

STANDARD ROYALTY AGREEMENT

This agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between The Home Builders Association of Connecticut, Inc. with its principal place of business at 3 Regency Drive, Suite 204, Bloomfield, CT 06002 ("HBA") and \_\_\_\_\_ with its principal place of business at \_\_\_\_\_ ("Vendor").

WHEREAS, the HBA and Vendor mutually desire to promote Vendor's product or service to the members of the HBA; and

WHEREAS, the HBA owns certain trademarks, service marks, collective marks and certification marks, more particularly described in Exhibit A to this Agreement (the "Marks"), and has the exclusive right to license the Marks to others; and

WHEREAS, the Vendor may desire to use HBA's Marks in connection with the Vendor's marketing and sale of certain products and services provided by the Vendor or various companies with which the Vendor does business, under the Vendor's group marketing program ("the program"), to members and potential members of HBA; and

WHEREAS, the HBA is willing to provide its permission to Vendor to promote Vendor's products and services to HBA's members, and may be willing to permit the use of its Marks in connection with the program, in exchange for a royalty fee to be paid to the HBA by the Vendor.

NOW, THEREFORE, in consideration of the premises set forth above and the promises set forth below, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. During the term of this agreement, the Vendor will act as administrator for the program outlined in this agreement.
2. The Vendor warrants to the HBA that all marketing and promotional material related to the program shall be in full compliance with any advertising regulations issued by the any relevant government agency. In all marketing or other correspondence to any person or entity, the Vendor shall not refer to the program as the HBA's program but shall refer to such program as the Vendor's program or the program of the various companies the products or services of which the Vendor sells.
3. All Vendor mailings, advertisements, marketing and promotional materials and other costs will be handled by the Vendor at no expense to the HBA. Any advertisements in HBA publications or other marketing promotions, such as exhibit space at HBA sponsored shows or events, or any Vendor rentals of HBACT's membership mailing list shall be negotiated at arms length between the parties, by separate agreement, and shall be purchased at fair market value by the Vendor.
4. The term of this agreement shall be for a period of one (1) year beginning on the date first noted above and shall automatically renew at the expiration thereof and at the expiration of succeeding terms for one (1) additional year until terminated by either party in accordance with the following: This agreement may be terminated with or without cause by either party by giving thirty (30) days prior written notice thereof to the other party. This agreement shall remain in effect until so terminated. Any such termination shall not relieve the Vendor or any other person or entity of any liability for any products or services sold under the program.
5. The program's products or services include the following (describe in detail, or attach as Exhibit B):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
6. The Vendor hereby provides a group discounted rate of its products and services described above to HBA's members amounting to \$\_\_\_\_\_ or \_\_\_\_\_ percent off the price of such products or services that are sold to nonmembers of the HBA.
7. The HBA hereby provides its permission to Vendor to promote its products or services as identified above to HBA's members. The Vendor agrees that exploitation of such permission shall protect the name and goodwill of HBA. The Vendor agrees that it shall not permit any other person or entity to promote the Vendor's products or services to HBA's members without prior written consent of HBA. Upon termination

or expiration of this agreement the HBA's permission granted under this agreement is immediately revoked. In order to protect the name, reputation and goodwill of the HBA, the Vendor shall provide HBA with the right to review and pre-approve all promotional material by Vendor or its agents. The provisions of this section shall survive any termination or expiration of this agreement.

8. The HBA (check one):  does /  does not hereby license to the Vendor the use of its Marks as described in Exhibit A to this Agreement, in connection with the Vendor's marketing and sale of the program to HBA's members. The Vendor agrees that, if such license is granted by the HBA, the Vendor's usage of HBA's Marks shall be restricted solely to the marketing and sale of the program to HBA members and potential members. The Vendor further agrees that exploitation of such right of usage shall protect the name and goodwill of HBA. The Vendor agrees that it shall not use or permit any person or entity to use HBA's Marks without prior written consent of HBA, except to the limited extent that such use is authorized under this agreement. Upon termination or expiration of this agreement, the Vendor shall: (I) immediately cease utilization of HBA's Marks in connection with the program or for any other purpose; (II) return forthwith to HBA all originals and copies of HBA's Marks (whether in printed, electronic, recorded, or other tangible form), and (III) discard or destroy all copies thereof. In order to protect the name, reputation and goodwill of the HBA, the Vendor shall provide HBA with the right to review and pre-approve all uses of HBA's Marks by Vendor or its agents. The provisions of this section shall survive any termination or expiration of this agreement.
9. In consideration of HBA's granting of permission to Vendor to promote its products and services to HBA's members and, if a license to use the HBA's marks is granted in the previous paragraph, the right to use HBA's Marks as provided under this agreement, the Vendor agrees to pay HBA (check one):  monthly,  quarterly or  annually, a royalty of (check one):  \$\_\_\_\_\_ based on the value determined by the Vendor's success using said Marks and based on HBA's experience in determining the value of the use of those Marks, or  \_\_\_\_\_ percent of the gross dollar sales made to HBA's members of the Vendor's product or services. The royalty dollar value or percent is negotiated based on the products or services sold under the program by the Vendor or its agents, salespersons or brokers acting under the Vendor's direction during the term of this agreement. The royalty shall be paid to the HBA at the address specified below on an annual basis. These payments shall constitute payment solely for the HBA's permission to the Vendor to promote its products and services to HBA's members and, if a license to use the HBA's marks is granted in the previous paragraph, use by the Vendor of HBA's Marks, and shall in no manner be considered compensation or reimbursement for services rendered, or the sale, solicitation, negotiation or effectuation of a contract of insurance, or for activities undertaken by HBA on behalf of the Vendor, or as income from a partnership or joint venture.
10. During the term of this agreement, the Vendor shall provide to HBA a written report, not less than annually, setting forth the gross dollar sales of the products or services sold under this agreement to HBA's members and potential members, or if such products are insurance products the written premium of the program's insurance policies and services, including the amount of HBA entitled royalty fees. Such report shall include the number of members or potential members that have purchased the Vendor's products or services under this program and such report shall be made concurrently, but not less than annually, with the royalty fee payable to the HBA by the Vendor.
11. **This agreement is not an endorsement or sponsorship of the Vendor's products or services or of the Vendor or Vendor's representatives, employees, salespersons or agents.** The Vendor shall not explicitly or implicitly state or otherwise convey any message through any means that the HBA either endorses or sponsors the Vendor's products or services or the Vendor or Vendor's representatives, employees, salespersons or agents.
12. Nothing contained herein and no action taken hereunder shall be construed to cause HBA to be an insurer of any risks or a solicitor, producer, agent, broker, or underwriter for any policy written or made available hereunder, or cause HBA to be responsible in any manner for any of the products or services or for any associated warranties offered by the Vendor or its agents under this program.
13. For all products and services promoted, marketed or sold under the program, or if such products are insurance policies, for policies written by the Vendor or insurance companies doing business with the Vendor, the Vendor shall indemnify, defend and hold harmless the HBA and HBA's officers, directors, employees, members, successors, and assigns from and against all obligations, liabilities, expenses, claims, demands, causes of action, and damages relating directly or indirectly to the products or services, or if applicable the insurance policies, made available to members of HBA under this agreement, for any and all claims, charges or allegations, including but not limited to negligence or willful misconduct on the part of

the Vendor or companies with which it does business, or, if applicable, any claims, charges or allegations that any party indemnified hereunder is unlawfully acting as an insurance agent, a general agent or a broker, or in any way violates Connecticut law as a result of actions taken hereunder. For any claim or lawsuit which includes allegations which could be covered by this indemnification provision, at Vendor's sole option, either (a) Vendor at its own expense will handle and control the defense of the claim or lawsuit, or (b) HBA will handle or control such defense and have all expenses of the defense and any resulting liabilities paid by the Vendor.

14. The relationship of HBA and the Vendor to each other is that of independent contractors. Nothing herein shall create any association, joint venture, partnership, or agency relationship of any kind between the parties. Neither party is authorized to incur any liability, obligation or expense on behalf of the other, to use the other's monetary credit in conducting any activities under this agreement, or to represent that HBA is in the business of providing, selling, soliciting or effecting the products and/ or services provided by the Vendor or the companies with which the Vendor does business.
15. Any notice under this agreement shall be considered sufficiently given if (a) personally delivered, (b) sent prepaid using a nationally known carrier of overnight mail or (c) deposited in the United States mail, postage prepaid, sent certified or registered mail, addressed as follows:  
If to HBA: Home Builder's Association of Connecticut, Inc.  
3 Regency Drive, Suite 204  
Bloomfield, CT 06002

If to Vendor:

Either party may change the address to which notices should be sent by written notice to the other party in compliance with this paragraph.

16. Either party's waiver of, or failure to exercise, any right provided for in this agreement shall not be deemed a waiver of any further or future right under this agreement.
17. Any amendments to this agreement must be in writing and executed by both parties in order to be binding.
18. This agreement shall be governed by the laws of the state of Connecticut.
19. This agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes and replaces all prior and contemporaneous agreements, oral or written, between the parties relating to the subject matter hereof.
20. All provisions of this agreement are severable. If any provision or portion hereof is determined to be unenforceable in arbitration or by a court of competent jurisdiction, then the remaining portion of the agreement shall remain in full effect.
21. This agreement may be executed in one or more counterparts each of which shall be determined an original and all of which taken together shall constitute one and the same instrument.
22. This agreement may not be assigned or the rights granted hereunder transferred or sub-licensed, by either party without the expressed prior written consent of the other party.
23. This agreement is an independent agreement, which is not in any way contingent upon or related to any other contractual obligations of the parties.
24. This agreement is entered into by the respective parties upon the representation that the persons executing this agreement have full authority to act on behalf of each party.

IN WITNESS HEREOF, the parties hereto have caused duplicate originals of this agreement to be executed by their respective duly authorized representatives as of the date and year first above written.

For Home Builder's Association of Connecticut, Inc.

For \_\_\_\_\_  
Vendor

\_\_\_\_\_  
signature

\_\_\_\_\_  
signature

\_\_\_\_\_  
print name

\_\_\_\_\_  
print name

Royalty Agreement – EXHIBIT A

The Marks of the Home Builders Association of Connecticut, Inc. referenced in the Royalty Agreement to which this attachment is affixed are exclusively the name and logo as follows:

Home Builders Association of Connecticut, Inc.  
HBA of Connecticut, Inc.  
HBA of CT  
HBACT

{insert HBACT Logo}