

State of \_\_\_\_\_

# JOINT VENTURE AGREEMENT

This Joint Venture Agreement (hereinafter referred to as the "Agreement") is made effective as of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date") by and between \_\_\_\_\_ [First Party], situated at \_\_\_\_\_ and \_\_\_\_\_ [Second Party], located at \_\_\_\_\_.

1. Formation. The involved parties have expressed a desire to create and establish a joint venture solely for the purpose of \_\_\_\_\_ (the "Joint Venture").

The Joint Venture will operate under the name \_\_\_\_\_, and will have its main office located at \_\_\_\_\_ or at other locations designated as needed over time.

Contributions. For the Joint Venture, the parties will provide capital contributions, either in cash or property, with the following specified amounts or values:

\_\_\_\_\_ [First Party] (Check all that apply)

☐ Cash in the amount of \$ \_\_\_\_\_

☐ \_\_\_\_\_ [Description of property or other contribution] in the value of \$ \_\_\_\_\_

\_\_\_\_\_ [Second Party] (Check all that apply)

☐ Cash in the amount of \$ \_\_\_\_\_

☐ \_\_\_\_\_ [Description of property or other contribution] in the value of \$ \_\_\_\_\_

If the Joint Venture requires additional funds, the parties shall make additional contributions as mutually agreed upon by the parties.

Ownership. The parties will hold interests in the Joint Venture according to the following percentages:

\_\_\_\_\_ [First Party]: \_\_\_\_\_ %

\_\_\_\_\_ [Second Party]: \_\_\_\_\_ %

Allocation of Profits. The net profits and net losses generated by the Joint Venture will be distributed among the parties as follows: (Please select one option)

☐ Accordance with each party's respective ownership interests.

☐ The following proportions:

\_\_\_\_\_ [First Party]: \_\_\_\_\_ %

\_\_\_\_\_ [Second Party]: \_\_\_\_\_ %

## 5. Management. (Check one)

- ☐ The manager, \_\_\_\_\_ [Name]
- ☐ The management committee consisting of \_\_\_\_\_ [Name(s)]

The responsibilities and obligations of the Joint Venture will include:

- (a) overseeing daily business operations;
- (b) monitoring, managing, and guiding financial, business, and operational activities;
- (c) accurately maintaining accounting books and financial records in accordance with standard accounting practices;
- (d) addressing all other matters using the express or implied authority granted by this Agreement; and
- (e) recruiting production and administrative personnel, as well as third-party contractors when necessary, including any labor negotiations that may be required.

## 6. Duties of Parties. The parties will be responsible for the following duties under the Joint Venture:

- \_\_\_\_\_ [First Party]: \_\_\_\_\_ [Duties]
- \_\_\_\_\_ [Second Party]: \_\_\_\_\_ [Duties]

7. No Partnership. The Joint Venture shall not be construed to create a partnership or any other fiduciary obligations between the parties.

8. No Exclusivity. This Agreement does not obligate either party to conduct business exclusively with the other party.

## 9. Confidentiality.

a. Confidential and Proprietary Information. In the course of the Joint Venture, the parties will be

The parties will have access to confidential and proprietary information. "Confidential Information" refers to any data or information that is competitively sensitive and not widely known to the public. This includes, but is not limited to, information related to development plans, marketing strategies, financial details, operational systems, proprietary concepts, documentation, reports, specifications, computer software, source code, object code, flowcharts, databases, inventions, know-how, trade secrets, customer lists, customer relationships, customer profiles, supplier lists, supplier relationships, supplier profiles, pricing, sales forecasts, business plans, and internal performance results pertaining to past, present, or future business activities. It also encompasses technical information, designs, processes, procedures, formulas, improvements, and any other information that the parties regard as confidential and proprietary. Both parties recognize and agree that each party's Confidential Information is a valuable asset, developed over time and at significant expense, deserving of protection.

Confidentiality Obligations. Unless explicitly allowed by this Agreement, neither party shall disclose or utilize any Confidential Information, whether directly or indirectly, during the duration of this Agreement or at any time thereafter, except as necessary for the execution of their obligations.

respective duties and responsibilities or with the other party's prior written consent. Both parties agree that all Confidential Information disclosed and received shall remain secret and confidential during the term of this Agreement and continue thereafter for \_\_\_\_\_ years after this Agreement is terminated or expires.

**Rights to Confidential and Proprietary Information.** All ideas, concepts, work products, information, written materials, or any other Confidential Information shared with either party (i) shall remain the exclusive property of the disclosing party, and (ii) are shared or allowed to be obtained by the receiving party solely under this Agreement, which mandates that they be kept confidential and not used or disclosed to any other individual, except to advance the Joint Venture. Unless explicitly stated in this Agreement, no rights, licenses, ownership, or other interests in the Confidential Information are granted to the receiving party.

**Irreparable Harm.** Both parties recognize that any use or disclosure of Confidential Information that deviates from this Agreement may result in irreparable harm, for which monetary damages would not suffice as a remedy. Therefore, alongside any other legal remedies available through law or equity, the disclosing party is entitled to seek equitable or injunctive relief to prevent unauthorized use or disclosure of the Confidential Information. Additionally, the disclosing party may pursue any other lawful remedy resulting from such a breach, including direct and consequential damages. In any legal action taken by the disclosing party under this Section, they have the right to recover attorney's fees and costs from the receiving party.

**Notices.** All notifications under this Agreement must be provided in writing. A notice is considered effective upon receipt and should be sent through one of the following methods: personal delivery, overnight courier service, certified or registered mail with prepaid postage and return receipt requested. It should be addressed to the party being notified at the address mentioned above or to any other address designated by that party with reasonable notice to the other party.

11. Termination. This Agreement will terminate: (Check one)

- ☐ When the Joint Venture has been completed or terminated
- ☐ \_\_\_\_\_ years from the Effective Date
- ☐ Other: \_\_\_\_\_

unless terminated earlier by a written agreement of the parties.

12. Amendment. This Agreement may be amended or modified only by a written agreement signed by both parties.

13. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of \_\_\_\_\_, without regard to the principles of conflict of laws.

Disputes. In the event that the parties disagree on a significant issue and are unable to reach a mutually satisfactory decision or solution, a deadlock will be considered to have occurred. When a deadlock arises, the parties acknowledge and agree to engage in: (Select one)

- ☐ Buy-Out: One party (the "Offeror") will extend an offer to acquire the Joint Venture interest of the other party (the "Offeree") by providing written notification of an irrevocable purchase offer. The Offeree will then have the right to either purchase the Offeror's interest at the specified price and terms or sell their own interest at the designated price and terms for \_\_\_\_\_ days.
- ☐ Arbitration: Any disputes will be resolved through binding arbitration, conducted in accordance with the rules set forth by the American Arbitration Association. The written decision of the arbitrator(s) will be final and binding on both parties.
- ☐ Mediation:
- ☐ Mediation Followed by Arbitration: If mediation does not resolve the dispute, it will then proceed to binding arbitration under the rules of the American Arbitration Association. The written decision of the arbitrator(s) will be final and binding on both parties.
- ☐ No Specification.

Assignment. Neither party is permitted to assign its rights or delegate its responsibilities under this Agreement without obtaining prior written consent from the other party.

Written Consent for a Sale (Please select one)

- ☐ A written notice to the other party is NOT necessary if the assignment or transfer occurs due to the sale of all or nearly all of a party's assets or business.
- ☐ No consent is required if the assignment or transfer is due to the sale of all or substantially all of a party's assets or business, but written notice to the other party must be provided within \_\_\_\_\_ days of the assignment or transfer.

Miscellaneous. This Agreement will benefit and bind the respective successors and permitted assigns of the parties involved. In the event that any provision of this Agreement is determined to be invalid, illegal, or unenforceable in whole or in part, the remaining provisions will remain unaffected and will continue to be valid, legal, and enforceable as if the invalid, illegal, or unenforceable portions had not been included. No party shall be deemed to have waived any provision of this Agreement unless such waiver is documented in writing and signed by the party; any such waiver will be restricted to the terms outlined in that writing.

This Agreement may be executed in multiple counterparts, each considered an original, and collectively they will constitute one and the same document. This Agreement represents the complete understanding between the parties regarding the subject matter herein and overrides all previous negotiations, understandings, and agreements.

17. Other. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, the parties involved have signed this Agreement as of the Effective Date.

_____ Name of Party	_____ <b>Representative</b> Signature	_____ <b>Representative</b> Name and Title
_____ Name of Party	_____ <b>Representative</b> Signature	_____ <b>Representative</b> Name and Title