



## LICENSING AGREEMENT

Agreement in effect \_\_\_\_\_ between \_\_\_\_\_, a corporation organized under the laws of the state of \_\_\_\_\_ with its principal office located at \_\_\_\_\_ herein referred to as "CORPORATION" and CREATIVE ENDEAVORS CONSULTING, herein referred to as "CEC."

## RECITALS

NOW, THEREFORE, it is agreed:

1. License

Whereas CEC has adopted, has registered or is in process of registering with the United State Patent and Trademark Office and/or the trademark offices of various foreign countries, the trademark Inspire Desire ("Trademark") in connection with (products) jewelry, gift ware, apparel, accessories and/or (services) licensing, and whereas CORPORATION desires to use the Trademark in connection with CORPORATION's (services) production, CEC and CORPORATION are entering into a Lessor-Licensor agreement for the use of said Trademark. Now therefore, in consideration of the above premises, the mutual covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

A. Scope

Subject to the terms and conditions set forth in this Agreement, Licensor (CEC) grants to Licensee (CORPORATION) a non-exclusive, non-transferable, license to use the Trademark in connection with the Trademark throughout the world ("Territory"). Licensee shall make no other use of the Trademark.

B. Non-Assignment

Licensee acknowledges and agrees that the rights granted to Licensee by and obtained by Licensee as a result of or in connection with this Agreement are license rights only, and nothing contained in this Agreement constitutes or shall be construed to be an assignment of any or all of Licensor's rights in the Trademark.

**C. Licensor's Control**

In order to protect and preserve Licensor's rights in the Trademark, Licensee understands, acknowledges, and agrees that (i) prior to the first date of Licensee's use of the Trademark, Licensee shall obtain Licensor's approval of all aspects of such use; and (ii) once Licensee's use of the Trademark is initially approved by Licensor, any subsequent alteration, modification, or change in such use must be reviewed and approved by Licensor prior to implementation of such alteration, modification, or change. Licensor retains the right to specify, from time to time, the format in which Licensee shall use and display the Trademark, and Licensee shall only use or display the Trademark in a format approved by Licensor. Licensee shall not at any time, whether during or after the term of this Agreement, do or cause to be done any act or thing challenging, contesting, impairing, invalidating, or tending to impair or invalidate any of Licensor's rights in the Trademark or any registrations derived from such rights.

**D. Goodwill**

All use of the Trademark by the Licensee shall be for the benefit of the Licensor and the goodwill accrued to the Licensee arising from its use of any of the Trademark shall accrue to and be held in trust by the Licensee for the Licensor, which the Licensee agrees to assign without compensation to the Licensor at its request at any time whether during or after the term of this Agreement.

**E. Proper Notice and Acknowledgment**

Every use of the Trademark by Licensee shall incorporate in an appropriate manner a "TM" if in process of registration or an "R" enclosed by a circle if registered.

**F. Fees and Registrations**

In consideration of the rights hereby granted the Licensee, they shall pay all renewal and other fees necessary to maintain the registrations of the domain names which are included in the Trademark and applications, and shall prosecute the applications with due diligence during the term of this Agreement. At the request of the Licensor, Licensee shall apply to register any necessary and additional Trademark classes which are applicable to the Products at its own expense, and shall prosecute the applications with due diligence during the term of this Agreement.

**G. Licensor's Rights and Remedies**

Licensee acknowledges and agrees that Licensor has, shall retain, and may exercise, both during the term of this Agreement and thereafter, all rights and remedies available to Licensor, whether derived from this Agreement, from statute, or otherwise, as a result of or in connection with Licensee's breach of this Agreement, misuse of the Trademark, or any other use of the Trademark by Licensee which is not expressly permitted by this Agreement.

#### H. Assignment

Licensee shall not assign, sublicense, transfer, or otherwise convey Licensee's rights or obligations under this Agreement without Licensor's prior written consent. Licensee shall indemnify and hold harmless Licensor against all liability, costs, and expenses, including but not limited to a reasonable attorneys' fee, arising out of or in connection with claims relating to an attempted assignment, sublicense, transfer, or other conveyance of Licensee's rights and obligations. In the event of an assignment this Agreement shall be binding upon such successor or assignee and the name of a party appearing herein shall be deemed to include the names of any such successor or assignee.

#### I. Warranties

Save as set out in this Agreement no warranties are given by the Licensor to the Licensee in respect of the Trademark whether implied or otherwise by statute or common law. The Licensor shall not be liable to the Licensor for any indirect, special or consequential loss or indirect, special or consequential damage which arise out of this Agreement or the Licensor's breach of this Agreement.

### 2. Products

CEC's Product and/or Service may hereinafter be referred to collectively as the "Products" specified in Section 1 above. Without prejudice to the generality, the Licensee may use the Trademark to produce the Products in connection with its business. CEC and CORPORATION agree to market the Products as provided in this Agreement.

### 3. General Duties

In connection with the marketing of the Products, the parties agree to the following mutual duties:

- A. To share information with respect to product distribution channels, methods of distribution, competitive information and any other information which can be disclosed without violating any law or breaching any obligation of confidentiality.
- B. To provide, at the earliest practical date, information about product development, new Products or modification to existing Products pursuant to this Agreement.
- C. To provide a reasonable number of samples, demonstration units or other models of products to the other party.
- D. To share information with respect to trade shows, seminars and meetings that may be beneficial to the other party.

E. To advise the other party about ideas or recommendations for new products or enhancements to existing Products.

4. Confidentiality

During this Agreement, each party may disclose to the other information that is confidential and proprietary to the disclosing party ("Confidential Information"). Confidential Information may include, but is not limited to, business plans, marketing plans, financial statements, competitive analysis, market research, Product development plans, computer programs, designs, and models, communicated orally, in writing, or by electronic media. Confidential Information disclosed orally or electronically shall be identified as such within five (5) days of disclosure. Confidential Information disclosed in writing shall be marked "Confidential." Each party agrees that it will maintain the Confidential Information of the other party in confidence and shall use such information only for the purposes of this Agreement. Confidential Information may be disclosed by a receiving party within its organization only to specific employees who have a need to know such information for the purposes of this Agreement and who have agreed in writing not to disclose it. Upon expiration or termination of this Agreement, or sooner if demanded by a party, a receiving party shall return to a disclosing party any of the disclosing party's Confidential Information including all copies thereof. The obligations of each party in this section shall continue for a period \_\_\_\_\_ following the expiration or termination of the Agreement. The obligations of this section shall not apply to any Confidential Information that:

- A. Is or becomes public through no act of a receiving party,
- B. Is rightfully received from a third party without obligations of confidentiality, or
- C. Is independently developed by a receiving party without reference to the other party's Confidential Information.

5. Conflicts

During this Agreement and for a period of \_\_\_\_\_ thereafter, each party agrees that it will not engage in any marketing, promotion, advertising or sales effort, individually or jointly, with respect to any product that is competitive with the other party's Product or with respect to any entity that markets, promotes or sells a product in competition with the other party. Nothing herein shall prevent either party from engaging in any activity that promotes any other product or entity that does not compete with the other party or its products.

6. Term and Termination

- A. The "Initial Term" of this Agreement shall start on \_\_\_\_\_ and shall end on \_\_\_\_\_. At least sixty (60) days prior to the end of the Initial Term or any renewal terms as provided herein, the parties shall each notify the other as to whether it desires to renew

this Agreement. If either party notifies the other that it does not desire to continue this Agreement, then the Agreement shall end upon the expiration of the Initial Term or renewal term. If, however, both parties desire to renew the Agreement, then the parties shall meet to confer and determine the following:

- (i) their specific duties for the renewal term in lieu of the specific duties set forth in Section 4 herein as applicable to the preceding Initial Term or renewal term;
- (ii) the period for the renewal term; and
- (iii) any other proposed amendments. If the parties fail to agree on all of the foregoing items before end of the Initial Term or renewal term, then this Agreement shall expire as of the end of the Initial Term or renewal term. If the parties agree to all of the foregoing items, then the Agreement will continue with such specific duties and other amendments for the renewal term agreed upon.

This Agreement may be terminated at any time upon the occurrence of any of the following events:

- (iv) if either of the parties shall default on any material obligation and such default is not cured within fifteen (15) days following notice from the other party.
- (v) if a party files a petition of bankruptcy, is insolvent, makes an assignment for benefit of creditors or if a trustee or receiver is appointed for a party, and such remaining of the foregoing remains undismissed for a period of sixty (60) days.
- (vi) either party ceases to do business.

B. Upon the termination of this Agreement for whatever reason.

- i. the Licensee shall cease to make any use of the Trademark save if the Licensee has a stock of Products existing at the date of termination of this Agreement, the Licensee may, with the consent of the Licensor, sell such stock;
- ii. the Licensee shall deliver to the Licensor or, at its request, delete or destroy all documentation bearing the Trademark in its possession or under its control;
- iii. the Licensee may no longer use or grant sublicenses to use the Trademark but each end user whom the Licensee has previously sublicensed to use any of the Trademark may continue to use

those Trademark so long as the end user is not in breach of any of the provisions of any end user agreement; and

- iv. all rights to the Trademark and the goodwill in relation thereto shall revert to the Licensor, and the Licensee hereby undertakes to execute any further assignments or documents reasonably required to perfect any such reversions or assignment.

C. The parties expressly agree that no damages, indemnity or termination benefits whatsoever (including, without limitation any compensation for goodwill established by the Licensee during the term of this Agreement or for any lost profits or expenses of the Licensee) shall be due or payable to the Licensee by reason of any termination of this Agreement and the Licensee expressly waives the application of any statute law or common law to the contrary.

7. Amendments

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified, amended, altered, or supplemented except by an agreement in writing that is duly executed by both parties.

8. Severability

If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

9. Notices and Payments

A. Any written notices or payments (except for the payment to be made at the execution of this Agreement) shall be sent by first class United States mail, postage pre-paid, or by Federal Express, addressed to the recipient(s) as stated below.

(1) If made to \_\_\_\_\_ and/or \_\_\_\_\_:

(address) \_\_\_\_\_

(address) \_\_\_\_\_

(2) If made to CEC:

(For Payments and Notices)

Creative Endeavors Consulting

(address) \_\_\_\_\_

(address) \_\_\_\_\_

(For Notices Only):

(address) \_\_\_\_\_

(address) \_\_\_\_\_

- B. Written notices or payments shall be deemed made on the date of mailing, or on the date delivered to a Federal Express office for shipment. Any party receiving a written notice or payment may rely upon the postmark date or the indicated date of delivery to Federal Express as being the date of mailing or of delivery to Federal Express.
- C. Any party may change the address at which it is to receive notices or payments by giving written notice of such address change in accordance with the provisions of this section. Such change will then be effective fifteen (15) days after the date of notice.

10. Choice of Law; Forum

- A. This Agreement shall be construed and governed in accordance with the laws of the State of California. The parties hereby submit to the exclusive jurisdiction of the federal, state and/or county courts in Los Angeles County, California.
- B. The parties agree that they will use their best efforts to amicably resolve any dispute arising out of or relating to this Agreement. Any dispute that cannot be resolved amicably shall be settled by final binding arbitration in accordance with the rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. Any such arbitration shall be conducted in \_\_\_\_\_, or such other place as may be mutually agreed upon by the parties. Within fifteen (15) days after the commencement of the arbitration, each party shall select one person to act as arbitrator, and the two arbitrators so selected shall select a third arbitrator within ten (10) days of their appointment.
- C. In the event that no breach of Agreement is found, each party shall bear its own costs and expenses and an equal share of the arbitrator's expenses and administrative fees of arbitration.
- D. In the event of that a breach of Agreement is found, any reasonable legal fees and costs incurred by the party not in breach and arising out of such breach shall be payable by the party in default of this Agreement.

11. Force Majeure

Neither party shall be in breach of this Agreement if there is any total or partial failure of performance by it or its duties and obligations under this Agreement occasioned by any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, prevention from or hindrance in obtaining any raw materials, energy or other cause beyond the control of either party. If either party is unable to perform its duties and obligations under this Agreement as a direct result of the effect of one or more of such causes

such party shall give written notice to the other such inability stating the cause in question and the date on which such cause commenced. The operation of this Agreement shall be suspended during the period (and only during the period) in which the cause continues to have effect. Forthwith upon the cause ceasing to have effect the party relying upon it shall give written notice to the other. If the cause continues to have effect for a period of more than days the party not claiming relief under this clause shall have the right to terminate this Agreement upon giving thirty (30) days written notice of such termination to the other party, but such notice shall not take effect if the other party gives notice within that period that the cause has ceased to prevent the operation of this Agreement and forthwith upon such cessation recommences the full and punctual performance of its obligations hereunder.

12. Execution of Agreement

WHEREFORE, this Agreement is executed by the parties as follows:

RECIPIENT

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

CREATIVE ENDEAVORS CONSULTING

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

WITNESS

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

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