

## AGREEMENT ON GOOD DESIGN AWARD 2014 MEKONG DESIGN SELECTION

JDP: Japan Institute of Design Promotion

Company: (Applicant Company)

Designer: (Recommended Designer)

Project: Good Design Award 2014 Mekong Design Selection

JDP and the Company shall conclude this Agreement with respect to basic matters concerning the Project in accordance with the terms set forth hereinbelow, upon the filing of an application for the Good Design Award 2014 Mekong Design Selection.

The Designer shall conclude this Agreement with respect to basic matters concerning the Project in accordance with the terms set forth hereinbelow at the time when the Company desires to meet the Designer in light of the results of his or her design proposal for the Good Design Award 2014 Mekong Design Selection. However, if no Designer is involved in the course of the Project, this Agreement shall be concluded only between JDP and the Company.

### **Article 1. Purpose**

- (1) JDP, the Company, and the Designer shall conclude this Agreement in accordance with the matters set forth below and the principle of mutual trust and good faith.
- (2) This Agreement sets forth an acknowledgment by the Company and the Designer of the purpose and process of the Selection sponsored by JDP and the ASEAN-Japan Centre, and matters concerning the treatment of designs, ideas, know-how, and other intellectual property rights proposed by the Designer for the Project, including compensation therefor. It is thus the purpose of this Agreement to ensure the smooth implementation by both the Company and the Designer of activities for developing, commercializing, and marketing such designs, ideas, know-how, etc. (hereinafter referred to as the "Activities") and to set forth basic conditions applicable to an individual agreement between the Company and the Designer about the treatment of intellectual property rights in connection with the Activities.

### **Article 2. Application for Good Design Award 2014**

- (1) JDP and the ASEAN-Japan Centre will solicit participation in the Project from companies in Cambodia, Laos, Myanmar, and Vietnam through local Trade Promotion Organizations.
- (2) The Company shall apply for the Project with the advice of advisors sent by JDP and the ASEAN-Japan Centre. The Company shall apply by providing necessary information at the specified website no later than July 31, 2014 in accordance with the procedure specified by JDP and paying the full amount of a judgment fee of 30,000 yen into the JDP-designated account in Japanese yen no later than August 29, either by credit card or bank transfer.  
In the case of payment by bank transfer, the Company shall pay an additional fee of 2,000 yen for processing within Japan, and any other processing fees shall be borne by the Company.
- (3) The Company shall execute this Agreement in triplicate and send it to JDP in such a timely manner that it will be received by JDP on or before July 31, 2014.

### **Article 3. Screening for the Good Design Award 2014 and announcement of the results**

- (1) The Company shall submit its product for which an application has been filed, and JDP shall exhibit such product at Tokyo Big Sight from August 26 until August 28 and hold a second screening meeting for the Good Design Award 2014.
- (2) JDP shall notice the result of the second screening on the Company's product at the specified website on September 10.
- (3) JDP shall announce all screening results for the Good Design Award 2014 on October 1, and if the Company's product receives the award, it shall be published at the online gallery of the specified website on the basis of information provided by the Company.

### **Article 4. Exhibition of the award-winning product and an awarding ceremony**

If the Company's product receives the Project award, it shall be exhibited as such at the Good Design Award 2014 Exhibition, which will be open from October 31 to November 4, 2014 in Tokyo, and an awarding ceremony shall be held on November 4.

### **Article 5. License to use the G Mark**

If the Company's product receives the Good Design Award 2014, JDP shall provide the Company with a special G Mark logo for the Project as well as a license to use it for promotion and other purposes.

### **Article 6. Recruitment of designers and presentation**

JDP shall solicit proposals for the Activities from Japanese designers and hold an explanatory meeting on November 3, 2014 for such designers who wish to make proposals.

- (1) The Company shall come to Japan to attend such meeting and give the designers a presentation of the features etc. of its award-winning product. The Company may send up to one person for such purpose, and a round-trip international air fare (economy class), accommodation expenses for up to four nights, and round-trip transportation expenses between the airport and the hotel for such person shall be borne by the ASEAN-Japan Centre.
- (2) The designers will submit design proposals for the Company's award-winning product or other companies' award-winning products for the Project in the form specified by JDP, no later than November 30, 2014. None of the design proposals so submitted, however, may be for the Company's product.

### **Article 7. Screening on design proposals and recommendation of a designer**

- (1) JDP shall collect design proposals from the designers and hold a screening meeting at which the Good Design Award 2014 judges will choose the most appropriate design proposal for each award-winning product by around mid-December. Design proposals for the Company's award-winning product may not be selected, however.
- (2) If a design proposal is submitted by a designer for the Company's product and is selected upon screening, JDP shall provide the Company with a brief description of such design, confirm whether the Company wants to see the designer, and notify the designer of the Company's intention.
- (3) If the Company wants to see the designer, then he or she will execute this Agreement in triplicate as the Designer (as defined herein) and send it to JDP in such a timely manner

that it will be received by JDP on or before January 15, 2015.

**Article 8. Dispatch of the designer and commercialization study**

- (1) JDP and the ASEAN-Japan Centre will send the Designer, whom the Company wants to see under paragraph 2 of Article 7, to the Company's location. The round-trip international air fare (economy class) and accommodation expenses for six nights/eight days for the Designer will be borne by the ASEAN-Japan Centre.
- (2) The Company and the Designer shall discuss and study how the Activities should be carried out and other related issues.
- (3) JDP shall grant the Designer an initial design development aid of 100,000 yen, which shall be remitted to the Designer-designated account by the end of February 2015.
- (4) The Company shall bear the actual expenses incurred in design development for the Activities, including prototype production expenses.

**Article 9. Conclusion of a design development agreement**

- (1) If the Company and the Designer agree, following a joint Activities study, on joint brand/product development, then the Designer shall present a renewed design proposal to the Company, on the basis of which a separate design agreement shall be concluded.
- (2) Such agreement shall be in compliance with the provisions of Article 10 (Intellectual property rights), Article 11 (Royalty payment), and Article 12 (Product liability) hereof.
- (3) JDP shall give advice at the request of the Company or the Designer, whether before or after the conclusion of such agreement.

**Article 10. Intellectual property rights**

- (1) The Designer reserves the right to obtain patents, utility model registration and design registration as well as the right to apply for trademark registration (including rights arising from such trademark registration applications) for any inventions, devices, designs, and trademarks created by the Designer in the Project (hereinafter referred to as the "Inventions etc.").
- (2) The Company shall request the Designer to assign to the Company his or her right to obtain patents, utility model registration and design registration as well as his or her right to apply for trademark registration (including rights arising from such trademark registration applications) for the inventions, devices, designs, and trademarks referred to in the preceding paragraph, and if these rights are assigned to the Company, the Designer shall issue certificates and other documents necessary for such applications.
- (3) The Designer may file applications pertaining to the Inventions etc. in any country for himself or herself.
- (4) If the Company later uses the Inventions etc. (including the manufacture and sale of items embodying such inventions, devices and/or designs and the use of such trademarks in connection with products or services; the same shall apply hereinafter) of the Designer, it may, upon request, receive by assignment the right to obtain patents, utility model registration and design registration as well as the right to apply for trademark registration for the Inventions etc., or obtain a license therefor, from the Designer.
- (5) Copyright of the works created by the Designer (hereinafter referred to as the "Works") shall be vested in the Designer.

- (6) The Designer shall grant the Company a license to use the Works in accordance with such terms and conditions as shall be discussed and agreed upon between the Company and the Designer, including, but not limited to, the scope of the Works that may be used and the period of the license.
- (7) If it becomes necessary for the Company to alter or otherwise modify the Works referred to in paragraph (5) of this Article in the course of its use thereof, it shall get the prior approval of the Designer for such usage.
- (8) The provisions of this Article shall apply mutatis mutandis to the Company's share of intellectual property rights on any inventions etc. jointly created by the Company and the Designer in the Activities. However, this shall not apply if such provisions are not consistent with the provisions of industrial property right, copyright, and other laws of the countries of the Company and the Designer about joint ownership.

#### **Article 11. Royalty payment**

- (1) The Company shall pay a royalty to the Designer for its commercialization of the Inventions etc. and use of the Works, regardless of whether intellectual property rights on the Inventions etc. have been assigned from the Designer to the Company. The royalty shall also be payable for any patents identical in scope to those on the Inventions etc., and designs and trademarks similar thereto as well as any works that are reliant on and/or similar to the Works. However, any doubt about the applicability of the royalty shall be discussed between the Company and the Designer. If no agreement is reached through mutual consultation, a decision shall be taken by JDP and both the Company and the Designer shall accept and observe such decision.
- (2) The royalty shall be payable to the Designer for the Company's sale and other forms of use in the country where the Company is located and the rest of the world.
- (3) The amount of the royalty referred to in the preceding paragraph shall be computed at a specified rate on the shipment value per piece (wholesale price to each purchaser) of the Company's Product.
- (4) The Company shall compute the amount referred to in the preceding paragraph at regular intervals and submit a written report to the Designer, and the Designer shall issue a bill to the Company on the basis of such report.
- (5) The Company shall pay the billed amount into the Designer-designated account by the end of the first month after the month of billing.
- (6) For sales in foreign countries as referred to in paragraph (1), the royalty shall be converted from the relevant foreign currency into Japanese yen at the daily average TTM for the month of shipment (as published by The Bank of Tokyo-Mitsubishi UFJ, Ltd. at the end of the month).
- (7) If there arises any doubt about the amount of the royalty, the Company shall disclose to the Designer the books and other materials based on which the total royalty amount has been computed.

#### **Article 12. Product liability**

Any product liability arising in connection with any products that use the design adopted hereunder shall lie with the Company. However, if any product liability issues arise in the course of the commercialization of the design adopted hereunder, the Designer shall, at the

Company's request, cooperate in making necessary design changes etc.

**Article 13. Effective term**

The effective term of this Agreement shall be from [ ], 2014 until March 31, 2015.

**Article 14. Compensation for damage**

If any of the Parties causes damage to either or both of the other Parties as a result of a breach of the provisions hereof, the non-breaching Party or Parties may seek compensation for such damage from the breaching Party.

**Article 15. Cancellation**

If there arise any special circumstances that compel any of the Parties to elect to cancel this Agreement, such Party shall promptly give notice to the other Parties, and all the Parties shall discuss the best possible course of action.

**Article 16. Consultation**

Any matters not specified herein and any doubt about the interpretation hereof shall be resolved in good faith through consultation among the Parties.

**Article 17. Governing law and jurisdiction**

Any dispute arising out of or in connection with this Agreement shall be resolved in accordance with the laws of Japan and the Parties agree that, for such dispute, the Tokyo District Court shall be the court of exclusive jurisdiction in the first instance.

**Article 18. Survival**

The provisions of Articles 10, 11, 12, 14, and 17 shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in triplicate, each Party retaining one copy thereof.

[ ], 2014

JDP:

Company:

The Designer shall execute this Agreement after reviewing and accepting the terms and conditions contained in the agreement between the JDP and the Company dated [ ]. Executed by the Designer on [ ]

Designer: