

LICENSE AGREEMENT

Representing the agreement between
the Delta Delta Delta Fraternity, a fraternal organization

and

Byteweavers
Road#116 Dhaka
Houston New York 6866

Agreement No. A130144045

THIS LICENSE AGREEMENT is made and entered into this 10 of Jan, 2013, by and between the Delta Delta Delta, an Illinois not for-profit corporations with offices located at 2331 Brookhollow Plaza Drive, P.O. Box 5987, Arlington, TX, hereinafter referred to as "LICENSOR" and Byteweavers, of Road#116 Dhaka Houston New York 6866, hereinafter referred to as "LICENSEE".

WHEREAS, LICENSOR has exclusive right to license for commercial purposes the various and distinct insignia and marks adopted by the Delta Delta Delta Fraternity (the "FRATERNITY") for use by the membership of the FRATERNITY;

WHEREAS, these insignia and marks are (i) the subject of various registrations issued to FRATERNITY by the United States Patent and Trademark Office, (ii) protected and recognized property of the FRATERNITY, and (iii) distinctly represent the members of the FRATERNITY and the FRATERNITY'S property;

WHEREAS, as a result of long term utilization by members of the FRATERNITY, considerable goodwill has inured to the benefit of the FRATERNITY; and

Whereas, LICENSEE desires to produce or have produced for it, items which will utilize certain of the insignia of FRATERNITY; and

WHEREAS, 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 the limited right to utilize certain of the insignia of FRATERNITY.

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 agreement and pursuant to each and every condition hereinafter set forth, LICENSOR hereby grants to LICENSEE the non-exclusive right to utilize the following insignia of FRATERNITY:

Greek letters of Organization, the crest, name "Delta Delta Delta" and name "Tri Delta." fffffff, including nicknames and symbols commonly used by FRATERNITY in trade, as determined by FRATERNITY from time to time. 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 ownership by FRATERNITY of each of their insignia, 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 insignia 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 insignia other than the limited right to use the insignia of FRATERNITY and only within the scope of each of the terms and conditions of this License Agreement and LICENSEE agrees that it will neither question nor otherwise attack the ownership by FRATERNITY of any of its insignia.

3. LICENSED PRODUCTS: LICENSEE is granted the non-exclusive right to utilize the insignia specifically referenced in paragraph 1 above only in relation to the following products:

See Appendix A

4. **QUALITY CONTROL:** In order to protect the goodwill associated with FRATERNITY and its insignia, LICENSEE agrees that in relation to any of its merchandise and any advertising thereof it markets and/or provides utilizing FRATERNITY's insignia, LICENSEE will maintain the high quality associated with FRATERNITY and its licensed merchandise and services.

LICENSEE shall not commence marketing, sale or production of any product utilizing FRATERNITY's insignia until a representative sample of product and marketing materials has been provided to FRATERNITY and specifically approved in writing by FRATERNITY. 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, upon written request, LICENSEE shall again provide to FRATERNITY representative samples of products which utilizes FRATERNITY'S insignia and/or marketing materials in association with any products which LICENSEE is requesting the right to market in association with renewal of this License Agreement.

Should any licensed products and/or marketing materials be deemed reasonably unacceptable by FRATERNITY, within a reasonable period of time and upon request, LICENSEE shall provide the purchaser with a full refund.

FRATERNITY has the right and authority to regularly monitor the quality of any products and/or marketing materials within the scope of this License Agreement and if in the exercise of its discretion, FRATERNITY determines that the quality of any of the licensed products and/or marketing materials have decreased below FRATERNITY'S standards, including but not limited to those described in Appendix C, it shall notify LICENSEE in writing of its objections to the quality of the products and/or marketing 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 marketing of any products which FRATERNITY claims has decreased below FRATERNITY'S quality standards and shall not resume the marketing of any such products until the quality of said products and/or marketing materials is improved to the extent of being in compliance with any reasonable quality control demands imposed by FRATERNITY.

Following LICENSEE'S receipt of any notice from FRATERNITY notifying LICENSEE of objections relating to the quality of its products and/or marketing materials, LICENSEE shall have thirty (30) days, or any such longer period of time agreed upon by the parties to resume the marketing of products acceptable to FRATERNITY and upon LICENSEE'S failure to timely so comply with any of FRATERNITY'S reasonable quality control demands, this License Agreement shall be immediately terminable by FRATERNITY.

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.

6. **ROYALTY:** In relation to all merchandise marketed by or on behalf of LICENSEE utilizing any of FRATERNITY'S insignia, LICENSEE shall pay to LICENSOR a royalty calculated as follows:

\$40 annual advance against royalties owed, paid as an annual minimum guarantee; 8.5% of gross sales (defined as total customer invoice for the full value of the embellished product(s) less actual shipping charges, taxes or actual returns. Gross sales shall be calculated before applying discounts, rebates, allowances or other adjustments, and the gross sales is inclusive of labor charges, design fees or other related charges).

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.

Within thirty (30) days following the end of each calendar quarter, LICENSEE shall provide FRATERNITY with a precise accounting showing the calculation of the royalty owing, along with payment of the royalty owing for said calendar quarter. The quarterly accounting shall include sufficient detail to clearly and understandably provide FRATERNITY 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.

7. **RECORD KEEPING/AUDIT RIGHTS:** For a period of at least three (3) years following each transaction involving merchandise containing FRATERNITY insignia, LICENSEE agrees to maintain true, correct and orderly records in conformity with reasonably recognized accounting standards, including all production records, order forms and purchase orders reflecting the total quantity of licensed merchandise manufactured and the total quantity of licensed merchandise 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 merchandise produced by or on behalf of LICENSEE, as well as any other records reasonably specified by LICENSOR.

The records to be kept by LICENSEE shall be reasonably available for audit or inspection by or on behalf of LICENSOR.

Should any such inspection or audit disclose that royalties paid to LICENSOR were less than the amount actually owing, LICENSEE shall forthwith pay to LICENSOR 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 LICENSOR. 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 LICENSOR for all fees and expenses incurred by LICENSOR 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 or marketing 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 **LICENSOR** and **FRATERNITY** as a additional insured and shall provide that **LICENSOR** and **FRATERNITY** are to be given at least thirty (30) days notice from the insurer prior to cancellation or amendment of such insurance policies. The **LICENSEE** shall provide **Licensor** with certificates of insurance evidencing that the required insurance has been procured before commencing with the manufacture or marketing of any merchandise bearing insignia of **FRATERNITY**. Should the **LICENSEE** fail to maintain the required insurance, **LICENSOR** may, but is not required to, procure same and the **LICENSEE** shall promptly reimburse **LICENSOR** 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. **POTENTIAL 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 conditions:

- 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** 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;
- 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. **DEFAULT:** **LICENSOR** shall have the right to terminate this License Agreement prior to the duration thereof pursuant to the following conditions:

- a. **LICENSOR** 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 **LICENSOR** and **FRATERNITY**;
2. Willful and material deception of customers in relation to the production, marketing or other distribution of products containing **FRATERNITY** insignia;
3. Failure of the **LICENSEE** to maintain liability insurance in compliance with paragraph 8 of this License Agreement.

- b. **LICENSOR** has the right to terminate this License Agreement upon thirty (30) days written notice to the **LICENSEE** specifying the details of the grounds for termination and advising that unless the **LICENSEE** immediately proceeds to cure and does cure the default(s) within said thirty (30) days, the License Agreement can be terminated in any of the following situations:

1. Delinquency in payment of any sums owing to **LICENSOR**;
2. Inability to conduct the licensed business such as through insolvency, attachment of assets, liquidation, receivership or some other order of a court, administrative agency or other governmental official or body;
3. Misuse or unauthorized use of the insignia of **FRATERNITY** or any other conduct which in the judgment of **LICENSOR** is detrimental to the goodwill of **FRATERNITY** or otherwise injurious to the best interest of **FRATERNITY** licensing program;
4. Failure to comply with any other obligation imposed on the **LICENSEE** by or through this License Agreement.

12. **OBLIGATIONS UPON TERMINATION:** The continuing obligations of the **LICENSEE** after termination or expiration of this License Agreement are as follows:

Title

Date

Agreement No. A130144045

Title

Date

Appendix A

General Product description:

Appendix B

Agreement No. A130144045



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 product or service utilizing Greek marks, specifically but not limited to the following categories of products:

*apparel (shirts, shorts, jackets, etc.)	*press releases
*flyers	*banners
*manuals	*glassware
*publications	*party favors (cups, frames, key chains, etc.)
*posters	*computer web pages
*newspaper articles & advertisements	

There may not be:

- any depiction of alcohol, alcoholic beverage use, kegs, beer cans, alcohol bottles, beer bongs, or brand names;
- 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;
- any use of profanity;
- or any use of licensed or copyrighted characters, phrases, logos, or materials without permission from the property owner.

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 designs@affinity-consultants.com for approval.