

STATE OF TEXAS §
 §
COUNTY OF BRAZORIA §

LICENSE AGREEMENT
(Retail/Commercial/Product Sales or Distribution)

THIS AGREEMENT binds PEARLAND INDEPENDENT SCHOOL DISTRICT (“Pearland ISD” or “Licensor”) and _____ (LICENSEE). It governs LICENSEE’S use of Pearland ISD’s trademarks, whether or not registered, (“the Marks”) on the goods (“Licensed Products”) exhibited, manufactured, or sold by the LICENSEE.

1. Grant. Pearland ISD grants Licensee the non-exclusive, non-assignable, non-sub-licensable right to manufacture and sell the licensed product(s) carrying the Marks in the United States only.

2. Scope of License. Subject to the terms and conditions set forth in this Agreement, Pearland ISD grants to Licensee a license to use the Marks in the manufacture, sale, and distribution of clothing, sporting goods, housewares, and school or office supplies (the “Merchandise” or “Licensed Product(s)”). Licensee shall make no other use of the Marks.

3. Term. The term of this Agreement shall be for one year. The Agreement will automatically renew for additional one-year periods, unless either party terminates the Agreement in writing at least 30 days prior to the end of the current term.

4. Trademark Identification and Ownership. Pearland ISD owns the Marks and word marks, including Pearland Oilers™ and Dawson Eagles™, identified in Schedule A. Licensee recognizes their substantial value and associated goodwill. Licensee will not alter, modify, dilute or misuse the Marks, bring them into disrepute, or challenge Pearland ISD’s rights in them.

5. Samples, Quality Control, and Approval Rights. High product quality and accurate reproduction of the Marks are essential. To ensure that the Marks are used only in a manner as permitted by this Agreement, Pearland ISD may require Licensee to deliver to Pearland ISD, upon Pearland ISD’s reasonable request and without charge to Pearland ISD, representative samples of all licensed merchandise bearing the Marks. Pearland ISD also may inspect the licensed products(s) on Licensee’s premise during regular business hours. Licensee will take reasonable corrective action in response to Pearland ISD’s objections, if any.

6. Quality. All Licensed Product(s) will be of the same quality as the approved sample(s), and Licensee will comply with all applicable government regulations for the manufacture of the merchandise.

7. Royalties. Within thirty days following the end of each calendar quarter, Licensee will pay Pearland ISD 7% (seven percent) on the net wholesale price of all licensed product(s) sold in the quarter. Net sales price is the amount charged less quantity discounts,

returns, and other reasonable and ordinary deductions or discounts. Cost of goods sold, overhead and other direct and indirect expenses will not be deducted. If Licensee distributes merchandise and does not charge the recipient, it will pay the royalty it would have paid on a similar cash or credit sale. Royalties will bear 1% (one percent) interest per month on any portion thereof if not paid on time.

8. Payment. All payments by Licensee will be made in U.S. dollars to the Pearland Independent School District and sent to:

Pearland Independent School District
Attention: Donald W. Marshall, CFO
P.O. Box 7
Pearland, Texas 77581-0007

9. Best Efforts and Reports. Licensee will use its best efforts to promote and sell the licensed products. Within thirty days after the end of each accounting period denoted below, Licensee will provide Pearland ISD a written report with the total number of licensed product(s) sold, the net sales amounts, and the royalties due for the accounting period. This information must be certified by Licensee's senior financial officer. If there are no such sales, the report form must so indicate.

Accounting period selected: quarterly biannual annual

10. Inspection and Records. Licensee shall follow generally accepted accounting practices and will maintain accurate royalty records for three years after each payment. For the sole purpose of verifying net sales payable to Pearland ISD, and upon written notice to Licensee, Pearland ISD or its designated representative shall have the right upon 30 days written notice to Licensee, but not more than once per year, to conduct a reasonable inspection of the books and records of Licensee. Such inspection shall be conducted on Licensee's premises, during regular business hours, and in a manner that minimizes disruption to Licensee.

11. Disclaimer of Partnership and Joint Venture. Licensee is an independent contractor, not an agent or employee, of Pearland ISD. Pearland ISD is not liable for Licensee's acts or omissions. This is not a franchise agreement and does not create a partnership or joint venture.

12. Limitations. Licensee will not use Pearland ISD's name or Marks in its business except in accordance with this license and will not combine the Marks with any other marks, names, or symbols without Pearland ISD's written consent.

13. Legal Notices. Licensee will affix Pearland ISD's trademark and copyright notices, together with a legend stating that the Marks are used under license from Pearland ISD, to the licensed product(s) and related materials as directed by Pearland ISD. Merchandise must reflect the "TM" symbol. If display of the TM symbol is not practical due to the nature of the merchandise, then the TM symbol shall be displayed on an appropriate hang-tag or sticker.

14. Prohibited Uses. Licensee shall not use Pearland ISD's trademarks in connection with or as part of merchandise that promotes or depicts alcoholic beverages; tobacco and smoking-related products; inherently dangerous products such as firearms, knives, and explosives; nudity or sexual activity; products related to gambling; and controlled substances and paraphernalia. Licensee shall not use the Marks in the production or sale of undergarments. Additionally, Pearland ISD's Marks may not be used in any way that discriminates against any person or group based on race, color, sex, age, national origin, disability, or religion.

15. Trademark Protection. Licensee will not attempt to register the Marks and will cooperate with Pearland ISD in protecting, defending, and registering them.

16. Artwork. On request, Pearland ISD will provide Licensee with representative samples of the Marks and other artwork, photographs, drawings, samples, graphic standards, or other materials that Licensee may reasonably require. Licensee will submit any new designs or artwork prepared by or for it, incorporating the Marks, to Pearland ISD for written approval prior to use.

17. Infringements. Licensee will immediately advise Pearland ISD of any infringements or other unlawful use or misuse of the Marks. As the sole owner of the trademarks, Pearland ISD will determine what action, if any, to take in response to the infringement, use, or misuse.

18. Products Liability and Indemnification. Licensee agrees that Pearland ISD is not responsible for the licensed product(s). Licensee shall indemnify and hold harmless Pearland ISD and its affiliated entities and members of their governing board and their respective officers, employees and agents, from any and all claims, suits, damages, attorneys' fees, costs and expenses, arising from Licensee's performance and activities under this license, whenever and however asserted or established, whether or not there is negligence on the part of Pearland ISD.

The parties agree that this paragraph survives termination of the license agreement.

19. Termination. This license may be terminated by:

- (a) either party, without cause, upon 30 days written notice; or
- (b) Pearland ISD immediately if Licensee breaches this license.

20. Cessation. On termination of this agreement, Licensee will immediately stop using the Marks. However, upon written approval of PISD administration, Licensee may sell licensed product(s) on hand at termination within 90 days if it:

- (a) pays Pearland ISD all royalties due at termination within thirty days after termination;
- (b) furnishes a certified royalty report on all sales up to termination; and
- (c) furnishes a list of all licensed product(s) on hand at termination and allows Pearland ISD to inspect the inventory if requested by Pearland ISD.

Licensee will destroy all licensed product(s) that do not qualify for post-termination sale or that are not sold within 90 days and will promptly furnish a written report to Pearland ISD on the number and types of items destroyed.

21. Remedies. Licensee acknowledges and agrees that Pearland ISD has, shall retain, and may exercise, both during the term of this Agreement and thereafter, all rights and remedies available to Pearland ISD, whether derived from this Agreement, from statute, or common law, as a result of or in connection with the Licensee's breach of this Agreement, misuse of the Marks, or any other use of the Marks not expressly permitted by this Agreement. Upon Licensee's default or breach, Pearland ISD may recover from it all expenses, attorney's fees and costs incurred in any resulting legal action. Any such default or breach will irreparably harm Pearland ISD. No party hereto waives or relinquishes any immunity or defense on behalf of itself, its trustees, its officers, employees, and agents as a result of the performance of the covenants contained in this Agreement

22. Severability. If any part of this license agreement shall be held invalid or unenforceable, the remaining parts will not be affected. It is the intention of the parties that each provision hereof be construed in a manner designed to effectuate the purposes of such provision to the maximum extent enforceable under applicable law.

23. Modification. Amendments to this license must be in writing and will be effective only when signed by both parties.

24. Waiver. The waiver of either party of a breach or other violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision of this Agreement.

25. Applicable Law. This license will be governed by the laws of the State of Texas. For resolution of any dispute under this agreement, the parties will submit to the personal jurisdiction of the federal courts of the Southern District of Texas, Houston or Galveston Divisions, or the state courts within Brazoria County, Texas.

26. Notices. Any notice required or permitted under this Agreement may be hand delivered, sent by reputable overnight courier, or sent by certified, prepaid first class mail, return receipt requested, to the addresses and persons listed below. Notices will be deemed received on the day of hand delivery or within two business days if sent by courier or U.S. mail.

LICENSOR:
Pearland Independent School District
Donald W. Marshall, Chief Financial Officer
1928 N. Main
Pearland, Texas 77588

LICENSEE:

27. Entire Agreement. This Agreement supersedes all previous agreements, understandings, and arrangements between the parties, whether oral or written, and constitutes the entire agreement between the parties.

28. Authorization. Those signing are authorized to bind Pearland ISD and Licensee to the terms of this license:

Licensor: PEARLAND INDEPENDENT SCHOOL DISTRICT

By: Donald W. Marshall

Signature: _____

Title: Chief Financial Officer

Date: _____

Licensee: _____

By: _____
(Print Name)

Signature: _____

Title: _____

Date: _____