

## SAMPLE OF JOINT VENTURE CONTRACT

### ARTICLE 5. TERM

- 5.1. Both parties establish that the term of the Joint Venture is to be ..... [1, 2, 3, 5] years.
- 5.2. Once completed, the parties shall reach explicit agreement as to the renewal of the contract and the conditions therein.
- 5.3. A trial period of ..... [1, 2, 3, 6] months shall be established starting from the commencement of activities by the Joint Venture, during which either Party may withdraw without any legal bindings.

### ARTICLE 6. CAPITAL STOCK

The Capital Stock of the Joint Venture shall be ..... [*include amount and currency*]. Company A shall contribute ..... % of the Capital Stock and Company B shall contribute ..... % of the Capital Stock.

### ARTICLE 7. CONTRIBUTIONS FROM STOCKHOLDERS

- 7.1. The parties shall contribute hard currency, real estate, movable property (including machinery and capital goods), industrial and intellectual property, services, etc., as set out and valued in Annex 1 of the present contract.
- 7.2. *Alternative A.* The contributions from each Party shall be considered of equal value since each Party shall hold an equivalent stake in the Capital Stock.  
  
*Alternative B.* The contributions shall be of different value since each Party shall hold a different stake in the Capital Stock.
- 7.3. Should the parties deem it appropriate, in the Annex 1 of the present contract there shall be a detailed explanation of the agreement pertaining to the relative contributions made by each Party.
- 7.4. Both Parties may decide jointly to make additional contributions, of a value higher than that required for the constitution of the company, as may be necessary for the development of business activity or in order to compensate for losses.

## **ARTICLE 8. CONTRIBUTION OF INTANGIBLE ASSETS**

- 8.1. The contribution to the Joint Venture of intangible assets, such as industrial property rights (patents and trademarks), intellectual property, software, etc., shall be implemented by the transfer of that property or by means of license contracts.
- 8.2. The contributing Party shall be entitled to limit the rights granted by such a license.
- 8.3. Any intangible assets developed, created or acquired by both or either Party within the activities of the Joint Venture shall become the joint property of both Parties.
- 8.4. The registration of such assets shall be carried out on behalf of the Joint Venture.

## **Article 9. Responsibility of contributions**

Both parties declare and guarantee that the contributions set out under the present contract are:

- (a) At the full disposal of contributing Party and may therefore be legally provided for their established use;
- (b) Conform to the declared description; and
- (c) May be used freely throughout the term of the present Contract.

## **ARTICLE 10. VALUING CONTRIBUTIONS**

- 10.1. Any dispute as to the valuing of assets contributed shall be resolved by the valuing or adjustments of an independent surveyor.
- 10.2. Should the Parties be in disagreement as to the choice of surveyor or to the laws and regulations applicable, the matter shall be submitted to the Surveyors' Regulations of the International Chamber of Commerce.

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This is a sample of 2 pages out of 14 of the **Joint Venture Contract**.

To get more information about this contract click here:

**JOINT VENTURE CONTRACT**