

AGREEMENT FOR USE OF TRADE MARK

THIS AGREEMENT is made at this..... day of between M/s. XYZ Co. a Company incorporated under the laws of..... and having its office at of the One Part and M/s ABC Co. Ltd., a company registered under the Indian Companies Act, 1956, and having its registered office at... of the Other Part.

WHEREAS the Foreign Company is manufacturing a specialised article by name ... and which is sold by the Foreign Company under a registered Trade Mark, the particulars of which are given in the Schedule hereunder written.

AND WHEREAS the Indian Company is manufacturing the same product with the know-how and expert or technical advice and guidance of the Foreign Company in India under a separate agreement entered into between the parties hereto.

AND WHEREAS the Foreign Company declares that the Trade Mark is duly registered under the laws in and is valid and subsisting and the Foreign Company has a right to allow the same to be used by any party outside the said Country.

AND WHEREAS the Indian Company has requested the Foreign Company to allow the Indian Company to use the same Trade Mark In the sale of the said product in India and which the Foreign Company has agreed to do on the following terms and conditions agreed upon between the parties.

AND WHEREAS the Govt. of India has given Its approval to this agreement as is evidenced by the letter dated ... of the Govt. of India in the Ministry of Commerce and Industry.

AND WHEREAS it Is now proposed to record the said terms and conditions in the manner following .

NOW IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

- 1 The Foreign Company agrees to allow and hereby grants the exclusive right to use the said Trade Mark mentioned In the Schedule hereunder written in relation to the said product manufactured and sold by the Indian Company in India. during the

remaining portion of the period for which the registration of the said Trade Mark shall stand valid or during the period c)f this agreement whichever period expires earlier.

- 2 The Indian Company shall get its name registered as the user of the said Trade Mark in India as required by the Indian Law and the Foreign Company will give its written consent to the application that will be made by the Indian Company to the Registrar of Trade Marks in India for that purpose. All expenses required for that purpose will be on account of the Indian Company.
- 3 The Indian Company will use the said Trade Mark only for the sale of the said product in India and not for any other goods or anywhere outside India.
- 4 The Foreign Company has agreed to allow the use of the said Trade Mark only If and so long as the said product is manufactured according to the specifications and standards laid down by the Foreign Company and with the help of the know-how supplied by the Foreign Company to the Indian Company. If at any time, the Foreign Company finds that the said product is not up to such specifications and standards the Foreign Company will be entitled to withdraw the license or permission granted by the Foreign Company by this agreement and to cancel this agreement giving three months' prior notice to the Indian Company in that behalf.
- 5 In the event of the cancellation of this agreement under the above mentioned clause or any other provision herein contained, the Indian Company will forthwith stop the usage of the said Trade Mark and withdraw all advertisements, posters and other material referring to the said Trade Mark in any manner. In such event, the registration of the Trade Mark for user will also be got cancelled by the Indian Company. ,
- 6 In all advertisements. labels or packings, posters, and other material in which the said Trade Mark is used, it will also be mentioned that the Trade Mark belongs to the Foreign Company and the Indian Company is allowed to use the same.
- 7 The Indian Company will be vigilant to see that the said Trade Mark or any other mark similar thereto is not used or passed off by any other person as the Trade Mark of that person and in the event of such use, shall take immediate legal action civil and/or criminal to prevent the use thereof or in the event of its being used to claim damages for infringement thereof. The Foreign Company will, in such event execute

a power of attorney in favour of the Indian Company authorising the Indian Company to take such action, civil or criminal in the name of the Foreign Company provided that such action shall not be taken without the written consent of the Foreign Company and if taken shall not be further prosecuted unless it is ratified by the Foreign Company in writing.

- 8 Except the right to use the said Trade Mark during the subsistence of this agreement. the Indian Company shall not have or claim to have any other right to the said Trade Mark.
- 9 In consideration of the permission or licence to use the said Trade Mark the Indian Company shall pay to the Foreign Company in the manner following:

X X X X

- 10 All payments to be made by one party hereto to the other under this agreement shall be subject to the permission of the Reserve Bank of India and shall be made in the manner sanctioned by the said Bank.
- 11 The said Letters of approval issued by the Govt., of India hereinbefore recited and hereto annexed, shall be deemed to form part of this agreement and any term of this agreement which is contrary to or inconsistent with any term or condition of the said letter. the same will be treated as void and of no effect.
- 12 The duration of this agreement shall be a period of... years, subject to the other provisions herein contained. The said period may be extended by mutual consent.
- 13 This agreement will be treated as terminated on the happening of any of the events below mentioned.
 - (i) If any party hereto commits breach of any provisions of this agreement and the party who is alleged to have committed breach is served with a notice by the other party, three months prior to the intended date of termination by the other party and the former party has failed to amend the breach within the said period.
 - (ii) If any event happens which will make the performance of this agreement impossible Including any force majeure event.

(iii) If either the Indian Company or the Foreign Company goes into either voluntary or compulsory liquidation according to or under the law by which it is governed

(iv) If the parties hereto mutually agree to terminate this agreement.

14 All the sanctions, approvals, permissions, licenses and other requirements of the Government of India and of any statutory authorities required for giving effect to all the terms and conditions. of this agreement shall be obtained by the Indian Company.

15 In the event of any dispute or difference arising between the parties hereto or as to the rights and obligations under this agreement or as to any claim, monetary or otherwise of one party against the other or as to the interpretation and effect of any terms and conditions of this agreement, such dispute or difference shall be referred to Arbitration of a common Arbitrator If agreed upon, otherwise to two Arbitrators one to be appointed by each of the parties to this agreement and such Arbitration shall be governed by the Indian Arbitration & Conciliation Act 1996. The venue for such Arbitration shall be in India.

16 The validity of this agreement and the effect or meaning of the terms hereof will be decided according to the Indian Law.

17 Any communication by one party to the other shall be made by registered post through airmail, with acknowledgement due or by telex or fax or cable. In case the communication is made by telex or fax or cable, the same will be subsequently but immediately thereafter confirmed by written communication sent by registered post as aforesaid. Any evidence showing the communication was posted or telex, fax or cable communication was made will be sufficient to prove the posting or sending the communication.

18 In this agreement the expression know-how shall include technical information such as Inventories, formulae, process, engineering and manufacturing skill. scientific data, calculations, specifications, drawings, standards, sketches and all other relevant information and knowledge.

19 Each of the parties hereto shall be deemed to Include its successors or permitted assigns.

THE SCHEDULE ABOVE REFERRED TO

IN WITNESS WHEREOF the parties have put their respective seals the day and year first hereinabove written.

The common seal of M/s. ABC Co. Ltd.,
is hereunto affixed pursuant to the resolution of the
Board of Directors dated in the presence of
Mr.....,a Director duly authorised in that behalf

The common seal of M/s. XYZ & Co. Ltd.,
is hereunto affixed pursuant to the resolution of the
Board of Directors dated..... in the presence of
Mr. a Director, duly authorised In that behalf.

Witnesses;

1.

2.