TRADEMARK LICENSE

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This Trademark licence (the “Agreement”) is effective [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Licensor"), a company organised and existing under the laws of the [COUNTRY], with its head office located at:

[YOUR COMPLETE ADDRESS]

**AND: [COMPANY NAME]** (the "Licensee"), a company organised and existing under the laws of the [COUNTRY], with its head office located at:

[COMPLETE ADDRESS]

For good and valuable consideration, the receipt and legal sufficiency of which are hereby expressly acknowledged, the parties hereto agree as follows:

WHEREAS pursuant to an asset purchase agreement dated on [SPECIFY] between Licensor and Licensee (the “Asset Purchase Agreement”), Licensor sold to Licensee substantially all of the property and assets (subject to the exceptions stated therein) of its [SPECIFY] business (the “Purchased Business”) excluding, among other things, the Trade Marks (as hereinafter defined);

AND WHEREAS as a condition to the completion of the purchase and sale contemplated by the Asset Purchase Agreement, the Licensor agreed to grant to the Licensee a licence to use the trademarks set forth in Schedule [SPECIFY] attached hereto (the “Trade Marks”) with respect to the wares and services set forth in such Schedule [SPECIFY].

NOW, THEREFORE, the parties hereto agree as follows:

1. **PREAMBLE**
   1. The preamble shall form part hereof as if here*in re*cited at length.
2. **GRANT OF LICENSE**
   1. Subject to the terms and conditions set out herein, Licensor hereby grants to Licensee the exclusive royalty free, right and license, with the right to have others licenced in conformity with the provisions of this agreement (the “Trade Mark License”), to use the Trade Marks and works in which copyright subsists as set forth in Article [NUMBER] of this agreement, in [COUNTRY] (the “Territory”), only on and in connection with the sale and distribution of the wares and services set forth in Schedule [SPECIFY] hereto, and, if the Licensor obtains an amendment to the registration of the Trade Marks (which it will apply for at the request and expense of the Licensee), the additional wares and services set forth in Schedule [SPECIFY] hereto if such additional wares and services are offered for sale in the ordinary course of business in substantially all of the [SPECIFY] stores in [COUNTRY] operated by the Licensee *in re*spect of the Purchased Business and such other wares and services which are offered for sale in the ordinary course of business in substantially all the [SPECIFY] stores in [COUNTRY] operated by the Licensee *in re*spect of the Purchased Business as may be mutually agreed upon (acting reasonably) by Licensor and Licensee from time to time (herein collectively referred to as “Designated Products and Services”). Licensee agrees that it shall not use any Trade Mark in connection with ware or service which is not one of the Designated Products and Services nor shall it use any Trade Mark outside of the Territory.
   2. Furthermore, Licensee shall not have the right to use any of the Trade Marks (i) in its corporate name, or (ii) other than pursuant to the terms and conditions of this Agreement. However, the Licensee may use the Trade Marks in public signage for the Licensee’s [SPECIFY] outlets from which a significant variety of Designated Products and Services are offered for sale and, with the prior written consent of the Licensor (which consent cannot be unreasonably withheld) and upon satisfaction of such conditions as to the protection of the distinctiveness and goodwill of the Trade Marks as the Licensor may reasonably impose, may use the Trade Marks in association with other words or expressions in association with Designated Products and Services.
   3. It is understood and agreed that the Trade Mark licence is limited strictly to the rights granted hereunder and that all other rights in the Trade Marks in connection with the present and future businesses of Licensor and its affiliates throughout the world are reserved to Licensor and its affiliates.
   4. Licensee shall have the right to assign the Trade Mark licence in connection with any sale by the Licensee of all or substantially all of the Purchased Business or have further licences granted to purchasers of all or substantially all of the Purchased Business in [SPECIFY] or to franchisees of the Licensee with or without royalties or other consideration being payable to Licensee, without the consent of Licensor and without any right on the part of Licensor to receive the whole or any part of any such other royalties or other consideration; provided, however, that Licensee shall promptly inform Licensor in writing of the identity and business address of any additional licensee or assignee and provided further that as a condition of such assignment or sublicense such additional licensee or assignee will be required to enter into a trademark licence agreement with Licensor more particularly described below. No assignment shall operate to release Licensee from its obligations hereunder.
      1. The assignment by Licensee of this Trade Mark licence shall take place only upon the assignee and the Licensor entering into a trademark licence agreement substantially the same as this Trade Mark License, which agreement the Licensor shall not unreasonably refuse to negotiate and execute at the sole expense of the Licensee.
      2. The grant from time to time by Licensee to additional licensees of the right to use the Trade Marks shall be by licence agreement between Licensor, Licensee and the additional licensee, which licence agreement shall incorporate no less stringent obligations on the part of the additional licensee with respect to the use by such licensee of the Trade Marks than are required of Licensee by this agreement and shall not provide for the granting to any such licensee of greater rights to use the Trade Marks that are enjoyed by Licensee. Without limiting the generality of the foregoing, the additional licensee shall agree to be bound in such licence agreement by the quality control and trademark provisions set out in Articles [NUMBER] and [NUMBER] below.
   5. Licensor hereby appoints Licensee as its agent to, and Licensee hereby agrees to, enforce compliance by all additional licensees appointed by Licensee with the provisions of their respective licence agreements (including, without limiting the generality of the foregoing, the quality control provisions contained therein). The appointment of Licensee as an agent is solely for the purposes of this agreement.
3. **TERM**

Subject to the provisions of Article [NUMBER], this agreement shall remain in full force and effect for a term of [NUMBER] years from the date of this Agreement, subject to automatic renewal for an indefinite number of further [NUMBER] year terms unless (i) at least [NUMBER] days prior to the end of the initial term or any renewal term Licensee delivers a written notice to Licensor stating that it does not wish this agreement to be renewed, or (ii) Licensee is at the time of the renewal in default under Article [NUMBER] of this agreement.

1. **QUALITY CONTROL**
   1. So as not to bring discredit upon the Trademarks, Licensee agrees that the Designated Products and Services sold and distributed by Licensee will at all times be of good quality and that the Designated Products and Services will be merchandised, distributed and sold by Licensee with packaging and sales promotion materials appropriate for good quality products and services. Licensee further agrees that all Designated Products and Services will be sold, labelled, packaged, merchandised, distributed, promoted and advertised in accordance with all applicable [YOUR COUNTRY LAW] and regulations.
   2. The licensee shall ensure that the packaging, contents, workmanship and quality of all Designated Products and Services sold and distributed by Licensee are consistent with the reputation and prestige of the Trade Marks as a designation for good quality products and services.
   3. Licensor and its duly authorised representatives will have the right, upon reasonable prior notice and during normal business hours, to examine the Designated Products and Services, and their packaging and labelling, for the purpose of maintaining quality and to ensure that Licensee is performing its obligations under this agreement.
   4. Licensor acknowledges that all Designated Products and Services in existence as at the date hereof comply with the provisions of this Article [NUMBER].
2. **TRADEMARKS**
   1. Licensee acknowledges that Licensor is recorded as the owner of (a) all right, title and interest in and to the Trade Marks and (b) of the goodwill attached to or which will become attached to the Trade Marks in connection with the Designated Products and Services, *in re*lation to which the same are or will be used. Licensee will not, at any time, do any act or thing which adversely affects any rights of Licensor in and to the Trade Marks or any registration thereof.
   2. Licensee will at Licensor’s request and at Licensee’s expense, execute any documents reasonably required by Licensor to confirm (i) Licensor’s ownership of all rights in and to the Trade Marks in association with the Designated Products and Services in all jurisdictions in the Territory and (ii) the respective rights of Licensor and Licensee pursuant to this agreement.
   3. Licensee will use the Trade Marks in the Territory strictly in compliance with the legal requirements applicable therein and will use such markings and notices in connection therewith as may reasonably be required in writing by Licensor in compliance with each jurisdiction’s applicable legal provisions.
   4. Licensor shall have a reasonable delay in which to comply with Licensor requirements for marking. Licensee will cause to appear on all Designated Products and Services (other than stock on hand of goods constituting Designated Products and Services in existence as at the date hereof and on the public signage for the Licensee’s retail outlets) and on all materials on or in connection with which the Trade Marks are used and in a visible location in each of its [SPECIFY] outlets in association with which any of the Trade Marks is used, such legends, markings and notices as may reasonably be requested of it by Licensor in order to give appropriate notice of any copyright, trademark, trade name or other rights therein or pertaining thereto.
   5. Licensee will comply with all governmental regulations in connection with the distribution and sale of the Designated Products and Services. Licensee shall clearly indicate, with each incident of use of the Trade Marks (including, without limitation, on each label and package *in re*spect of products and on point of sale and contract documents *in re*spect of services) that any of the Trade Marks used is being so used by Licensee under licence from the Licensor. Until otherwise notified by Licensor, such indication shall state: “Registered Trade Mark of [SPECIFY] Inc. Used under License”.
   6. Licensee will never challenge the Licensor’s ownership of or the validity of the Trade Marks or any application for registration thereof, or any trademark registrations thereof, or any rights of Licensor therein whether during the term of this agreement or subsequent to its expiration or termination.
   7. In the event that Licensee or the Licensor learns of any actual or anticipated infringement or limitation of any of the Trade Marks or of any use by any person of a trademark or trade name similar to, derived from or containing any of the Trade Marks in association with any of the Designated Products and Services (collectively “Infringing Trade Marks”), it will promptly notify the other in writing. Licensor may (but shall not be obliged to) take such action as it deems advisable for the protection of its rights in and to the Trade Marks and Licensee will, if requested to do so by Licensor, cooperate with Licensor in a commercially reasonable manner. It is understood that in the event that Licensor institutes court action to terminate the use of the Infringing Trade Marks, Licensee has the right to participate in such action should it so decide, but such participation shall be at its own cost and expense and to the extent that it is protecting its interests as Licensee of the Trade Marks, which interests are defined by this agreement.
   8. In no event, however, will Licensor be required to take any action if it deems it inadvisable to do so. Licensor shall not be obliged to take any measures or proceedings whatsoever to seek or obtain the cessation of use of any Infringing Trade Marks by any third party. Licensor shall not be obliged to contest or oppose any application for registration of any Infringing Trade Marks by any third party. In the event that Licensor decides not to take any such action, it shall so advise Licensee in writing within [NUMBER] days of receipt of notification from Licensee of such Infringing Trade Marks. In such event Licensee shall be free to take such action on its own in connection with any Infringing Trade Marks, keeping Licensor advised as developments occur. All expenses (including legal fees and disbursements) incurred by Licensor or Licensee in connection with investigating and prosecuting any claim with respect to any Infringing Trade Marks shall be borne by the party taking such action. Any damages recovered, or sums obtained in settlement of or with respect to any such claim will belong to the party taking such action.
   9. Should a third party at arm’s length with Licensee (“Third Party”) claim in writing that Licensee by acting in accordance with this agreement in its use of the Trade Marks is violating any intellectual property right of such Third Party, Licensee shall promptly notify Licensor accordingly in writing. Licensor may (but shall not be obliged to) take such action as it deems advisable for the protection of its rights in and to the Trade Marks and for the protection of Licensee, and Licensee will, if requested to do so by Licensor, cooperate with Licensor in a commercially reasonable manner. In no event, however, will Licensor be required to take any action if it deems it inadvisable to do so.
   10. In the event that Licensor decides not to take any such action, it shall so advise Licensee in writing within [NUMBER] days of receipt of notification from Licensee of the Third-Party Claim. In such event, Licensee shall be free to take such action on its own in connection with such Third-Party claim, keeping Licensor advised as developments occur. All expenses (including legal fees and disbursements) incurred by Licensor or Licensee in connection with investigating and defending against any such Third-Party claim shall be borne by the party taking such action. Any damages paid or recovered, or sums paid or obtained in settlement of or with respect to any such Third-Party claim shall be for the account of the party taking such action.
   11. Subject to the foregoing provisions of this Article [NUMBER], the Licensor at Licensee’s cost and expense shall take all such steps and execute all such documents as are necessary to maintain the validity of the Trade Marks and the registrations thereof *in re*lationship to the Designated Products and Services and shall provide Licensee with copies of all correspondence with and notices from any third party, including governmental authorities, with respect to the Trade Marks insofar as the Designated Products and Services are concerned.
3. **COPYRIGHT**
   1. Any copyright which may be created in any sketch, design, print, packaging, label, tag or advertising or promotional material or the like bearing any of the Trade Marks will be the property of Licensor, whether designed by or for Licensor or Licensee.
   2. Licensee will ensure that proper copyright assignments in favour of Licensor are signed by the creator of the work in which such copyright subsists and, as the case may be, by the employer of the said creator.
   3. Licensee will cooperate fully with Licensor in order to confirm Licensor’s ownership of all rights in and to such copyright and the respective rights of Licensor and Licensee pursuant to this agreement, including executing all documents reasonably required by Licensor.
4. **INDEMNIFICATION**
   1. Each of the Licensor and the Licensee (the “Indemnifying Party”) does hereby indemnify and agrees to save and hold the other party (the “Indemnified Party”) harmless of and from any and all liabilities, claims, causes of action, suits, damages and expenses (including reasonable attorney’s fees and expenses) for which the Indemnified Party may become liable or may incur or be compelled to pay in any action or claim against the Indemnified Parties or any of its affiliates, for or by reason of any acts, whether of omission or commission, that may be committed or suffered by the Indemnifying Party or any of its respective servants, agents or employees or in the case of the Licensee, its sublicensees in connection with the Indemnifying Party’s or, as the case may be, any sublicensee’s performance of this agreement and transactions arising therefrom provided that neither party shall be obliged to indemnify the other *in re*spect of claims of trade mark infringement asserted by a third party as to and arising from either party’s use of the Trade Marks in the Territory in accordance with this Agreement. The Indemnified Party will give prompt written notice to the Indemnifying Party of any such claim.
   2. Licensee will procure and maintain at its own expense in full force and effect at all times during which Designated Products and Services are being sold or offered for sale, with a responsible insurance carrier, a public liability insurance policy including product liability coverage and contractual coverage relating to this agreement with respect to the Designated Products and Services with a limit of liability of not less than [AMOUNT]. Such insurance policy will be written for the benefit of Licensor and Licensee, as their respective interests may appear, and will provide for at least [NUMBER] days prior written notice to Licensor and Licensee of the cancellation or substantial modification thereof. Such insurance may be obtained by Licensee in conjunction with a policy of public liability insurance that covers products and services other than the Designated Products and Services. The licensee shall provide certificates of such insurance to Licensor from time to time at Licensor’s request. Nothing contained in this paragraph 7.2 will be deemed to limit, in any way, the indemnification provisions of paragraph 7.1 above.
5. **DEFAULT**
   1. Licensor will have the right to terminate this agreement forthwith by written notice to Licensee, if Licensee fails in a material respect to performing any covenant or obligation in this agreement on its part to be performed and Licensee fails to remedy such default within the [NUMBER] days after notice thereof has been given in writing by the Licensor to the Licensee, or in the case of any default which is not reasonably capable of being remedied within such [NUMBER]-day period, the Licensee commences to remedy such default within such [NUMBER]-day period and proceeds diligently to complete the remedy of such default as soon as possible thereafter.
   2. If Licensee shall not generally pay its debts as such debts become due, or shall make a general assignment for the benefit of its creditors, or shall file a notice of intention to make a proposal under the Bankruptcy and Insolvency [ACT/LAW/RULE] ([COUNTRY]) or shall make a proposal under such Act, or any proceeding shall be instituted (or renewed after a stay) by or against the Licensee seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganisation, arrangement, sequestration, adjustment, protection, relief, or composition of the Licensee or its debts under any law relating to bankruptcy, insolvency or reorganisation or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for the Licensee or for any substantial part of its property and assets and, in the case of any such proceeding against the Licensee, it shall not be dismissed or stayed within [NUMBER] days; or if an encumbrancer takes possession of all or a substantial part of the property and assets of the Licensee, or execution or other similar process is enforced against such property and assets and remains unsatisfied for a period in excess of [NUMBER] days, this agreement will terminate automatically without written notice to Licensee.
   3. No assignee for the benefit of creditors, custodian, liquidator, sequestrator, receiver, administrator, trustee, trustee in bankruptcy, sheriff or any or any other officer of the court or official charged with taking over custody of Licensee’s assets or business, will have any rights to continue this agreement or to exploit or in any way use the Trade Marks (or any of them) if termination occurs pursuant to paragraph 8.2 above.
   4. Notwithstanding any termination in accordance with this Article [NUMBER], Licensor will have and hereby reserves all the rights and remedies which it may have, or which are granted to it by operation of [YOUR COUNTRY LAW], to enjoin an unlawful or unauthorised use of the Trade Marks.
6. **TERMINATION**

On the termination of this agreement, all the rights of Licensee hereunder will forthwith terminate and automatically revert to Licensor and Licensee shall forthwith discontinue any and all uses of the Trade Marks.

Notwithstanding the provisions of the foregoing sentence, in the event of termination of this agreement, Licensee will be entitled, for an additional period of [NUMBER] days only, on a non-exclusive basis, to continue to sell under the Trade Marks and in accordance with all of the terms and provisions of this agreement its inventory of goods constituting Designated Products and Services on hand on the date of such termination. Except as provided in the immediately preceding sentence, on the termination of this agreement, Licensee with forthwith discontinue all use of the Trade Marks, will no longer have the right to use the Trade Marks or any variation or simulation thereof, and will transfer to Licensor all registrations, filings and rights with regard to the Trade Marks which it may have possessed at any time.

Licensor may, in its sole discretion, at any time, enter into such arrangements as it desires pursuant to which Designated Products and Services may be sold, distributed and advertised in the Territory or any part thereof in association with the Trade Marks by it or by any duly authorised third party other than Licensee at any time subsequent to the date of termination of this agreement. Upon termination of this agreement for whatever reason, Licensor shall be entitled to demand that all officials and regulatory authorities having jurisdiction in the Territory immediately cancel any registration in favour of the Licensee of the Trade Marks, and the Licensee undertakes not to object in any manner to such cancellation. The Licensee covenants and undertakes to consent in writing to the above-mentioned cancellation, if Licensor or any such official or regulatory authority requires same, and the Licensee undertakes to execute and deliver to Licensor all necessary or useful documents required to effect the above-mentioned cancellation.

1. **REPRESENTATIONS AND WARRANTIES**
   1. The Trade Mark licence granted herein is on an “as is” basis, save and except for the Licensor’s representation and warranty that the Trade Marks, in association with the wares and services described in Schedule [SPECIFY], are owned by the Licensor and are in good standing and for the representations and warranties as to the Trade Marks set forth in Section 3.1.27 of the Asset Purchase Agreement, which representations and warranties are limited to the use of the Trade Marks in association with the wares and services described in Schedule “A”.
   2. Licensee acknowledges that Licensor has enforceable legal rights in and to the Trade Marks in the Territory.
   3. The representations and warranties set forth in Section [NUMBER] of the Asset Purchase Agreement are given and made by the Licensor for the exclusive benefit of the Licensee and shall not enure to the benefit of any sublicensee or assignee of the Licensee.
2. **NOTICES**

All notices or other communications provided for in this agreement shall be given in writing and shall be sent by prepaid registered or certified mail, or by telecopy or delivered in person at the following address for each party until such time as written notice, as provided hereby, of a change of address to be used thereafter, is given by one party to the other party:

Licensor:

Attention: President

Telecopier: l

Licensee:

Attention: The President

Telecopier: l

The receipt of any such notice or other communication shall be conclusively presumed to have occurred at the address to which it is delivered, transmitted by telecopy or mailed, at the time of delivery or on the business day next following such transmission or on the third business day next following such mailing (as the case may be).

1. **BINDING EFFECT**

Subject to the provisions of paragraph 10.3 hereof, this agreement will enure to the benefit of and will be binding upon the parties and their respective successors and permitted assigns, provided that any assignment by Licensee may only be made in connection with a sale by Licensee of all or substantially all of the Purchased Business or with the prior written consent of the Licensor (and, in either case, upon satisfaction of such conditions for the protection of the interest of the Licensor in and to the Trade Marks, as the Licensor may reasonably require). Licensor may assign this agreement without the prior written consent of (but on prior notice to) of Licensee. An assignment shall not release the assignor from its obligations hereunder.

1. **FORCE MAJEURE**

Neither the Licensor nor the Licensee shall be liable in damages or otherwise, nor shall they be subject to termination of this agreement by the other, for any delay or default in performing any obligation hereunder if that delay or default is caused by government orders or requirements, wars, fires, strikes, radioactive fallout, interruption of transportation facilities, labour troubles, riots, shortages of raw fuel or raw materials, or any other cause beyond the reasonable control of the Licensor or the Licensee, as the case may be, and is without fault or negligence of the Licensor or the Licensee, as the case may be.

1. **MISCELLANEOUS**
   1. This agreement contains the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, supersedes all prior oral and written understandings and agreements relating thereto. And may not be modified, discharged or terminated orally.
   2. Nothing herein contained will be construed to constitute the parties hereto as partners or as joint ventures, or except as expressly set forth in paragraph 2.4 hereof, either party as an agent of the other, and Licensee will not have the power to obligate or bind Licensor in any manner whatsoever. Licensor will have no responsibility for the operation or production of Licensee’s distribution or sales facilities or for any decisions that may be made in connection therewith.
   3. This agreement shall be governed by and construed in accordance with the [YOUR COUNTRY LAW] of the Province of [COUNTRY] and the national [YOUR COUNTRY LAW] of [COUNTRY] applicable therein.
   4. No waiver by either party, whether express or implied, of any provision of this agreement, or of any breach or default, will constitute a continuing waiver of such provision, breach or default, or any other provision, other breach or other default of this agreement.
   5. If any provision or any portion of any provision of this agreement will be held to be void or unenforceable, the remaining provisions of this agreement and the remaining portion of any provision held void or unenforceable in part will continue in full force and effect.
   6. Article headings appearing herein have been inserted for convenience only and shall not be used in the interpretation of this agreement.
   7. Time is of the essence of this agreement and the mere lapse of time shall have the effects contemplated herein and by [YOUR COUNTRY LAW].

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed at [PLACE OF EXECUTION] on the date indicated above.

# LICENSOR LICENSEE

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title