

MERCHANDISING AND TRADEMARK LICENSE AGREEMENT

Representing the agreement between
the Kappa Kappa Gamma Fraternity,
a fraternal organization

Agreement No. A22231

and

The Key Source
1723 W. Detweillwer
Peoria, IL 61615

THIS MERCHANDISING AND TRADEMARK LICENSE AGREEMENT ("License Agreement") is made and entered into this 1st day of August, 2009 ("Effective Date"), by and between the Kappa Kappa Gamma Fraternity, an Ohio corporation with a business address of 530 East Town Street, Columbus, OH, hereinafter referred to as "Fraternity" and The Key Source, a(n) _____ with a business address of 1723 W. Detweillwer, Peoria, IL, hereinafter referred to as "Licensee".

WHEREAS, Fraternity has adopted and is the sole and exclusive owner of all right, title and interest in and to certain trademarks, trade dress, service marks, collective membership marks, designs, logos, symbols, crests, coats of arms and other insignia, which are the subject of various registrations issued to Fraternity by the United States Patent and Trademark Office and the Canadian Trade-marks Office, or which are unregistered marks in which the Fraternity has substantial common law rights, all as described in Exhibit D (collectively, the "Trademarks") and as a result of long term utilization of said Trademarks by Fraternity and members of the Fraternity, considerable goodwill has inured to the benefit of Fraternity; and

WHEREAS, Licensee desires to obtain and Fraternity is willing to grant to Licensee, subject to the terms and conditions of this License Agreement, a license to use the Trademarks in the United States and its territories and possessions and in Canada ("Territory") in connection with the manufacture, marketing, sale and/or distribution of the items described in Appendix A of this License Agreement ("Licensed Products"); and

WHEREAS, the Fraternity and Licensee, the parties to this License Agreement wish to set forth in writing each and every term and condition of Fraternity's grant to Licensee of a limited, non-exclusive, non-assignable and non-transferable, royalty-bearing right to utilize certain of the Trademarks of Fraternity on Licensed Products in the Territory.

NOW, THEREFORE, in consideration of the covenants, conditions and stipulations contained herein, the parties hereto agree as follows:

1. GRANT OF LICENSE: For the duration of this License Agreement and pursuant to each and every term and condition hereinafter set forth, Fraternity hereby grants to Licensee a limited, non-exclusive, non-assignable and non-transferable, royalty-bearing license to utilize the Trademarks of Fraternity in connection with the manufacture, marketing, sale and/or distribution of Licensed Products in the Territory.

1.01 Licensee may authorize manufacturers to produce Licensed Products solely for Licensee and Licensee shall ensure that Licensed Products produced by the manufacturers satisfy the requirements of this License Agreement and that the manufacturers conduct themselves in accordance with the requirements of this License Agreement. Licensee is responsible for all actions taken by the manufacturers in connection with the use of the Trademarks and in connection with the manufacture of Licensed Products.

1.02 Unless otherwise expressly permitted by this License Agreement, Licensee shall not sublicense, assign, or otherwise transfer any right to use the Trademarks.

1.03 Licensee shall not cause or permit any Trademark to be associated with any lottery, game of chance, firearm, alcoholic beverage, tobacco product, or sexually oriented product, activity, or event and shall comply with all of the rules described in Appendix C.

1.04 Licensed Products shall not include the Excluded Items, as defined in Exhibit A.

1.05 Fraternity reserves all rights not specifically granted to Licensee.

1.06 It is understood and agreed that Licensee will not utilize any variations on any of the foregoing insignia, or any insignia confusingly similar to any of these insignia absent prior written approval from Fraternity.

2. ACKNOWLEDGEMENT OF PROPRIETARY RIGHTS: Licensee acknowledges the exclusive ownership by Fraternity of each of the Trademarks, including but not limited to Fraternity's names, Greek letters, crest, badge, nicknames, symbols and the goodwill associated therewith and agrees that it will do nothing inconsistent with such ownership and agrees that all goodwill associated with the use of the Trademarks by Licensee shall inure to the benefit of Fraternity. Licensee agrees that nothing in this License Agreement shall give Licensee any right, title or interest in the Trademarks other than the limited right to use the Trademarks of Fraternity and only within the scope of each of the terms and conditions of this License Agreement, Licensee further agrees that it will not attempt to register any of the Trademarks or any colorably similar mark in any jurisdiction or take any action to cause an abandonment or forfeiture of any of Fraternity's rights in the Trademarks, contest Fraternity's ownership or the validity of any Trademark or take any action adverse to any application or registration of Fraternity for any Trademark, and Licensee agrees that it will neither question nor otherwise attack the ownership by Fraternity of any of its Trademarks.

2.01 Licensee shall not, either during or after the term of this License Agreement, use or authorize the use of any trademark, trade dress, service mark, collective membership mark, design, logo, symbol, crests, coat of arms, insignia or other designation confusingly similar to any Trademark. If Licensee at any time asserts such ownership in such marks, Licensee shall, upon request by Fraternity, assign to Fraternity all right, title, and interest claimed by Licensee therein. The provisions of Paragraph 2 and 2.01 shall survive the termination of this License Agreement.

2.02 Licensee shall cooperate with Fraternity in the protection of the Trademarks, and shall promptly inform Fraternity (or its designee), by written or electronic means pursuant to Paragraph 17, of any infringement or improper use of a Trademark that comes to Licensee's attention; any claims against Licensee that the use of a Trademark infringes the rights of a third party; or the institution of any proceeding against Licensee based upon a claim that the use of a Trademark infringes the rights of a third party.

2.03 Fraternity, in its sole discretion, may determine what action, if any, it will take in respect to any alleged infringement of a Trademark, and may settle any action for infringement of a Trademark in its sole discretion. Fraternity shall bear all costs in connection with any action taken by Fraternity and shall retain all damages and other sums awarded in any such action.

3. LICENSED PRODUCTS: Licensee may use the Trademarks only on Licensed Products in accordance with the terms and conditions of this License Agreement.

4. QUALITY CONTROL: In order to protect the goodwill associated with Fraternity and its Trademarks, Licensee agrees that Licensee's use of the Trademarks will be subject to the reasonable control of Fraternity and that Licensee shall maintain the high quality associated with Fraternity and its Trademarks as of the Effective Date of this Agreement.

4.01 Licensee shall not commence the manufacture, marketing, sale or distribution of any Licensed Product utilizing the Trademarks until a representative sample of the Licensed Product and a sample of any print, electronic or online marketing and advertising materials or catalogs ("Promotional Materials") has been provided to Fraternity (or its nominee) and specifically approved in writing by Fraternity, and Licensee shall not depart therefrom in any material respect without Fraternity's prior written consent. Licensee is required to submit all new designs and/or marketing materials containing Fraternity insignia, or any that are confusingly similar, for approval and shall not produce any products or commence marketing of said products until said designs/materials are approved in writing by Fraternity, or their designee. Every year thereafter, Licensee shall again provide to Fraternity (or its nominee) representative samples of artwork of any Licensed Products which utilize the Trademarks and Promotional Materials used in association with any Licensed Product that Licensee is requesting the right to market in association with any application for renewal of this License Agreement pursuant to Paragraph 10.

4.02 Should any Licensed Product prove defective or reasonably unacceptable for any other reason, within a reasonable period of time following purchase of same and upon request, Licensee shall provide the purchaser with a full refund or replacement merchandise, whichever the purchaser prefers.

4.03 Fraternity has the right and authority to regularly monitor the quality of any Licensed Product and Promotional Materials within the scope of this License Agreement and if in the exercise of its discretion, Fraternity determines that the quality of any Licensed Product and/or Promotional Materials has decreased below Fraternity's quality standards, including but not limited to those described in Appendix C, Fraternity (or its nominee) shall notify Licensee in writing of its objections to the quality or use of the Licensed Product and/or Promotional Materials, which notice shall advise Licensee of the specific requirements necessary to satisfy Fraternity's quality standards. Following Licensee's receipt of said notice, Licensee shall immediately cease and desist from the manufacture, marketing, sale and distribution of any Licensed Products which Fraternity determines has decreased below Fraternity's quality standards and shall not resume the marketing of any such Licensed Product until the quality of said merchandise is improved to the extent of being in compliance with Paragraph 4 and Appendix C. Following Licensee's receipt of any notice from Fraternity (or its nominee) notifying Licensee of objections relating to the quality of a Licensed Product, Licensee shall have thirty (30) days, or any such longer period of time agreed upon by Fraternity in writing, to resume production of Licensed Products acceptable to Fraternity and upon Licensee's failure to timely so comply with any of the quality control provisions, this License Agreement shall be immediately terminable by Fraternity.

4.04 Licensee shall not offer for sale, distribute, advertise, promote, or use for any purpose any Licensed Product or packaging that are damaged, defective, seconds, or that otherwise fail to meet Fraternity's quality standards or do not comply with Appendix C.

5. MARKING: Licensee shall identify each licensed product as an officially licensed product of Fraternity by incorporating the "Official Licensed Product" hologram decal shown in Appendix B (and available for purchase exclusively from OPSEC) on a sticker, tag, label, imprint, or other appropriate method. In addition, all marketing, promotional and advertising pieces associated with the licensed products of Fraternity must also be represented with the "Official Licensed Product" seal. The Licensee shall also identify each licensed product with the appropriate service mark or trademark symbol in a manner specified in the artwork provided by Fraternity upon license approval or as otherwise specified from time to time in writing by Fraternity. The "Official Licensed Product" seal is the exclusive property of Affinity Marketing Consultants, Inc. During the term of this License Agreement, Licensee is hereby granted the limited right to use the "Official Licensed Product" seal by Affinity Marketing Consultants, Inc.

5.01 Licensee shall not state or imply, either directly or indirectly, that Licensee or its activities, other than those specified in this License Agreement, are endorsed, sponsored, or approved by Fraternity. Licensee shall not use any trademark, trade dress, service mark, collective membership mark, design, logo, symbol, crest, coat of arms, insignia, or other designation other than the Trademarks in connection with any Trademark without Fraternity's prior written consent, which maybe withheld in Fraternity's sole discretion.

5.02 Licensee shall preserve the good appearance of the Trademarks wherever and whenever they are used and shall not alter, dilute, or misuse any Trademark or use any Trademark in a manner that is likely to denigrate its integrity, reputation, distinctiveness, or strength.

5.03 At Fraternity's request, Licensee shall remove from any Licensed Product or Promotional Materials within Licensee's control any element that Fraternity believes will harm the Trademarks or Fraternity's reputation.

5.04 Licensee may not create, maintain or display a link to Fraternity's website on Licensee's website or in Promotional Materials or in any other media, without Fraternity's prior written consent which consent may be withheld in Fraternity's sole discretion.

6. ROYALTY: In relation to all Licensed Products marketed by or on behalf of Licensee utilizing any of Fraternity's Trademarks, Licensee shall pay to Fraternity a non-refundable, annual advance and a royalty calculated as follows:

8.5% of gross sales and a \$40 annual advanced, minimum guaranteed royalty.

6.01 Licensee shall pay to Fraternity (or its nominee) the Annual Advance due for the Initial Term prior to

the Effective Date of this License Agreement. Licensee shall pay to Fraternity (or its nominee) the Annual Advance due for any Renewal Term.

6.02 Licensee shall provide Fraternity (or its nominee) with a precise accounting showing the calculation of the Royalty owing, along with payment of the Royalty owing for said calendar quarter, within thirty (30) days following the end of each calendar quarter. The quarterly accounting shall include sufficient detail to clearly and understandably provide Fraternity (or its nominee) with any and all information which is to be taken into account in association with the calculation of the royalty owing and, if requested by Fraternity in association with any accountings, Licensee shall accurately complete and provide Fraternity with any forms of accounting reasonably specified by Fraternity. Any royalty or other amount owing from Licensee to Fraternity which is not paid within seven (7) days of the due date thereof shall accrue interest at the rate of ten (10%) percent per annum. Any royalty report not received within seven (7) days of the due date thereof shall incur an administrative fee of fifteen (\$15) dollars for late royalty reports, which shall be bill separate from and in addition to all royalties owed, if any.

6.03 For purposes of calculating the Royalty, the term "gross sales" means the total invoice value of sales, before deducting for taxes, shipping, or returns.

6.04 All payments made hereunder shall be by wire transfer or by check made payable to Kappa Kappa Gamma Fraternity (or its nominee) and shall be in United States currency drawn on a United States bank.

6.05 In the event Licensee distributes or sells licensed products at a special price directly or indirectly to itself, or in concert with others, including without limitation, any affiliate or subsidiary of Licensee, to any other person, firm or corporation related in any manner to Licensee or its officers, directors or major stockholders, or through a distributor (subject to approval by Fraternity), Licensee shall pay royalties with respect to such distribution or sales based upon the regular gross retail sales price for such licensed products or, if such regular gross retail sales pricing is not available, as determined by Fraternity's evaluation of comparable prices charged the trade for similar products.

7. RECORD KEEPING/AUDIT RIGHTS: For a period of at least three (3) years following each transaction involving Licensed Products containing any Trademark, Licensee agrees to maintain true, correct and orderly records in conformity with generally accepted accounting principals, including all production records, order forms and purchase orders reflecting the total quantity of Licensed Products manufactured and the total quantity of Licensed Products sold or otherwise distributed, including true, accurate and complete accounting records of all consideration received by or on behalf of Licensee in relation to any Licensed Products produced by or on behalf of Licensee, as well as any other records reasonably specified by Fraternity. The records to be kept by Licensee shall be reasonably available for audit or inspection by or on behalf of Fraternity (or its nominee). Should any such inspection or audit disclose that royalties paid to Fraternity were less than the amount actually owing, Licensee shall forthwith pay to Fraternity the deficiency with interest at the rate of ten (10%) percent per annum from the date when the deficient amount should have been paid to Fraternity. Furthermore, should the audit or inspection disclose that royalties paid by Licensee were intentionally understated in any amount, or unintentionally understated in an amount of at least five (5%) percent less than the actual royalty owing for any quarterly period, Licensee shall be responsible to immediately reimburse Fraternity for all fees and expenses incurred by Fraternity in relation to the inspection or audit.

8. INSURANCE: The Licensee is obligated to maintain comprehensive general and product liability insurance protecting against claims of any sort for loss or damage arising out of the design, manufacture, marketing, sale or distribution of Licensed Products, said liability insurance to be maintained in the face amount of one million dollars (\$1,000,000.00), which policy of insurance shall name Fraternity as an additional insured and shall provide that Fraternity is to be given at least thirty (30) written days notice from the insurer prior to cancellation or amendment of such insurance policies. The Licensee shall provide Fraternity with certificates of insurance evidencing that the required insurance has been procured before commencing with the manufacture, marketing, sale or distribution of any Licensed Products bearing any Trademark. Should the Licensee fail to maintain the required insurance, Fraternity may, but is not required to, procure same and the Licensee shall promptly reimburse Fraternity for the cost of same.

9. DURATION: This License Agreement shall remain in effect up through the 30th day of June next following the execution of this agreement and is automatically renewed for an additional year in accordance with the next paragraph hereof unless either party mails written notice to the other party on or before May 31 of the then current year notifying the other party that this agreement will not be renewed and will terminate effective June 30 of that year.

10. RENEWAL: Unless terminated by either party pursuant to any of the terms and conditions of this License

Agreement, this License Agreement is automatically renewed for an additional year beginning on July 1, pursuant to the following ("Renewal Terms"):

(a) At the written request of Fraternity, Licensee will provide representative samples of any merchandise, which Licensee wishes to market pursuant to a renewal of this License Agreement;

(b) Fraternity (or its nominee) shall have thirty (30) days to examine said merchandise and in its sole discretion determine whether to deny renewal of this License Agreement in relation to any or all of said proposed items; and

(c) Should Fraternity elect not to renew this License Agreement in relation to any of the proposed merchandise, it will provide Licensee with written notice of such, along with specification of which items of the proposed merchandise are not approved for the renewal year.

11. TERMINATION/DEFAULT: Fraternity shall have the right to terminate this License Agreement prior to its normal expiration under any of the following conditions:

(a) Fraternity has the right to immediately terminate this License Agreement through written notice to Licensee upon the occurrence of any of the following situations:

(1) Willful and material falsification of any records required to be maintained or reports required to be provided by the Licensee to Fraternity;

(2) Willful and material deception of customers in relation to the production, marketing, manufacture, sale or distribution of any Licensed Product bearing any Trademark;

(3) Failure of the Licensee to maintain liability insurance in compliance with Paragraph 8 of this License Agreement;

(4) Misuse or unauthorized use of the Trademarks or any other conduct that in the judgment of Fraternity is detrimental to the goodwill of Fraternity or the Trademarks or otherwise injurious to the best interest of Fraternity;

(5) Any Licensed Product becomes subject to a recall order issued by a government agency based on risk to the health or safety of the public; or

(6) Licensee becomes insolvent or makes an assignment for the benefit of its creditors; fails to obtain the dismissal of any involuntary bankruptcy or reorganization petition filed against it within sixty (60) days from the date of such filing; fails to vacate the appointment of a receiver for all or any part of its business within sixty (60) days from the date of such appointment; or is dissolved or otherwise ceases to carry on its business in the ordinary course.

(b) Fraternity has the right to terminate this License Agreement upon thirty (30) days written notice to the Licensee upon the occurrence of any of the following conditions:

(1) Delinquency in payment of any Royalty owing to Fraternity; or

(2) Licensee breaches any material obligation under this License Agreement and fails to cure the breach within thirty (30) days after Fraternity notifies Licensee of the breach.

(c) Licensee has the right to terminate this License Agreement without cause for any reason, upon thirty (30) days written notice to Fraternity.

11.01 If Fraternity terminates this License Agreement pursuant to Paragraphs 11(a)(2), 11(a)(4) or 11(a)(5), Licensee shall immediately discontinue the manufacture, marketing, sale, and distribution of Licensed Products and the use of all Trademarks and Licensee shall, at its sole cost and expense, destroy any remaining inventory of that Licensed Product and provide Licensor with a certificate of destruction signed by an officer of Licensee.

11.02 If this License Agreement is terminated other than pursuant to Paragraphs 11(a)(2), 11(a)(4) or 11(a)(5), Licensee may dispose of its inventory of Licensed Products in the normal course of business during the six-month period

following termination ("Phase-Out Period"). The sale or other disposition of such Licensed Products during any Phase-Out Period will be subject to the terms and conditions of this License Agreement.

11.03 Termination or expiration of this License Agreement will not terminate any rights of Fraternity, including, but not limited to, Fraternity's rights to Royalty payments, statements of account, inspections, and indemnification.

12. OBLIGATIONS UPON TERMINATION: The continuing obligations of the Licensee after termination or expiration of this License Agreement (or termination or expiration of any Phase-Out Period) are as follows:

(a) To pay any Royalty or other sums then or subsequently owing to Fraternity;

(b) To immediately cease any and all manufacture, marketing, sale and distribution of any Licensed Products bearing any Trademark and Licensee shall cease holding itself out as being a Licensee of, or otherwise affiliated with, Fraternity and the Licensee shall not advertise or otherwise publicize the former affiliation with Fraternity;

(c) Except as described in Paragraph 11.01, Fraternity, in its sole discretion, has the option to purchase from Licensee any portion of the Licensed Products and/or Promotional Materials remaining on hand containing any Trademark of Fraternity which items shall be provided to Fraternity at cost; and

(d) Licensee shall destroy any other items on hand bearing any Trademark or otherwise remove such Trademark from any Licensed Products.

13. NO WAIVER: The failure of either party to exercise any power or right under this License Agreement or to insist at any time upon the strict compliance with any of the provisions hereof shall not constitute an express or implied waiver by either party of any default by the other party in the observance or performance of any condition, covenant or duty set forth in this License Agreement or the right to thereafter demand exact compliance with the terms hereof. A waiver shall only be effective if it is contained in a writing signed by the party against whom the waiver is claimed and shall not preclude that party from declaring default as to any further continuation or occurrence of that or any other grounds to declare default of this License Agreement.

14. NO AGENCY: Licensee acknowledges that this License Agreement does not in any way establish Licensee as an agent, employee, or partner of Fraternity or a participant in a joint venture with Fraternity. Licensee acknowledges that it is entering into this agreement solely as a licensee of Fraternity with no right or authority to assume or create any obligation on behalf of Fraternity.

15. INDEMNIFICATION: Should Fraternity receive any claim or otherwise incur any liability relating to any loss as a result of any claim relating to any alleged actions or omissions of Licensee, excluding claims based solely on a claim that the use of Trademarks in accordance with this License Agreement infringes any intellectual property right of a third party, Fraternity shall be indemnified and held harmless by the Licensee from any such claim or loss including any costs and reasonable attorneys' fees incurred by Fraternity to defend against same.

16. INVALIDITY OF TERMS: Any provision of this Agreement determined to be illegal or unenforceable by a court or administrative body of competent jurisdiction from which no appeal is or can be taken shall be ineffective without invalidating the remaining provisions of this Agreement and any provision determined to be illegal or unenforceable will be deemed to be replaced by a lawful provision most nearly embodying the original intentions of the parties.

17. NOTICES: Any notices required or permitted to be given under this License Agreement should be given in writing at the address of the intended recipient indicated below or as subsequently changed in a notice, by any commercially reasonable written or electronic means, and will be deemed given when delivered in person, when delivered by any reputable courier service, faxed with printed confirmation, when electronic delivery is confirmed, or five (5) days after being sent by registered or certified mail, postage prepaid, return receipt requested. Notices to Fraternity and Licensee shall be sent as follows:

TO FRATERNITY:

Executive Director
Kappa Kappa Gamma Fraternity
530 East Town Street

P.O. Box 38
Columbus, OH 43216

Notices to Licensor by email shall be sent to: kkgqh@kappa.org

Notices to Licensor by facsimile shall be sent to: (614) 228-7809

with a copy to:

President

Affinity Consultants,

#300 3231-C Business Park Drive

Vista, CA 92081

TO LICENSEE:

The Key Source

1723 W. Detweillwer

Peoria, IL 61615 with a copy to:

President

Affinity Consultants,

#300 3231-C Business Park Drive

Vista, CA 92081

18. BREACH OF CONTRACT: Should Licensee materially breach any provision of this License Agreement, it shall be required to pay any reasonable attorneys' fees, as well as any litigation or other expenses resulting there from incurred by Fraternity.

19. NON-ASSIGNABLE/BINDING EFFECT: This License Agreement shall inure to the benefit of Fraternity and its successors and assigns, but shall be personal to Licensee and neither this License Agreement nor any grant thereunder shall be assigned, transferred or sublicensed by Licensee without Fraternity's express written consent, which may be withheld in Licensee's sole discretion. This License Agreement shall be binding upon the parties and their respective employees, agents, heirs, executors, administrators, permitted assigns, or successor in interest.

20. ENTIRE AGREEMENT: This License Agreement contains the entire understanding and agreement between Fraternity and Licensee relating to its subject matter, supersedes all other agreements or understandings between the parties concerning this subject matter and any statements, promises, or inducements made by either party, or agent of either party, that is not contained in this License Agreement shall not be valid or binding, nor may this License Agreement be enlarged, modified, or altered, except in writing signed by the parties. This License Agreement may not be amended or modified except by a subsequent mutual agreement in writing and executed by both parties.

21. CHOICE OF LAW: This License Agreement shall be interpreted and applied according to the laws of the State of Ohio.

22. CAPTIONS/TITLES: All captions and titles in this License Agreement are for convenience of reference only and are without legal significance or effect.

23. COUNTERPARTS: This License Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, and all of which shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this License Agreement this day and year first above written.

FRATERNITY:

Kappa Kappa Gamma Fraternity

LICENSEE:

The Key Source

By:

By:

Signature

Signature

Print name and title

Print name and title

Appendix A

Agreement No. A22231

General Product description: Merchandise & gift items

<u>Product Number</u>	<u>Product Description</u>	<u>Price</u>
1.		
2.		
3		
4.		
5		
6.		
7.		
8.		
9.		
10.		

Excluding Membership Badges, Council Badges, Pins, Stickpins, Officer Dangles, Letter Guards, Award Keys, and Regional Director/National Council Guards (“Excluded Items”).

Please use additional pages if needed.

Appendix B



Appendix C

Affinity Consultants

CLIENT PRODUCTS AND SERVICES POLICY

Products and services containing images of Greek organizations help to define the public perception of each individual Greek organization. Since the Greek organizations aligned with Affinity Consultants are proud of values that help define their intellectual property, they wish to protect their marks and control the manner in which their marks are used by product manufacturers and service providers. All vendors are required to abide by the following quality control rules:

The following rules will apply to any Licensed Products utilizing any Trademark.

There shall not be:

any depiction of alcohol, alcoholic beverage use, kegs, beer cans, alcohol bottles, beer bong, brand names or any drinkware commonly associated with the consumption of alcohol

any depiction of drugs, drug use, drug slogans or slang words, or drug paraphernalia;

any depiction in a demeaning way, of minorities, ethnicities, or cultural segments;

any religious depictions in a demeaning way;

any depictions of men or women in a demeaning way;

any depictions relating to sex, sexual paraphernalia, or sexual orientation;

use of profanity; or any use of licensed or copyrighted characters, phrases, logos, or materials without written permission from the property owner and written approval of Fraternity as described in Paragraph 5.01 of the License Agreement;

any use of a Trademark on or in connection with games of chance or gambling;

any use of a Trademark on or in connection with lingerie, brassieres, thongs or undergarments (excluding pajamas);

any use of a Trademark on or in connection with paddles or any depictions of hazing; or

any use of a Trademark on or in connection with the following jewelry: Membership Badges, Council Badges, Pins, Stickpins, Officer Dangles, Letter Guards, Award Keys, Regional Director/National Council Guards.

Approval for all products and services will be coordinated by Affinity Consultants and granted in compliance with the license agreement prior to production of said product or service.

If you are unsure about an image or slogan, contact Melissa Jean-Baptiste, 106 W. Main Street, Cortland, NY 13045 (760) 734-6764, melissa@affinity-consultants.com or President, Affinity Consultants, #300 3231-C Business Park Drive, Vista, CA 92081 for prior approval.

* Developed, in part, from Sigma Alpha Mu Fraternity's Public Relations Policy.

Appendix D

Trademarks

KAPPA KAPPA GAMMA

KKΓ

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TRADITION OF LEADERSHIP

(“Fleur-de-Lis Key Design”)

(“Membership Badge Design”)

(“Coat-of-Arms”)