

## Annexure -- III

### DRAFT MOU

This Agreement ("Agreement") are entered into

BETWEEN

**M/s. \_\_\_\_\_, a Company incorporated under the Companies Act, 1956 and having its Registered Office at \_\_\_\_\_ acting through its Managing Director, \_\_\_\_\_ duly authorized by a resolution of the Board of Directors dated \_\_\_\_\_ (hereinafter referred to as the Party which expression unless excluded by or repugnant to the subject or context be deemed to mean and include its successors in interest, legal representatives, administrators, nominees and assigns) of the First Part;**

**M/s. \_\_\_\_\_, a Company incorporated under the Companies Act, 1956 and having its Registered Office at \_\_\_\_\_ acting through its Managing Director, \_\_\_\_\_ duly authorized by a resolution of the Board of Directors dated \_\_\_\_\_ (hereinafter referred to as the Party which expression unless excluded by or repugnant to the subject or context be deemed to mean and include its successors in interest, legal representatives, administrators, nominees and assigns) of the Second Part;**

HSL and "Design agency" are hereinafter referred to collectively as "Parties" or separately as "Party."

1. **<insert Customer name>** (hereinafter referred to as "Customer") has tendered for the **design of <insert vessel description>** (hereinafter referred to as "the Project").
2. As HSL and Design agency each have unique but complementary backgrounds and capabilities they have agreed to work together with "Design agency" acting in the role of prime contractor in order to deliver the best possible technical solutions for the Project.
3. This Agreement have been developed to outline how the Parties propose to work together to provide the range of services required for the Project.
4. In order to collaborate as envisaged in the preceding paragraphs the Parties will need to exchange confidential and proprietary information related to the Project. Such information including all source and object codes, software and Proprietary Information will be protected under the provision of the Confidentiality Agreement **<insert reference>** which forms an integral part of this Agreement. It is

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accepted that if the Parties no longer wish to proceed with the project each Party (the “receiving party”) shall at the request any other Party (the “disclosing party”) immediately return to the disclosing Party all confidential and proprietary information (including without limitation any software and all copies in whole or part thereof) relating to the Project and to the disclosing Party which the receiving Party has in its possession.

5. The Parties agree that right in intellectual property created as a result of participation by the Parties shall be the property of the generating Party and the other Party hereto shall have a royalty free right to use of such intellectual property only for the purpose of the Project. The generating Party shall be entitled to a royalty payment from the other Party in case any of the intellectual property generated as a result of the participation by the Parties is used for purposes other than the Project. The value of any such royalty payment shall be agreed on a case-by-case basis.
6. The Parties agree that access to any information relating to the Project shall be limited to the employees who are assigned to the Project. Physical files shall be controlled and kept in a secure place whenever not in use. Electronic files shall be kept in folders or hard drives with controlled access. All transfer of information, electronic or physical, shall be recorded.
7. Prior to the commencement of the Project a joint project organisation plan is to be established. This plan is to outline key personnel assigned to the project, level of responsibilities, lines of communication, individual and joint quality control, handling of files, internal and external reporting procedure, exchange of information internally and with third parties, etc.
8. This Agreement shall not be construed as creating any corporation, partnership, agency, trust, employment relationship or other permanent association of any kind, nor (save as expressly provided herein) as restricting or limiting the activities of the Parties in any way.
9. This Agreement may be terminated by either Party in the event that:
  - a Party commits a material breach of the terms of this Agreement which is irremediable or, if capable of remedy, remains unremedied for a period of 45 days following written notice of such default sent by the other Party;
  - any distress, execution or other process is levied upon any of the assets of a party;
  - a Party ceases or threatens to on its business; or
  - the financial position of a Party deteriorates to such an extent that in the reasonable opinion of the other Party the capability of the Party adequately to fulfil its obligations under the Agreement has been placed in jeopardy.

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10. A notice given under or in connection with the Agreement must be in writing and delivered by hand or send by first class post or by facsimile or electronic communication to the address of the receiving Party as shown in this Agreement.

Notice shall be deemed given:

- if sent by first class post: two business days after posting exclusive of the day of posting;
- if delivered by hand: on the day of delivery; or
- if send by facsimile or electronic communication: at the time of receipt of report of delivery, or if sent after 16.00 hours then it will be deemed delivered the following business day.

11. This Agreement shall be governed by and the rights and obligations of the parties shall be construed in all respects in accordance with the Indian Laws, and the Parties hereby irrevocably agree to submit to the jurisdiction of the Indian courts.

For and on behalf of HSL..

Signature:..... Print Name:..... Date:.....

For and on behalf of M/s .

Signature:..... Print Name:..... Date:.....