sales tax, value added tax or other transfer tax is properly chargeable in respect of the sale and purchase in Section 2.1, the Company shall pay to X the amount of such tax in addition to and at the same time as the Consideration. X will issue to the Company a proper tax invoice in respect thereof.

THE COMPANY HEREBY ACKNOWLEDGES THAT X MAKES NO REPRESENTATION OR WARRANTY TO THE COMPANY UNDER THIS AGREEMENT, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE INTELLECTUAL PROPERTY, AND THAT THE ABOVE SALE AND TRANSFER IS MADE TO THE COMPANY ON AN "AS IS" BASIS.

3. COMPLETION

3.1 The sale and purchase of the Intellectual Property shall be completed, and legal title and ownership in respect of the Intellectual Property shall be deemed to pass to the Company, in each case, with effect from the Transfer Time.

3.2 X shall:

- (a) cause to be delivered or made available to the Company such additional documents as the Company may reasonably require to complete the sale and purchase of the Intellectual Property; and
- (b) do such other things reasonably necessary to give full effect to this Agreement.

3.3 The Company shall:

- (a) Timely pay or cause to be paid the Consideration in cash to X or to whom and in the

Commented [A3]: If dealing with a patent, the assignment should cover the invention, not just the disclosure in the applications. The assignment should also capture all US and foreign counterparts, issues, re-issues, continuation-in-part, etc.

Commented [A4]: If recording the assignment with the USPTO, payment terms should not be made public. Such terms can be attached in an appendix or a redacted version of the assignment form can be created for recordal purposes.

Commented [A5]: It is recommended that the agreement address the tax consequences of a sale or transfer.

Commented [A6]: There are usually representations and warranties for IP assignment agreements, where the seller would at least represent and warrant that it owns the IP it purports to sell. It is important to clear the chain of title for an assignment.

manner as X may direct; and

- (b) cause to be delivered or made available to X such additional documents as X may reasonably require to complete the sale and purchase of the Intellectual Property; and
- (c) do such other things reasonably necessary to give full effect to this Agreement.

4. LICENSES

4.1 The Company acknowledges that, as a current affiliate of X, it has a royalty-free, non-exclusive, non-transferable and non-sublicensable right and license to use the third-party software set forth on Schedule B in connection with its business, pursuant to agreements between X and/or an affiliate (other than the Company) and the applicable third parties. The Company covenants that it shall use all such software in compliance with all terms and conditions of such agreements to the extent that the Company has been given access to a copy of such agreements.

Commented [A7]: This type of language is not standard for all such IP transfers, *i.e.*, a grant back.

4.2 X grants to the Company a perpetual, royalty-free, non-exclusive license to use all know-how, techniques, ideas, processes and similar intellectual property that (i) was created, invented or developed by X (or its applicable affiliates) prior to the Transfer Time and (ii) relates to the business of the Company, but is not included in the Transferred Know-How (as defined in Schedule A). The Company may sublicense this license solely in connection with the operation of its business, and not for the independent use of any third party. The Company may assign this license only in connection with the merger, reorganization or sale of the business of the Company to which this license relates. Any purported sublicense or assignment by the Company in violation of the foregoing shall be null and void and of no force or effect. To the extent X or any affiliate (other than the Company), on the one hand, and the Company or any current or future affiliate, on the other hand, enter into any future agreement governing a party's use of specific items of intellectual property of the other party, such specific provisions (and the term of any such permitted use) shall be deemed to supersede and modify accordingly the above general license.

Commented [A8]: This clause is also not typical. In this particular case, the parent received an assignment from the subsidiary, and the sub retained a non-exclusive license to the transferred technology.

4.3 The Company grants to X and its affiliates (other than the Company) a perpetual, royalty-free, non-exclusive license to use all Transferred Know-How that has a relation or application to the business of X or any affiliate other than the Company. X and its affiliates may sublicense this license solely in connection with the operation of their businesses, and not for the independent use of any third party. X and its affiliates may assign this license only in connection with the merger, reorganization or sale of any of their businesses to which this license relates. Any purported sublicense or assignment by X or an applicable affiliate in violation of the foregoing shall be null and void and of no force or effect. To the extent X or any affiliate (other than the Company), on the one hand, and the Company or any current or future affiliate, on the other hand, enter into any future agreement governing a party's use of specific items of intellectual property of the other party, such specific provisions (and the term of any such permitted use) shall be deemed to supersede and modify accordingly the above general license.

Commented [A9]: Same issue as mentioned above.

5. ENTIRE AGREEMENT

This Agreement (including the Exhibits, which are hereby incorporated in the terms of this Agreement) sets forth the entire understanding and agreement among the parties as to matters covered herein and therein and supersedes any prior understanding, agreement or statement (written or oral) of intent among the parties with respect to the subject matter hereof.

6. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

7. VARIATION

No waiver shall be deemed to have been made by any party of any of its rights under this Agreement unless the same is in writing and is signed on its behalf by an authorized signatory. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. To be binding, any amendment of this Agreement must be effected by an instrument in writing signed by the parties.

8. NOTICES

All notices, demands, instructions, waivers, consents or other communications to be provided pursuant to this Agreement shall be in writing, shall be effective upon receipt, and shall be sent by hand, facsimile, air courier or certified or registered mail, return receipt requested, as follows:

If to the Company:

[REDACTED]

With a copy to:

[REDACTED]

If to X:

[REDACTED]

With a copy to:

[REDACTED]

or to such other address as a party may specify by notice from time to time in writing to the other parties in the manner specified in this Section.

9. COSTS

X and the Company shall each pay its own costs, charges and expenses incurred in connection with the preparation and implementation of this Agreement and the transactions contemplated by it.

10. GOVERNING LAW; SUBMISSION TO JURISDICTION; APPOINTMENT OF AGENT FOR SERVICE OF PROCESS; WAIVER OF JURY TRIAL

10.1 THE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. Each party hereby irrevocably agrees that any legal action or proceeding against it arising out of this Agreement or the transactions contemplated hereby shall be brought only in the Supreme Court of the State of New York in and for the County of New York or the U.S. District Court for the Southern District of New York, preserving, however, all rights of removal to a federal court under 28 U.S.C. §1441. X hereby designates, appoints and empowers X America Holdings, Inc., with offices currently at 3 Times Square, New York, New York 10036, as its lawful agent to receive for and on its behalf service of process in the State of New York in any such action or proceeding and irrevocably consents to the service of process outside the territorial jurisdiction of said courts in any such action or proceeding by mailing copies thereof by registered United States mail, postage prepaid, to its address as specified in or pursuant to Section 8. Any service made on any such agent or its successor shall be effective when delivered regardless of whether notice thereof is given to the affected party. If any person or firm designated as agent hereunder shall no longer serve as agent of such party to receive service of process in the State of New York, the party so affected shall be obligated promptly to appoint a successor to so serve; and, unless and until such successor is appointed and the other parties notified of

Commented [A10]: It is important to always have a governing law clause, especially if dealing with a foreign entity.

the same in writing, service upon the last designated agent shall be good and effective. X hereby agrees to at all times maintain an agent to receive service of process in the State of New York pursuant to this Section 10.1. The foregoing provisions of this Section 10.1 shall not affect, limit or prevent the parties from serving process in any other manner permitted by law.

10.2Each party irrevocably waives any objection to the venue of the courts designated in Section 10.1 (whether on the basis of *forum non conveniens* or otherwise), and accepts and submits to the jurisdiction of such courts in connection with any legal action or proceeding against it arising out of or concerning this Agreement.

10.3EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Commented [A11]: This is not a typical provision.

11. TAXES

Each party represents that it has provided the other party a properly executed IRS Form W-8BEN (from X) or any similar form under the laws of Switzerland reasonably requested by X (from the Company).

Commented [A12]: This is not a typical provision. One of the parties in this particular document was a foreign entity, so the W-8BEN form is necessary.

12. U.S. BANKRUPTCY CODE

The parties acknowledge that this Agreement is an “executory contract” as provided in Section 365(n) of Title 11, United States Code (the “U.S. Bankruptcy Code”) and may contain licenses to “intellectual property,” as provided in Section 365(n) thereof. Each party acknowledges that if it as a debtor in possession or a trustee in bankruptcy in a case under the Bankruptcy Code rejects this Agreement, the other party may elect to retain its rights under this Agreement as provided in Section 365(n) of the U.S. Bankruptcy Code to the fullest extent permitted by law, subject to all of such party’s obligations and restrictions hereunder. Upon written request of one party to the other party or to an applicable bankruptcy trustee, the other party or such bankruptcy trustee shall not interfere with the rights of the requesting party as provided in this Agreement, except as otherwise provided by law or equity.

AS WITNESS, this Agreement has been signed by or on behalf of the parties the day and year first above written.

SIGNED

(_____
for and on behalf of X (Signature
(_____
(Name
(_____

(Title

SIGNED

for and on behalf of **Bridge**

(_____)

(Signature

(Name

()

(Title

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SCHEDULE A – Proprietary Intellectual Property

Intellectual Property	Consideration
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All know-how, techniques, ideas, processes and similar intellectual property that (i) was created, invented or developed by X or an affiliate prior to the Transfer Time and (ii) relates primarily to the business of the Company (the “***Transferred Know-How***”).

Commented [A13]: All rights should be captured in a single assignment, including foreign counterparts, issued patents, re-issues, reexaminations, etc.

In a company-to-company assignment, due diligence should first be performed to ensure that the company making the assignment actually has the rights it is purporting to transfer.

SCHEDULE B – Third-Party Software