

SAMPLE LICENSE AGREEMENT

This License Agreement (“**Agreement**”) is entered into as of the ___ day of _____, 20___, by and between [State] Chamber, a [State] corporation (“**Licensor**”), and _____, a _____ (“**Licensee**”), in consideration of the following facts and circumstances:

A. Licensor is a [State] nonprofit corporation that is a business league described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the “**Code**”), whose purpose is improving the general economic welfare of the State of [State] by making [State] a great state in which to live, work and do business;

B. Licensor is the owner of all of the issued and outstanding capital stock of [State] Chamber Services, Inc., a [State] corporation (“**[State] Chamber Services**”);

C. Licensor is the owner of the trademarks and service marks (or applications therefor) set forth on Schedule 1 attached hereto (hereafter collectively referred to as the “**Mark(s)**”);

D. Licensor is the owner of the proprietary information set forth on Schedule 2 attached hereto (hereafter collectively referred to as the “**Proprietary Information**”);

E. [State] Chamber Services and Licensee have entered into a Services Agreement of even date herewith (the “**Services Agreement**”), pursuant to which [State] Chamber Services will perform certain services for Licensee in furtherance of the Business of Licensee, as defined therein (the “**Program**”); and

F. The parties hereto desire that Licensee use the Mark(s) and the Proprietary Information in connection with its conduct of the Program, on the terms and conditions hereinafter set forth;

Now, therefore, in consideration of the foregoing premises, the parties agree as follows:

Article 1

Term

1.1 Effective Date. This Agreement shall be effective as of _____, 20___ (the “**Effective Date**”).

1.2 Term. The term of this Agreement (the “**Term**”) commenced as of the Effective Date and shall terminate on December 31, 20___; *provided, however*, that the Term shall be automatically extended for additional periods of one (1) year each unless either party delivers to the other party written notice of non-extension (a “**Non-Extension Notice**”) at least sixty (60) days prior to the conclusion of the then applicable Term. Notwithstanding the foregoing, the Term shall automatically terminate upon the

earliest of the following events: (a) upon the insolvency or the adjudication of bankruptcy of either party; (b) upon the material breach of the obligation of a party pursuant to this Agreement, and the failure of such party to cure such breach within ten (10) business days after the delivery of written notice thereof by the other party, which shall state with particularity the nature of the breach, or if such breach is not reasonably capable of being cured within such ten (10) business day period the commencement of such cure within such ten (10) business day period and the diligent prosecution of such cure to completion; or (c) upon the expiration or termination of the Term (as defined therein) of the Services Agreement.

Article 2

Grant of Licenses

2.1 Trademark Licenses. Licensor hereby grants Licensee the nonexclusive right to use the Mark(s) during the Term in connection with its offer and conduct of the Program and in all advertising and promotion for the Program, provided that Licensee offers and conducts the Program in accordance with the quality standards and specifications approved by Licensor as set forth below.

2.2 Other Licenses. Licensor hereby grants Licensee the nonexclusive right to use the Proprietary Information during the Term in connection with its offer and conduct of the Program and in all advertising and promotion for the Program, provided that Licensee offers and conducts the Program in accordance with the quality standards and specifications approved by Licensor as set forth below.

2.3 Ownership and Goodwill. Licensee acknowledges that title and ownership in the Mark(s), the Proprietary Information, and the goodwill associated therewith are and shall at all times remain in Licensor and that, by this License Agreement, Licensee is not acquiring any title, ownership, or other interest in the Licensed Mark(s) or the Proprietary Information. All uses of the Licensed Mark(s) or the Proprietary Information by Licensee and all goodwill generated thereby shall inure exclusively and completely to the benefit of Licensor. Licensee acknowledges the validity and enforceability of Licensor's rights and title in the Licensed Mark(s) and the Proprietary Information and shall not contest or challenge the validity of, or Licensor's title in, the Licensed Mark(s) or the Proprietary Information. Upon the expiration or other termination of the Term, Licensee shall delete all copies of the Mark(s) or the Proprietary Information in its possession or under its control.

2.4 Sublicenses. Licensee may not sublicense any of the rights granted herein.

2.5 Services. At the commencement of the Term Licensor shall provide to Licensee digital versions of the Mark(s) (formatted as .jpg or .jpeg files) and the Proprietary Information (formatted as MS Word, MS Excel, or MS Access files), and during the Term shall update such digitally-provided information at least semi-annually.

Licensee acknowledges that except for the foregoing Licensor is not required to perform any services for Licensee pursuant to or in connection with the licenses granted herein.

Article 3

Use of Licensed Items

3.1 Symbols. Licensee shall use the trademark symbol [™], or if so notified by Licensor the trademark registration symbol [®], when using the Mark(s) in all advertising copy, promotional literature, labels, stickers, packaging, publications, web pages, and any other materials of Licensee (the “**Media**”).

3.2 Use of Mark(s). Licensee shall use the Mark(s) only in such art form, style and color, and in such logotype form, as specified or otherwise approved from time-to-time by Licensor. Licensee shall not itself alter or modify any of the Mark(s). Licensor shall retain the right, from time-to-time, and in its sole discretion, to modify, amend, alter or discontinue any of the Mark(s). Upon reasonable prior written notice thereof to Licensee, Licensee shall promptly conform or discontinue, as applicable, its use of the Mark(s) as so modified, altered, amended or discontinued and the definition of Mark(s) shall be deemed to be automatically amended into conformity with such changes in the Mark(s).

3.3 Quality Control. Licensor shall have the right from time-to-time to designate any additional standards, criteria, controls or restrictions on Licensee’s use of the Mark(s); the nature, form and manner of use of Media by Licensee on which the Mark(s) appear; the nature and quality of services of Licensee on or in connection with which Licensee uses the Mark(s); and any such other standards, criteria, controls or restrictions relating to Licensee’s exercise of the license granted herein which Licensor, in its discretion, deems to be necessary or desirable to protect, preserve, enhance or extend Licensor’s rights in the Mark(s). Licensee shall always supply in advance to Licensor for its prior written approval samples of all Media on which Licensee proposes to use the Mark(s) and, at any time subsequent to any such approval, when requested by Licensor upon reasonable advance notice to Licensee, Licensee shall supply to Licensor any and all samples of Media on which Licensee is utilizing or has utilized any of the Mark(s). Licensee shall refrain from any and all use of all such Media until after receiving written approval from Licensor. Licensee shall otherwise promptly comply with any other reasonable request by Licensor intended to determine the compliance of Licensee with the terms of this Agreement. In addition to all other standards, criteria, controls and restrictions established by Licensor, Licensee shall procure and maintain all necessary governmental, administrative or other regulatory licenses, permits, authorizations and the like required for Licensee’s business operations in connection with its offer and conduct of the Program, and Licensee shall maintain the highest standards of honesty, integrity, moral character and business ethics in its business operations in connection with its participation in the Program. Licensee acknowledges and agrees that strict compliance by Licensee with all such standards, criteria, controls and restrictions is of the essence of this Agreement, and failure to do so shall be conclusively deemed to constitute a material breach of this Agreement. Licensee

further acknowledges and agrees that the engagement of Licensee in a course of conduct or the failure of Licensee to do so, or the violation by Licensee of any law or regulation, the result of which would reasonably be considered to tend to diminish the value of the Mark(s) by reason of their association with Licensee, shall be conclusively deemed to constitute a material breach of this Agreement

3.4 Policing of Mark(s). During the Term, Licensee shall inform Licensor of the use of any marks similar to the Mark(s) and any potential infringements of the Mark(s) which come to its attention.

Article 4

Royalties

4.1 Royalty. In consideration for the license granted in this Agreement, Licensee shall pay to Licensor a royalty as determined in accordance with the following (the "**Royalty**"):

(a) *Definitions*. In computing the Royalty the following definitions shall be applicable:

(i) ____.

(ii) ____.

(b) *Calculation of Royalty*. ____.

(c) *Post-Termination Residual*. In the event the Term terminates by reason of (i) the delivery by Company of a Non-Extension Notice, (ii) the insolvency or adjudication of bankruptcy of Company, (iii) the material breach of the obligation of Company pursuant to this Agreement and the failure of Company to timely cure such breach, or (iv) the expiration or termination of the term of the Services Agreement if due to the delivery by Company of a Non-Extension Notice (in this case, as defined in the Services Agreement), all as more particularly provided in Section 1.2, the Royalty shall include a post-termination residual payment for the _____ (__) year period following the termination of the Term, based upon _____.

4.2 Timing of Payment. Licensee shall pay Royalties to Licensor monthly on or before the 15th day of each month. Licensee's first Royalty payment shall be due on or before _____, 20__.

4.3 Interest. Any amounts payable to Licensor hereunder that are not paid as and when due shall bear interest at a rate equal to the lesser of (i) the Prime Rate, plus two percent (2%) per annum or (ii) twelve percent (12%) per annum. Such interest shall be in addition to, and not in lieu of, other remedies afforded Licensor hereunder, at law or in equity, for breach of this Agreement. As used herein, the "**Prime Rate**" shall mean

the rate denominated as such by Bank of America, N.A., as the same may fluctuate from time-to-time.

Article 5

Representations, Warranties and Covenants

5.1 Representations and Warranties. Licensor and Licensee (referred to individually as “such party” for purposes of this Article 5) each represent and warrant to the other party as of the date hereof as follows:

(a) Such party is a corporation [or limited liability company] duly incorporated [or organized], validly existing and in good standing under the laws of the state of incorporation [or organization] noted in the preambles to this Agreement.

(b) If such party is not incorporated [or organized] pursuant to the laws of any jurisdiction in which it is required to qualify to transact business by reason of its participation in the Program, such party is duly qualified to transact business in any such jurisdiction.

(c) The execution, delivery and performance of this Agreement by such party: (i) is duly authorized, (ii) does not contravene or constitute a default under such party’s organizational documents, and (iii) does not violate any law, regulation or contractual restriction binding upon or affecting such party.

(d) This Agreement constitutes legal, valid and binding obligations of such party, enforceable against such party in accordance with its terms, subject to bankruptcy, insolvency, moratorium and other similar laws affecting the rights of creditors and to the effect of equitable principles.

(e) Such party has sufficient financial and personnel resources and facilities to perform its obligations under this Agreement.

5.2 Covenants. Each party covenants that at all times during the Term that:

(a) Such party will maintain its corporate [or limited liability company] existence as a corporation [or limited liability company] in good standing under the laws of the state of its incorporation [or organization].

(b) If such party is not incorporated [or organized] pursuant to the laws of any jurisdiction in which it is required to qualify to transact business by reason of its participation in the Program, such party will maintain in good standing its qualification to transact business in any such jurisdiction.

(c) Such party shall maintain such financial, personnel and facilities as shall be necessary in order for it to perform its obligations under this Agreement.

(d) Such party shall comply with all applicable laws, and obtain all required licenses, in conducting its business and the activities to be conducted by it pursuant to this Agreement.

Article 6

Indemnification

6.1 Indemnification by Licensor. Licensor shall indemnify, defend and hold harmless Licensee and its [stockholders, directors][members, managers], officers, and employees (the “**Licensee Indemnitees**”), from and against any and all claims, losses, penalties, fines, costs, forfeitures, legal fees and related costs, judgments and any other expenses whatsoever incurred by or assessed against Licensee Indemnitees (the “**Licensee Claims**”) by reason of (a) the inaccuracy or incompleteness of any representation or warranty made by Licensor hereunder or in any other document, instrument or agreement executed by Licensor in connection with this Agreement, (b) the failure by Licensor to observe or perform any of its obligations or covenants provided in this Agreement, or (c) the infringement by the Mark(s) of the intellectual property rights of third parties or the violation of the privacy rights of third parties by reason of the use of the Proprietary Information in accordance with the provisions of this Agreement.

6.2 Indemnification by Licensee. Licensee shall indemnify, defend and hold harmless Licensor and its members, directors, officers, and employees (the “**Licensor Indemnitees**”), from and against any and all claims, losses, penalties, fines, costs, forfeitures, legal fees and related costs, judgments and any other expenses whatsoever incurred by or assessed against Licensor Indemnitees (the “**Licensor Claims**”) by reason of (a) the inaccuracy or incompleteness of any representation or warranty made by Licensee hereunder or in any other document, instrument or agreement executed by Licensee in connection with this Agreement, (b) the failure by Licensee to observe or perform any of its obligations or covenants provided in this Agreement, or (c) Licensee’s promotion, advertising, use or sale of goods and services under the Mark(s) or using the Proprietary Information, including Licensor’s reasonable attorneys’ fees incurred in the defense of any action against Licensor, except to the extent the Licensor Claims are attributable to a matter described in Section 6.1, clause (c).

Article 7

Miscellaneous

7.1 Business Day. As used herein, a “**business day**” is a day from Monday through Friday, inclusive, that is not a United States legal public holiday as established or observed pursuant to 5 U.S.C. §6103(a) and (b).]

7.2 Relationship of the Parties. Licensor and Licensee are not partners, joint venturers or agents for each other by reason of this Agreement, but each shall have the status of and shall act in all matters hereunder as independent contractors.

7.3 Confidentiality. Each party to this Agreement shall, for a period of five (5) years from the date of receipt of confidential information from the other party, maintain the confidentiality of all of such confidential information and use such confidential information only for the purposes contemplated by this Agreement; *provided, however,* that the parties shall be permitted to disclose the materials and confidential information they each receive from the other to their respective advisors, representatives and agents on a “need to know” basis and to the extent required by law. As used herein, the term “**confidential information**” includes all non-public or proprietary information concerning the business, operations and assets of a party, irrespective of how transmitted, including without limitation in written, verbal or electronic form, and does not include (a) information which has become publicly available through no fault of the recipient; (b) information which was or becomes available to the recipient on a nonconfidential basis from a source other than a party hereto or its advisors provided that such source is not bound by a confidentiality agreement with, or other obligation of secrecy to, such party; or (c) information which was within the recipient’s possession prior to its being furnished to the recipient by or on behalf of a party hereto, provided that the source of such information was not bound by a confidentiality agreement with, or other obligation of secrecy to, the recipient in respect thereof. In the event of a termination of this Agreement for any reason, each party shall return to the other all documents (and any copies thereof) and information provided to it by the other party. The obligation of confidentiality under this section shall survive the termination of this Agreement until it otherwise becomes relieved from such obligations of confidentiality as described in this section.

7.4 Further Assurances. The parties shall at their own cost and expense undertake such other and further actions, and execute and deliver such documents, instruments and notices, as may be reasonably required or appropriate to give effect to the matters contemplated by this Agreement or to evidence or carry out the intent and purposes of this Agreement.

7.5 Notices. Except as expressly otherwise provided herein, all notices and other communications provided for herein shall be validly given if in writing and delivered personally or sent by registered or certified mail (return receipt requested), postage prepaid, to the parties hereto at the following addresses:

(a) If to Licensor:

[State] Chamber
Attn: [President]
[Address Line 1]
[Address Line 2]
[City], [State] [Zip]

(b) If to Licensee:

or to such other address for either party as such party may hereafter specify by notice to the other party given in the manner herein provided. All such notices and other communications shall be deemed to have been given on the date delivered, or on the date of actual receipt if mailed as herein provided.

7.6 Survival. The representations, warranties, covenants and other agreements, contained in Section 2.3 and Article 3 through Article 7, inclusive, of this Agreement shall survive any termination of the Term for so long as is necessary to give effect thereto.

7.7 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of [State] without giving effect to conflicts of law rules.

7.8 Arbitration.

(a) If the same shall not have been resolved informally between the parties, any controversy or claim between or among the parties or their agents, including without limitation those arising out of or relating to this Agreement or any agreement or instruments relating hereto or delivered in connection herewith and any claim based on or arising from an alleged tort which allegedly occurred during the course of performance or nonperformance under this Agreement, shall at the request of either party be determined by arbitration. The arbitration shall be conducted in accordance with the United States Arbitration Act (Title 9, U.S. Code), notwithstanding any choice of law provision in this agreement, and under the Commercial Rules of the American Arbitration Association (“**AAA**”). The place or seat of the arbitration shall be Wake County, [State]. The arbitrator shall give effect to statutes of limitation in determining any claim. Any controversy concerning whether an issue is arbitrable shall be determined by the arbitrator. Judgment upon the arbitration award may be entered in any court having jurisdiction. The institution and maintenance of an action or judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

(b) No provision of this Section 7.8 shall limit the right of either party to exercise self-help remedies, such as setoff, or obtaining provisional or ancillary remedies from a court of competent jurisdiction before, after, or during the pendency of any arbitration or other proceeding. The exercise of a remedy does not waive the right of either party to resort to arbitration or reference.

7.9 Severability. Any part, provision, clause, sentence, representation or warranty of this Agreement which is prohibited or which is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

7.10 Prior Agreements. This Agreement (including the Schedules hereto, which are incorporated herein by this reference) supersedes all prior proposals, agreements and understandings relating to the subject matter hereof, including without limitation all Memoranda of Understandings, Memoranda of Agreements, Term Sheets, Summaries of Terms, or Letters of Intent exchanged between the parties.

7.11 Amendment. This Agreement may not be changed or waived orally, but only by a writing executed by Licensor and Licensee.

7.12 Assignment. This Agreement and the parties' respective rights and obligations hereunder may not be sold, assigned or transferred without the prior written consent of the other party.

7.13 Captions and Headings. Captions and headings in this Agreement are included solely for the purpose of convenience and shall not affect the construction or interpretation of any provision thereof.

7.14 Counterparts. This Agreement may be executed in one or more counterparts and by the different parties hereto on separate copies, each of which, when so executed, shall be deemed to be an original, and such counterparts, together, shall constitute one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed the foregoing Agreement as of the date first above written.

LICENSOR:

[State] Chamber

By: _____
Print name:
Title:

LICENSEE:

By: _____
Print name:
Title:

Schedule 1

Mark(s)

1. The following mark: [Image of Chamber Logo]

United States service mark application # [Application Number], for the registration of such mark, and any registration thereof.

2. The word mark:

"[State] Chamber," any United States service mark application for the registration of such mark, and any registration thereof.

Schedule 2

Proprietary Information

1. The list of the members of Licensor, including the name, key contact, address (including county), telephone number, SIC code, and employee size or business volume for each member, other than members who have requested of Licensor that such information not be distributed to third parties.

