

## LICENSE AGREEMENT FOR USE OF CITY-OWNED TRADEMARKS

**THIS AGREEMENT**, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (hereinafter "Effective Date") is made by and between the City of Royal Oak, Michigan, a municipal corporation organized and existing under the laws of the State of Michigan, (hereinafter "City") and \_\_\_\_\_ (hereinafter "Licensee.")

**WHEREAS**, City is the exclusive owner of the trademark shown in Exhibit A, attached hereto (consisting of a stylized "R" and "O" within a circle), and Exhibit B, attached hereto (consisting of the phrase "LIFE NOW PLAYING"), which are duly registered with the U.S. Patent and Trademark Office (USPTO) (hereinafter "the Mark;") and

**WHEREAS**, Licensee desires a license to use the City's trademark and related designs in connection with the products and/or services listed in Exhibit A and Exhibit B, attached hereto; and

**WHEREAS**, Licensee recognizes and understands that the value, reputation, and goodwill of the Mark is dependent upon the high quality standards established and prescribed for use by the City; and

**WHEREAS**, Licensee desires to comply with the City's quality control standards in order to preserve the reputation and goodwill of the Marks and the goods and services to which they are affixed.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and undertakings hereinafter set forth, and other good and valuable consideration, it is agreed as follows:

**1. Grant of License.** Subject to the terms and conditions set forth in this Agreement, the City hereby grants to Licensee the non-exclusive right and license to use the Marks in connection with [describe proposed use of the Mark.]

**2. Assignment Prohibited, Exception – Sub-Licensing/Use Agreements.** Licensee's rights under this Agreement to use the Mark shall not be assigned to any third party by the Licensee without the prior written approval of the City. Attempted assignment by the Licensee may, at the sole discretion of the City, be sufficient cause for termination of this Agreement.

**3. Covenant Against Challenge.** Licensee is hereby prohibited from challenging in any way the validity of the licensed Marks, including its registration or ownership by the City.

**4. Best Marketing Efforts.** Licensee shall exert its best efforts to advertise, promote and sell products and services using the Mark in a manner that will maintain and enhance the value of the goodwill residing in the Mark, and in doing so will adhere to standards set forth in the Brand Guide as established by the City, attached hereto as Exhibit C.

All goodwill arising from Licensee's use of the Marks shall inure solely to the benefit of the City. Licensee shall not take any action that could be detrimental to the goodwill associated with the Marks or with the City during the term of this Agreement or after termination of this Agreement.

**5. Trademark Usage.** Licensee hereby acknowledges the City's right and title to the Mark licensed herein. In consideration of permitting Licensee to use the City's Mark, Licensee hereby agrees not to claim title to the Mark and to use the Mark only as permitted by this Agreement.

Licensee shall prominently display the licensed Mark in accordance with the written instructions and guidelines prescribed by the City, as more clearly defined in the Brand Guide, attached hereto as Exhibit C. Licensee shall use the registration symbol ® and other registration notices correctly. Licensee shall also display all notices and legends with respect to the Mark as are requested by the City during the term of this Agreement.

Licensee shall not adopt or use, without the City's prior written consent, which said consent shall not be unreasonably withheld, any variation of the Mark including any Mark similar to or confusing with the Mark. If the City consents to any variation of the Mark, Licensee hereby agrees that the City shall own such new Mark and shall at the City's cost and expense obtain, in the City's name, all United States and international trademark registrations. Licensee shall provide the City with reasonable assistance in filing such application for trademark registration.

Licensee shall during the term of this Agreement and after termination thereof, execute such documents as the City may request from time to time to ensure that all right, title, and interest in and to the Mark reside with the City.

The terms and conditions of this Paragraph 5 shall survive any termination of this Agreement.

**6. Quality Control.** Prior to use of the Mark, Licensee shall furnish to the City for its written approval copies of the version of the advertising and promotional materials to be displayed, disseminated or otherwise utilized (hereinafter "Sample" or "Samples") and/or mockup(s) of any products to be offered for sale. No use of the Mark is permitted prior to written approval from the City.

Licensee shall maintain the quality standards as requested from time to time by the City and shall promptly make any changes in quality control required by the City. In order that quality standards continue to be maintained, Licensee shall implement all written specifications relating to the use of the Mark and will attend periodic conferences with City staff as designated by the City Manager or his or her designee regarding the use of the Mark as required or requested by the City.

Licensee shall promptly inform the City of any potential trademark dispute or infringement and shall furnish to the City a detailed report describing the dispute or infringement. The City, at its sole discretion, shall determine whether there has been an infringement and whether to pursue legal action. The City may, at its sole discretion, intervene in any legal actions against Licensee.

Licensee shall, at its sole expense, comply with all applicable federal and state laws and regulations relating to the use of the Mark.

#### **ROYALTY - CHOOSE ONE**

**7. Royalty Free.** This Agreement is and shall remain, unless agreed to in writing by the City and the Licensee, Royalty Free, meaning no payment need be made from Licensee to the City for use of the Marks.

**OR**

**7. Royalty Due.** Licensee shall pay to the City a royalty (the "Royalty") for the rights granted to Licensee under this Agreement in an amount equal to five percent (5%) of Gross Revenues of any and all Licensed Products or items bearing the City Mark(s). All royalties due shall accrue upon the Sale of the Licensed Products regardless of time of collection by Licensee.

**8. Royalty Audit.** Should the Licensee be required to pay a Royalty to the City, for the rights granted to the Licensee under this Agreement, Licensee agrees to keep, maintain, and make available a set of books, records and computations of all revenues received in connection with the Sale of the Licensed Products. Licensee further agrees to allow the CRO or it's contractor to perform audit of the Licensee's books, records and computations of all revenues received in connection with the Sale of the Licensed Products, during regular business hours, at the expense of the Licensor, to verify the Royalty payments to the City.

**9. Term of License.** This Agreement and the licenses granted hereunder shall commence from the date of this Agreement and shall remain in effect for a term of [REDACTED], or until the City terminates this license as set forth in this Agreement.

**10. Termination.** The City may terminate this Agreement upon prior written notice of Licensee's breach or default under this Agreement, and unless such breach or default is cured within sixty (60) days after delivery of such notice of the breach or default, the City may terminate this Agreement forthwith by delivery of a written notice of termination at any time thereafter before such breach or default has been cured.

**11. Relationship of the Parties.** The relationship of the City and Licensee are separate and distinct. It is clearly understood that the City and Licensee will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other.

**12. Indemnification of City.** Licensee shall defend and indemnify the City and hold the City harmless from any and all claims, liabilities, damages, injuries, including personal and advertising injury, fines, judgments, and reasonable attorneys' fees and related expenses arising out of or resulting from (i) Licensee's use of the Mark and/or (ii) Licensee's performance under the Agreement. The provisions of this Section shall survive the termination of this Agreement.

**13. Choice of Law.** This Agreement shall be governed by the laws of the State of Michigan applicable to contracts deemed to be made within such state, without regard to choice of law or conflict of law provisions. Furthermore, the parties hereby agree that any action or proceeding arising out of or relating to this Agreement shall be instituted in a federal or state court located in or having jurisdiction over Oakland County, Michigan, and the parties hereby irrevocably submit to the jurisdiction of such court and waive any objection to the venue or the inconvenience of such forum.

**14. Acknowledgement and Execution.** Each party has read this Agreement in its entirety and understands its terms and consequences. Each of the undersigned hereby represents that he or she has the authority to enter into this Agreement.

**15. Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to its subject matter, and any prior agreements, understandings, or other matters, whether oral or written, are of no further force or effect. This Agreement may be amended, changed, or supplemented only by written agreement executed by both of the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the Effective Date.

**CITY OF ROYAL OAK, MICHIGAN**

**[INSERT NAME OF LICENSEE]**

\_\_\_\_\_  
City Manager or Designee

\_\_\_\_\_  
**[INSERT SIGNER NAME/TITLE]**

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney