

Memorandum of Understanding UK

SUBJECT TO CONTRACT

Governed by English Common Law of Contract | Electronic Communications Act 2000 | Contracts (Rights of Third Parties) Act 1999
NON-BINDING (save for the Binding Provisions identified in Section 4)

This Memorandum of Understanding is made on _____ (DD/MM/YYYY)

1. PARTIES

PARTY 1

Full Legal Name / Organisation: _____

Type (tick one):

☐ Individual

☐ Company / Organisation

Company / Charity Registration Number (if applicable): _____

Registered / Principal Address: _____

Town/City: _____ Postcode: _____

Contact Name: _____

Email: _____ Telephone: _____

(hereinafter "Party 1")

PARTY 2

Full Legal Name / Organisation: _____

Type (tick one):

☐ Individual

☐ Company / Organisation

Company / Charity Registration Number (if applicable): _____

Registered / Principal Address: _____

Town/City: _____ Postcode: _____

Contact Name: _____

Email: _____ Telephone: _____

(hereinafter "Party 2")

2. BACKGROUND

The Parties are entering into this Memorandum of Understanding to set out their mutual understanding and intention in relation to a proposed collaboration or arrangement described in Section 5 below. The Parties have agreed to record the principles upon which they intend to proceed, subject to the non-binding status described in Section 4.

Background context (optional):

3. DEFINITIONS

"Binding Provisions" means the provisions identified in Section 4.2 that the Parties expressly intend to be legally binding.

"Collaboration" means the proposed joint activity, project, or arrangement described in Section 5 of this Memorandum.

"Confidential Information" means any information or data disclosed by one Party to the other that is designated as confidential or that would reasonably be understood to be confidential given its nature and the

circumstances of disclosure.

"Intellectual Property Rights" means all copyright, database rights, design rights, patents, trade marks, trade secrets, and all other intellectual property rights, whether registered or unregistered, anywhere in the world.

"MOU" means this Memorandum of Understanding, including any schedules or annexures attached to it.

"Term" means the duration of this MOU as set out in Section 12.

4. NON-BINDING STATUS AND BINDING PROVISIONS

4.1 With the exception of the Binding Provisions identified in clause 4.2 below, this Memorandum of Understanding is a statement of intent only and is not intended to create, evince, or imply any legally binding obligations between the Parties. Neither Party shall have any legal obligation to proceed with the Collaboration or to enter into any definitive agreement.

4.2 Notwithstanding clause 4.1, the following provisions are expressly intended to be legally binding and enforceable between the Parties: Section 8 (Confidentiality) and Section 10 (Exclusivity Period). These provisions are collectively referred to as the "Binding Provisions" and shall remain in full force and effect whether or not a definitive agreement is subsequently executed.

4.3 This MOU does not constitute a contract of employment, agency, partnership, joint venture, or any other form of legal relationship beyond what is expressly stated in this document.

4.4 If the Parties' subsequent conduct is inconsistent with the non-binding nature of this MOU (for example, by performing services, transferring funds, or completing milestones before a definitive agreement is signed), an enforceable contract may be created by such conduct under English law. The Parties acknowledge this risk and agree to seek independent legal advice before commencing substantive performance.

5. PURPOSE AND SCOPE OF COLLABORATION

Purpose / Objective of the Collaboration: _____

Description of proposed Collaboration (scope, activities, deliverables):

5.1 The Parties intend to explore and develop the Collaboration described above. This MOU does not commit either Party to any specific deliverable, timeline, or financial obligation unless expressly agreed in a subsequent definitive agreement signed by both Parties.

5.2 Any material changes to the scope of the Collaboration must be agreed in writing by both Parties. The Parties shall not be bound by any oral amendments or representations made in the course of negotiations.

6. RESPONSIBILITIES

Intended responsibilities of Party 1:

Intended responsibilities of Party 2:

- 6.1** The allocation of responsibilities set out above represents the Parties' current intentions only and does not constitute a binding commitment. Final responsibilities shall be agreed and recorded in any subsequent definitive agreement.

7. FINANCIAL ARRANGEMENTS

Proposed financial arrangements (if any):

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- 7.1** Unless and until a definitive agreement is executed, neither Party shall be obliged to make any payment, contribute any resources, or incur any expenditure in connection with the Collaboration. Any financial commitments described above represent intentions only.

- 7.2** Each Party shall bear its own legal, professional, and other costs and expenses incurred in negotiating, preparing, and executing this MOU and any subsequent agreement, unless the Parties expressly agree otherwise in writing.

8. CONFIDENTIALITY [BINDING PROVISION]

- 8.1** Each Party undertakes to keep strictly confidential all Confidential Information disclosed to it by the other Party in connection with this MOU and the Collaboration, and to use such information solely for the purpose of evaluating or advancing the Collaboration. Each Party shall restrict disclosure to those of its directors, officers, employees, and professional advisers who have a genuine need to know and are bound by equivalent obligations of confidentiality.

- 8.2** The obligations in clause 8.1 shall not apply to information that: (a) is or becomes publicly available through no fault of the receiving Party; (b) was already known to the receiving Party before disclosure; (c) is independently developed by the receiving Party without use of the Confidential Information; or (d) is required to be disclosed by law or court order, provided the receiving Party gives prompt written notice to the disclosing Party wherever legally permissible.

- 8.3** These confidentiality obligations shall survive termination or expiry of this MOU for _____ years.

9. INTELLECTUAL PROPERTY

- 9.1** Each Party retains ownership of all Intellectual Property Rights it owned or controlled before the date of this MOU ("Background IP"). Nothing in this MOU transfers, assigns, or licences any Background IP from one Party to the other except as expressly agreed in a subsequent definitive agreement.

- 9.2** Any Intellectual Property Rights created jointly by the Parties in the course of the Collaboration shall be owned as follows:

Proposed ownership of jointly created IP:

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- 9.3** The allocation of jointly created IP set out above is a statement of intent only and shall not be legally binding until it is formally recorded in a definitive written agreement.

10. EXCLUSIVITY PERIOD [BINDING PROVISION]

- 10.1** During the exclusivity period specified below, neither Party shall, without the prior written consent of the other Party, enter into, or negotiate or discuss with any third party, any arrangement that is substantially the same as, or in direct competition with, the Collaboration described in this MOU ("Exclusivity Period").

Exclusivity Period: _____ days from the date of this MOU.

Scope of exclusivity restriction: _____

10.2 The Exclusivity Period shall expire on the date falling the number of days stated above after the date of this MOU, unless extended by written agreement. An open-ended exclusivity period is void for uncertainty under English law; accordingly, a fixed term is mandatory.

10.3 Upon expiry of the Exclusivity Period (and in the absence of a definitive agreement), either Party shall be free to negotiate with third parties without restriction and without any obligation or liability to the other Party.

11. DATA PROTECTION

11.1 Each Party shall comply with all applicable data protection legislation, including the Data Protection Act 2018 and the UK General Data Protection Regulation (UK GDPR), in connection with any personal data processed pursuant to this MOU.

11.2 Each Party acts as a data controller in respect of personal data it processes in the context of this MOU. Neither Party shall share the other Party's personal data with third parties without a lawful basis and appropriate safeguards in place.

12. TERM AND DURATION

MOU Start Date (DD/MM/YYYY): _____ MOU End Date (DD/MM/YYYY): _____

12.1 This MOU shall take effect on the Start Date and shall continue until the End Date stated above, unless terminated earlier in accordance with Section 13 or extended by written agreement signed by both Parties.

12.2 Expiry or termination of this MOU shall not affect any Binding Provisions that, by their nature, are intended to survive, including the confidentiality obligations in Section 8.

13. TERMINATION

13.1 Either Party may terminate this MOU at any time by giving _____ days' written notice to the other.

13.2 Termination of this MOU shall not affect the Parties' obligations under the Binding Provisions, which shall continue in accordance with their respective terms following termination.

13.3 Upon termination, each Party shall promptly return or destroy any Confidential Information received from the other Party, except where retention is required by law.

14. DISPUTE RESOLUTION

14.1 In the event of any dispute or disagreement arising in connection with this MOU, the Parties shall first seek to resolve it through good-faith negotiation between their senior representatives within twenty-one (21) days of written notification of the dispute.

14.2 If the dispute is not resolved under clause 14.1, the Parties shall attempt to resolve it using the following mechanism (tick one):

- ☐ Mediation (non-binding, facilitated by a neutral mediator agreed by both Parties)
- ☐ Arbitration (binding, conducted under the rules of a mutually agreed arbitral institution)
- ☐ Courts of England and Wales (County Court or High Court, as appropriate)

15. NO PARTNERSHIP OR AGENCY

15.1 Nothing in this MOU shall create, or be deemed to create, a partnership, joint venture, agency, employment, or franchise relationship between the Parties. Neither Party has authority to act on behalf of, bind, or incur obligations on behalf of the other Party.

16. GENERAL PROVISIONS

- 16.1** Governing Law. This MOU and any non-contractual obligations arising from or in connection with it shall be governed by and construed in accordance with the law of England and Wales.
- 16.2** Third Parties. A person who is not a party to this MOU shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this MOU.
- 16.3** Entire Understanding. This MOU represents the entire understanding between the Parties concerning the subject matter hereof and supersedes all prior discussions, representations, and communications, whether written or oral.
- 16.4** Variation. No modification of this MOU shall be effective unless it is in writing and signed by an authorised representative of each Party.
- 16.5** Severability. If any provision of this MOU is found invalid or unenforceable by a court of competent jurisdiction, that provision shall be severed without affecting the validity of the remaining provisions.
- 16.6** Notices. Any notice required under this MOU shall be in writing and delivered by hand, pre-paid post, or email with read-receipt to the contact details set out in Section 1.
- 16.7** Electronic Signatures. Electronic signatures are legally recognised and admissible to execute this MOU pursuant to Section 7 of the Electronic Communications Act 2000. The Parties agree that execution by electronic signature shall have the same legal effect as execution by wet-ink signature.
- 16.8** Counterparts. This MOU may be executed in counterparts, each of which shall constitute an original. Electronic copies of signed counterparts shall be treated as originals for all purposes.

17. SIGNATURES

The Parties have signed this Memorandum of Understanding on the date first written above to signify their mutual understanding and intention. This MOU is NOT legally binding (save for the Binding Provisions) and does not constitute a legally enforceable contract.

Signed on behalf of PARTY 1:

Signature: _____

Full Name (Print): _____

Position / Title: _____ Date (DD/MM/YYYY): _____

Signed on behalf of PARTY 2:

Signature: _____

Full Name (Print): _____

Position / Title: _____ Date (DD/MM/YYYY): _____

Note: This Memorandum of Understanding is labelled "Subject to Contract". Neither Party shall be legally bound by its terms (other than the Binding Provisions in Sections 8 and 10) until a formal definitive agreement has been signed. Parties are advised to obtain independent legal advice before signing.