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**Template for International Joint Research and Development between Research Institute and Overseas Organization**

[COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENT]

made and entered into on the day of (month/year)

BETWEEN:

[Name and address of the Research Institute] (“**Party A**”)

and

[Name and address of the Overseas Organization] (“**Party B**”)

(“Party A” and “Party B” will jointly be referred to as “the Parties”)

The Parties wish to prescribe all matters necessary to perform the cooperative research and development in this Agreement.

The Parties agree and acknowledge that the research to be jointly performed by the Parties under this Agreement constitutes part of the research and development project funded by the Korean government and is subject to the management and supervision of the Korea Evaluation Institute of Industrial Technology (“KEIT”) as the Dedicated Organization designated by the Korean government in accordance with the laws and regulations of the Republic of Korea (“Korea”).

KEIT is authorized to fund the research and development expenses under this Agreement, evaluate the performance results, and determine whether to continue or suspend the funding on behalf of the Korean government.

The Parties hereby agree as follows:

**Article 1 (Objective and Details of the Research)**

The objective and details of the Project to be performed under this Agreement shall be as set forth in the Project Plan in Schedule A as attached hereto.

**Article 2 (Definitions)**

“Project” means the research project set forth in Schedule A that the Parties intend to research and develop by inputting workforce and expenses jointly.

“Research Expenses” mean the research and development expenses funded by KEIT to Party A under the applicable laws and regulations of Korea, unless otherwise stipulated.

“Results” mean the results, whether tangible or intangible, generated or obtained in the course of performing or as a result of performing the Project, including technologies, intellectual properties, specific substances, data, program, knowhow and reports based on such technologies, and originals, reproductions, and copies of all or part of other various technical materials or documents derived from the Project.

“Intellectual Property Rights” mean the rights to ideas, inventions, patents, utility models, designs, copyrights, trademarks and trade secrets, and other rights protected by law, including but not limited to, substances, processes, formulation, technical information, reports, photos, drawings, plans, specifications, models, prototypes, inventions, patterns, samples, software design, knowhow, etc.

**Article 3 (Project Period)**

The period of the Project shall be from [DATE] to [DATE] (the “Project Period”), and the period of each phase is set forth in Schedule A as attached hereto.

The Parties may extend or change the Project Period set forth in Paragraph (1) above by agreement in writing.

**Article 4 (Payment of Research Expenses)**

(1)　The amount of the Research Expenses payable by Party A to Party B under this Agreement and the payment schedules are set forth in Schedule A as attached hereto.

（2）Notwithstanding Paragraph (1) above, Party A may adjust the payment amount and schedule for payment of the Research Expenses in the event of any of the following:

a. Where the Research Expenses are adjusted due to changes in the policies or the budget of the Korean government;

b. Where adjustment of the Research Expenses is required due to changes in the objectives or details of the Project or change of the Project Period; or

c. Where it is necessary to adjust the Project Plan or the Research Expenses due to the Dedicated Organization’s review or evaluation of the Project.

(3)　In the event the Research Expenses are adjusted pursuant to Paragraph (2) above, the Parties may amend the objective and contents of the Project by agreement in writing in accordance with Article 6 hereof.

(4) All payments shall be made by wire transfer to the bank account designated by Party B. The KRW amount stated in the Project Plan shall be converted into [CURRENCY] based on the basic exchange rate quoted on the actual date of payment.

(5) Each Party shall bear its own taxes and disbursements, and any remittance fees and other costs related to the payment or return of the Research Expenses shall be borne by the Party transferring the amount.

**Article 5 (Disbursement and Settlement of Research Expenses)**

(1) Party B shall expend the Research Expenses paid by Party A for the objectives and purpose of the Project in a transparent way.

(2) Party B shall expend the Research Expenses in accordance with the guidelines for use of research expenses of the relevant organization.

(3) Unless otherwise agreed by the Parties, Party B shall submit the statement of accounts stating the details of the use of the Research Expenses, signed by its chief financial officer, to Party A within [\*] days from the last day of each phase of the Project Period and the last day of the total Project Period.

(4) Party B shall return to Party A any balance of the Research Expenses remaining as a result of the settlement, if any.

**Article 6 (Amendment)**

Party A and Party B may amend the terms and conditions of this Agreement by agreement in writing.

**Article 7 (Reporting and Evaluation of Results)**

(1) Party B shall prepare and submit a report on the performance of the Project to Party A no later than [\*] days before the end of each year as set forth in Schedule A attached hereto.

(2) Party B shall prepare and submit the final report on the performance of the Project to Party A within [\*] days after the end of the total Project Period.

(3) The Parties may hold a meeting for interim review to check the progress of the Project once every [quarter/year] during the Project Period.

(4) Party A may, if necessary, request Party B to revise or supplement the report mentioned in Paragraph (1) or (2) without additional payment.

**Article 8 (Rights to Results)**

(1) Neither Party shall, by virtue of this Agreement, acquire Intellectual Property Rights created or acquired outside of this Agreement or that are owned by the other Party prior to entering into this Agreement; provided that each Party shall be granted a royalty-free license to use the other Party’s know-how and Intellectual Property Rights that are directly related to the performance of the Project during the Project Period for the limited purpose of performing the Project.

**[Type 1: Results are solely owned by the Research Institute and licensed to the Overseas Organization]**

(2) All rights to the Results created in the course of performing the Project shall be vested in Party A.

(3)Party A grants to Party B a [royalty-free/royalty-bearing] and [exclusive/non-exclusive] license to use the Intellectual Property Rights in the Results in the [territory].

(4) Party B shall not permit, assign or provide as security the license granted under Paragraph (3) above to a third party without the written consent of Party A.

(5) Party B shall be granted a non-exclusive and royalty-free license to use the research materials, such as research data, research report, etc., of the Results, which do not constitute Intellectual Property Rights.

**[Type 2: Results are jointly owned and royalties are shared by the Parties]**

(2) All rights to the Results created in the course of performing the Project shall be jointly owned by the Parties.

(3) Each Party’s share in the rights to the Results shall be separately agreed by the Parties based on the contribution of each Party.

(4)　The Parties shall be granted a royalty-free license to use the Results jointly owned by the Parties pursuant to this Article; provided that with respect to those Results to which a Party does not hold any share as a result of the agreement of the Parties, such Party shall be granted a [royalty-bearing and non-exclusive license] to the relevant Results. In such case, the Parties shall enter into a separate agreement with respect to the specific terms of royalty and payment.

(5)　Each Party shall not assign or provide as security its share in the Results to a third party without the written consent of the other Party; provided that it will not be required to obtain consent from the Party who does not hold any share as a result of the agreement of the Parties.

(6)　Each Party shall not grant a license to a third party without the other Party’s written consent; provided that will not be required to obtain consent from the Party who does not hold any share as a result of the agreement of the Parties.

（7）If revenues are generated from each Party’s own use or grant of license to a third party, such Party shall share the revenue with the other Party as follows:

a. If revenues are generated from each Party’s own use of license, such Party shall share the revenue with the other Party as separately agreed by the Parties; or

b. If revenues are generated from each Party’s grant of license to a third party, such Party shall share the revenue with the other Party in proportion to each Party’s respective share, unless otherwise agreed by the Parties.

(8) If a patent application is filed with respect to any Intellectual Property Rights to the Results jointly owned by the Parties pursuant to this Article, it shall be made in the joint name of the Parties. The costs and expenses required for the application, registration and maintenance of the rights shall be borne by each Party in proportion to their respective share, unless otherwise agreed by the Parties. If a Party files the patent application or makes the registration in its own name, such Party shall promptly notify the other Party and transfer the respective share.

(9) Party B shall be granted a non-exclusive and royalty-free license to use the research materials, such as research data, research report, etc., of the Results, which do not constitute Intellectual Property Rights.

**[Type 3: Combination of sole ownership and joint ownership]**

(2) The rights to the Results created in the course of performing the Project shall be vested as follows:

a. The right to the Results solely developed or created by a Party shall be owned by such Party.

b. The right to the Results jointly developed or created by the Parties shall be jointly owned by the Parties. The respective share in the rights to the Results jointly owned by the Parties shall be separately agreed by the Parties based on their respective contribution.

(3) Each Party shall be granted a [royalty-free/royalty-bearing] and [exclusive/non-exclusive] license to use the Intellectual Property Rights to the Results solely owned by the other Party in the [territory]. Provided, however, that if Party A or other research institute in Korea designated by Party A requests for a license with respect to the Intellectual Property Rights solely owned by Party B, the Parties shall enter into a separate agreement with respect to the specific terms related to such license.

(4) The Parties shall be granted a royalty-free license to use the Results jointly owned by the Parties pursuant to this Article.

(5) Each Party shall not assign or provide as security its share or the license granted under Paragraph (3), or grant a license to the Results jointly owned by the Parties to a third party without the written consent of the other Party; provided that it will not be required to obtain consent from the Party who does not hold any share as a result of the agreement of the Parties.

(6) If licensing revenue generates from each Party’s own licensing or granting the license to a third party, etc., each Party shall share the revenue with the other Party as follows:

a. If the licensing revenue generates from each Party’s own licensing, each Party shall share the revenue with the other Party as separately agreed upon; or

b. If a Party grants the license to a third party with the other Party's written consent, the Party shall immediately deliver the other Party a copy of the license agreement, including the details, the scope, terms, and conditions of the license. In this case, the Party who received the revenue from the license granted to the third party shall share the payment with the other Party in proportion to the shareholding ratio unless there is a separate agreement between the Parties.

(7) If a patent application is filed with respect to any Intellectual Property Rights to the Results jointly owned by the Parties, it shall be made in the joint name of the Parties. The costs and expenses required for the application, registration and maintenance of the rights shall be borne by each Party in proportion to their respective share, unless otherwise agreed by the Parties. If a Party files the patent application or makes the registration in its own name, such Party shall promptly notify the other Party and transfer the respective share.

(8) Party B shall be granted a non-exclusive and royalty-free license to use the research materials, such as research data, research report, etc., of the Results, which do not constitute Intellectual Property Rights.

**Article 9 (Representations and Warranties)**

(1) Each Party warrants the following:

a. Each Party has full power and authority to perform the obligations under this Agreement and its entry into and performance of this Agreement will not infringe the rights of any third party or cause it to be in breach of any obligations to a third party.

b. Each Party will perform the Project in a professional manner with reasonable skill and care, using suitably qualified personnel.

(2)　While each Party shall use reasonable efforts to ensure the accuracy of the work performed and information provided by it during the course of the Project, such Party makes no warranty express or implied as to the accuracy of such work or information and shall not be held responsible for any consequence arising out of any inaccuracies or omissions unless such inaccuracies or omissions are the result of negligence on the part of such Party.

**Article 10 (Termination)**

（１）Either Party may terminate this Agreement by giving written notice if the other Party falls under any of the following events:

a. The purpose of the Project is difficult to achieve due to the other Party’s failure to cooperate in performing the Project for no justifiable cause;

b. The other Party has engaged in illegal or wrongful acts in performing this Agreement;

c. The agreement between the Dedicated Organization and Party A is terminated, or the Project is suspended as a result of the evaluation by the Dedicated Organization; or

d. It is difficult to continue the Project due to a material breach of this Agreement by the other Party.

(2) Notwithstanding Paragraph (1), both Parties may terminate this Agreement during the term hereof.

(3) In case of a termination of this Agreement pursuant to Paragraph (1) or (2), Party B shall submit the statement of accounts of the Research Expenses and report on the Results to Party A within 30 days of the date of termination and return any remaining Research Expenses in consultation with Party A.

**Article 11 (Indemnification)**

Each Party shall indemnify the other Party against any damages incurred by the other Party due to intentional acts or negligence of such Party or its employees up to the amount of Research Expenses paid under this Agreement.

**Article 12 (Force Majeure)**

(1) Neither Party will be liable to the other or deemed in default hereunder for any failure to perform or delay in performing this Agreement due to causes beyond its reasonable control, including, without limitation, fire, flood, act of God, strike, riot, civil commotion, war or other hostilities.

(2) The Party whose performance is affected by the force majeure shall immediately notify the other Party and take all reasonable steps to mitigate any such delay in performance. The affected Party shall promptly give notice to the other Party when it ceases to be affected by the force majeure.

**Article 13 (Assignment)**

Neither Party may assign or subcontract this Agreement or its rights and obligations hereunder to any third party without the prior written consent of the other Party.

**Article 14 (Publication of Results)**

(1) The timing, content and method of disseminating or publishing the Results will be agreed by the Parties in advance. If either Party publishes the Results without prior consultation with the other, it shall promptly notify the other Party for it take necessary measures such as filing of patent applications.

(2) KEIT shall be entitled to receive an acknowledgment of the funding of the Project by the Ministry of Trade, Industry & Energy or KEIT in any such publication as follows:

“This Project was conducted with the support of the Industrial Technology Innovation Program ([KEIT project number, KEIT project name]) funded by the Ministry of Trade, Industry & Energy of the Republic of Korea.”

**Article 15 (Exchange of Information)**

(1) Each Party may request the other Party to provide information required for the smooth performance of the Project under this Agreement. In such case, the Party being requested may not unreasonably refrain from providing such information to the other.

(2) If any third party’s right prevents a Party from licensing the Results, such Party shall immediately notify the other of such fact for it to take necessary measures.

**Article 16 (Confidentiality)**

(1) The Parties shall not disclose or permit or cause to be disclosed, directly or indirectly, any proprietary and confidential information and/or materials of the disclosing Party obtained in relation to this Agreement to any third party, or use it for any other purpose, without the prior written consent of the disclosing Party. In addition, in handling proprietary and confidential information and/or materials of the other Party, the receiving Party shall use the same degree of care that it uses to protect its own confidential information and/or materials of similar value, but in no event less than the ordinary degree of care required by law to preserve the secrecy of information that under such law is deemed confidential.

(2) The following information shall be exceptions to confidentiality:

a. Information that is presently known or becomes known to the receiving Party from its own independent sources;

b. Information that is now in the public domain or subsequently enters the public domain through no fault of the receiving Party;

c. Information that the receiving Party receives from any third party not under any obligation to keep such information confidential;

d. Information that is required to be disclosed by law.

(3) All confidential information of either Party disclosed by it to the other in connection with this Agreement will be treated as confidential and not be used for any other purpose for a period of [five (5)] years from the execution of this Agreement.

**Article 17 (Notices)**

The names, postal addresses, telephone numbers, and email addresses for the Parties are provided in the Project Plan in Schedule A as attached hereto. Any communications required by this Agreement, if given by postage prepaid first-class mail or other verifiable means addressed to the Party to receive the communication, shall be deemed made as of the day of receipt of such communication by the addressee, or on the date given if by email. Address changes shall be made by written notice and shall be effective thereafter.

**Article 18 (Language, Governing Law and Jurisdiction)**

This Agreement shall be prepared in Korean and English languages, and if there is any discrepancy between the two versions in interpretation hereof, the English version shall prevail.

**[Type 1: If the Parties agree to the governing law and jurisdiction of Korea:**

(2) This Agreement shall be governed by the laws of the Republic of Korea.

(3) Any controversy, claim or dispute between the Parties arising out of or in connection with this Agreement shall be resolved by the Parties by mutual negotiation, provided that the courts of the Republic of Korea shall have exclusive jurisdiction over the Parties with respect to any dispute that cannot be resolved by agreement of the Parties.

**[Type 2: If the Parties agree to the governing law and jurisdiction of the country where the Overseas Organization is located:**

(2)This Agreement shall be governed by the laws of the [country where Party B is located].

(3) Any controversy, claim or dispute between the Parties arising out of or in connection with this Agreement shall be resolved by the Parties by mutual negotiation, provided that the courts of the [country where Party B is located] shall have exclusive jurisdiction over the Parties with respect to any dispute that cannot be resolved by agreement of the Parties.

**[Type 3: If the Parties agree to the governing law and jurisdiction of the respondent Party’s country:**

(2)This Agreement shall be governed by the laws of the respondent Party’s country.

(3) Any controversy, claim or dispute between the Parties arising out of or in connection with this Agreement shall be resolved by the Parties by mutual negotiation, provided that the courts of the respondent Party’s country shall have exclusive jurisdiction over the Parties with respect to any dispute that cannot be resolved by agreement of the Parties.

**[Type 4: If the Parties agree to the governing law of Korea and to resolve the dispute by arbitration administered by the Korean Commercial Arbitration Board in Korea:**

(2)This Agreement shall be governed by the laws of the Republic of Korea.

(3) Any controversy, claim or dispute between the Parties arising out of or in connection with this Agreement shall be resolved by the Parties by mutual negotiation, provided that if a dispute cannot be resolved by agreement of the Parties, it shall be finally settled by arbitration in accordance with the International Arbitration Rules of the Korean Commercial Arbitration Board. The number of arbitrators shall be one. The seat, or legal place, of arbitral proceedings shall be Seoul, Korea. The language to be used in the arbitral proceedings shall be [English], unless otherwise agreed upon. The decision of the arbitrator will be final and binding on the Parties and may be enforced in any court of competent jurisdiction. Each Party agrees that it shall not challenge or resist the enforcement action taken by the Party in whose favor the decision of the arbitral tribunal was given and expressly waives all provisions of laws and regulations which would otherwise give the right to appeal against the decision of the arbitral tribunal to any court or other tribunal.

**[Type 5: If the Parties agree to the governing law of a neutral country and to resolve the dispute by arbitration administered by an arbitration tribunal in a neutral country:**

(2)This Agreement shall be governed by the laws of [COUNTRY – England and Wales / State of New York / Singapore, etc.].

(3) Any controversy, claim or dispute between the Parties arising out of or in connection with this Agreement shall be resolved by the Parties by mutual negotiation, provided that if a dispute cannot be resolved by agreement of the Parties, it shall be finally settled by arbitration administered by the [ICC / SIAC / HKIAC, etc.] in accordance with the [Rules of Arbitration]. The number of arbitrators shall be one. The seat, or legal place, of arbitral proceedings shall be [COUNTRY – England and Wales / Singapore / Hong Kong, etc.]. The language to be used in the arbitral proceedings shall be [English], unless otherwise agreed upon. The decision of the arbitrator will be final and binding on the Parties and may be enforced in any court of competent jurisdiction. Each Party agrees that it shall not challenge or resist the enforcement action taken by the Party in whose favor the decision of the arbitral tribunal was given and expressly waives all provisions of laws and regulations which would otherwise give the right to appeal against the decision of the arbitral tribunal to any court or other tribunal.

IN WITNESS WHEREOF, Party A and Party B have caused this Agreement to be executed in duplicate originals by their duly authorized representatives and each Party retains each signed original.

|  |  |
| --- | --- |
| [Research Institute]  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[Signature]  Name:  Title: | [Overseas Organization]  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[Signature]  Name:  Title: |

**Schedule A**

**Project Plan**

1. **Name of the Project :**
2. **Project Period**

● Total Project Period: from [DATE] to [DATE]

● Project Period of Each Phase

|  |  |
| --- | --- |
| Phase | Period |
| Phase 1 | 1st year: from [date] to [date] |
| 2nd year: from [date] to [date] |
| 3rd year: from [date] to [date] |
| 4th year: from [date] to [date] |
| Phase 2 | 5th year: from [date] to [date] |
| 6th year: from [date] to [date] |
| 7th year: from [date] to [date] |

※ The Project Period may be adjusted depending on the evaluation results of KEIT and changes in the budget and policies of the Korean government.

※ Change or extension of the Project Period by agreement between the Parties shall be subject to KEIT’s prior approval.

**3. Principal Researcher**

Each Party shall notify the other Party of any change in the following information on the Principal Researcher:

**3.1. [Name of Lead Research Institute]**

|  |  |
| --- | --- |
| Name |  |
| Position |  |
| Address |  |
| Phone No. |  |
| E-mail |  |

**3.2. [Name of Overseas Organization]**

|  |  |
| --- | --- |
| Name |  |
| Position |  |
| Address |  |
| Phone No. |  |
| E-mail |  |

**4. Objectives of the Project**

The Project objectives and details of this Plan may not be changed without the agreement of the Parties and the approval of KEIT.

**4.1. Final Objective**

**4.2. Annual Objective and Details**

**4.3. Annual Tasks for Each Party**

**4.4. Results**

**5. Budge for Research Expenses (for the Overseas Organization)**

**5.1. Below is the budget for Party B’s Research Expenses:**

* The total amount of the Research Expenses: (Unit)
* Research Expenses payable by Party A: (unit)
* Research Expenses to be borne by Party B: (unit)

**5.2. The amount of the Research Expenses payable by Party A to Party B and the payment schedules are as below:**

|  |  |  |  |
| --- | --- | --- | --- |
| Phase | Year | Amount (Unit: ) | Payment Due Date |
| Phase 1 | 1st year |  | 202 . . . |
| 2nd year |  | 202 . . . |
| 3rd year |  | 202 . . . |
| 4th year |  | 202 . . . |
| Phase 2 | 5th year |  | 202 . . . |
| 6th year |  |  |
| 7th year |  |  |

※ The payment schedule of the Research Expenses payable by KEIT to Party A may change depending on the budget policy and execution schedule of the Korean government, and if such payment is made after the scheduled payment due date, it will be paid to Party B within seven (7) days after the Korean government pays to Party A.

※ If Party B fails to submit the documents requested under this Agreement by the payment due date, payment may be withheld until its submission.

**5.3. Detailed Items of Budget for Research Expenses**

[The items of expenditure, purpose, and amount of the budget for the Overseas Organization and the base currency shall be stated in the form prescribed by the relevant institute.]

**6. Participating Researchers [This item may be deleted, if necessary])**

**6.1. [Name of Lead Research Institute]**

|  |  |  |
| --- | --- | --- |
| Name | Position | Email |
| OOO |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**6.1. [Name of Overseas Organization]**

|  |  |  |
| --- | --- | --- |
| Name | Position | Email |
| OOO |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

|  |  |
| --- | --- |
| **[Research Institute]**  **By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[Signature]**  **Name:**  **Title: Principal Researcher** | **[Overseas Organization]**  **By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[Signature]**  **Name:**  **Title: Principal Researcher** |