

## CREATING YOUR SPACE LICENSE AGREEMENT

### CREATING YOUR SPACE PROGRAM (“The System”)

- a) CYS owns and has the right to license certain trade names, trademarks, service marks, copyrighted material and/or indicia of origin (“Licensed Marks”) including Creating Your Space, the distinctiveness and value of which are acknowledged by Dealer.

#### Creating Your Space

Created by Creating Your Space-Copyright –Appears on all products created and licensed by CYS

- b) Creating Your Space is a retail educational based marketing multi media system (products, services, methodology) (“System”) to assist the Dealer in providing professional, reliable and high quality service to their customers. The Licensed Marks, copyrighted material and the System are collectively referred to as the “Creating Your Space Program” and include:
- Interactive website
  - An assortment of Marketing, Disclosure, Maintenance and product informational Videos and other content

### THE LICENSE GRANT

- a) Effective on completion of the conditions set forth above, CYS hereby grants to Dealer a non-exclusive, non-transferable royalty free license, during the term and subject to the provisions of this Agreement, to use (i) the Licensed Marks and such other trademarks and (ii) the System (including all Creating Your Space marketing and educational material) at designated locations. Dealer will not use the Creating Your Space Program in a location other than the Location without the approval of CYS.
- b) Nothing contained in this Agreement will be construed as conveying to Dealer any right, title or interest in or to the Licensed Marks or the System other than this limited non-exclusive, non-transferable license, and all uses of the CYS Trademarks and the System by Dealer as allowed by this Agreement will be for the sole benefit of CYS. Dealer agrees that the Creating Your Space Program is and will remain the exclusive property of CYS.

### DEALER REPRESENTATIONS AND WARRANTIES

Dealer hereby represents and warrants to CYS that:

- a) Dealer Content refers to all text, photographs, links, applications, testimonials, logos, music, artwork, advertisements that Dealer provides to CYS and instructs CYS to insert into Dealer’s website.
- b) Dealer is the exclusive owner or authorized licensee of all rights and interests in, the Dealer Content and, the Dealer Content does not violate or infringe any intellectual property or publicity rights or other proprietary rights of any third party or parties; Dealer has obtained (or will secure a license for ) all of the rights which are needed in order for Dealer to satisfy its obligations hereunder and has the ability, power and permission to grant such rights to CYS and to make the promises and covenants as are set forth herein.

- c) Dealer covenants that it shall not at any time or allow a third party, without CYS' prior written consent, to disclose, use, permit the use thereof (except as may be required by applicable law or authorized by this Agreement), copy, duplicate, record, transfer, transmit or otherwise reproduce The System materials, in any form or by any means, in whole or in part, or otherwise make the same available to any unauthorized person or source.

#### **CONFIDENTIAL INFORMATION**

- a) Each party agrees that all information, materials and documents made available to it (the "Receiving Party") by the other party (the "Disclosing Party") and designated as confidential at any time before or during the term of this Agreement, will be considered the confidential information of the Disclosing Party ("Confidential Information").

#### **TRANSFER AND ASSIGNMENT**

- a) This Agreement and all or any portion of the rights and duties hereunder may be freely assigned or transferred by CYS in its sole discretion to any person or legal entity which agrees to assume CYS' obligations hereunder, including a competitor of CYS, and shall be binding upon and inure to the benefit of CYS' successors and assigns including, without limitation, any entity which acquires all or a portion of the capital stock of CYS or any entity resulting from or participating in a merger, consolidation or reorganization in which CYS is involved, and to which CYS' rights and duties hereunder are assigned or transferred.
- b) Dealer shall not, without CYS' prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this Agreement or the Location. Any such transfer, including those occurring by operation of law or by a trustee in bankruptcy, without CYS' prior written consent, shall be a material default of this Agreement.

#### **TERM AND TERMINATION**

- a) This Agreement will become effective upon both parties signing it and will continue in force until a total of 18 months of monthly fees are paid (i) extended by the mutual consent of the parties, or (ii) earlier terminated in accordance with the terms of subsection (b) below.
- b) After the 18 month paid monthly fee period has been reached, either party at its option may terminate this Agreement by giving a 60-day written notice to the other party. During the 18 month monthly fee obligation period, if Dealer is the terminating party, Dealer will be responsible for a termination fee equal to 18 month's fees or balance of the contract period for 18 months of monthly fees (whichever is less).
- c) CYS will retain the rights to impose late fees, attorney fees and contracted 3<sup>rd</sup> party collection agency fees should invoices not be paid within the terms of this contract. Interest fees will be accrued at the rate of 18% per year, and will be compounded monthly. All fees may be added to the account depending upon severity of delinquency, and efforts required of Design Center Solutions, Inc. to collect such monies owed.

## **EFFECT OF TERMINATION**

Upon termination of this Agreement for whatever reason, the licenses granted for the System and the Licensed Marks will immediately terminate and Dealer must discontinue any use of the Creating Your Space Program, Licensed Marks and copyrighted material at their locations.

## **INDEMNITY**

Dealer will indemnify, defend and hold harmless CYS and its officers, directors, employees, attorneys, consultants, agents, affiliates and assigns, from all claims, liability, damage, judgment, fees, penalties and expenses (including reasonable attorneys' fees and expenses) arising out of or relating to: (a) the performance of activities by Dealer or its employees or agents under this Agreement; (b) any breach by Dealer of the terms of this Agreement; (c) the violation of any laws or regulations applicable to Dealer's performance; or (d) arising out of or relating to any breach of Dealer's representations and warranties; or (e) the condition or operation of the Creating Your Space Program.

## **MISCELLANEOUS**

- (a) This Agreement, its validity, construction, interpretation and performance will be subject to and governed by the laws of the State of California, without regard to choice of law principles.
- (b) Dealer agrees that their website will be linked to other CYS dealer websites and CYS websites for the express purpose of improving Dealers Search Engine Optimization ranking as well as other CYS member rankings. Dealer can 'opt-out' of linking program