

- D. Develop and implement a program to reach local retailers in the University's immediate locale to encourage support and sale of licensed products.
- E. Provide in-house design capabilities to complement University's trademark portfolio and provide signage and design support for marketing activities, all on a work-for-hire basis, with ownership assignment to the University, all at no additional cost to the University.
- F. Provide sufficient resources and effort to continuously increase revenue from the local (Central Florida area) and national markets, improve local business opportunities, and secure additional retail space and presence at retail locations in Florida.

5. Royalty, Auditing, Enforcement and Reporting Services:

- A. Provide detailed financial analysis and reports to the University on an annual basis and as requested throughout the contract.
- B. Collect royalties from licensees, as appropriate, including, but not limited to, online, but in any case in a manner that is sufficient for auditing purposes.
- C. Communicate with retailers nationwide to encourage the sale of licensed products and discourage infringement.
- D. Ensure that licensees are selling only those products and designs which have been approved by the University.
- E. Conduct on-site contract compliance audits with all licensees on a regular basis and follow up to ensure that all discrepancies are resolved.
- F. Conduct a minimum of sixty (60) yearly audits of licensed vendor records and facilities and report audit findings quarterly, including any recovered or unpaid royalties.
- G. Provide a "mid-year" review and a "year-end" review in each fiscal year, including an itemized listing of monies earned and spent.
- H. Provide detailed reports and analyses of quarterly royalties at of the end of each quarter, including:
 - i. Automated benchmark analysis across institutions of similar size and scope.
 - ii. Analysis by product category.
 - iii. Collected data regarding licensee sales by distribution channels and retailers, specifically by retail account.

6. Legal and Corporate Social Responsibility Services:

- A. Consolidate and summarize Fair Labor Association (FLA) reports and findings quarterly, highlighting any changes that may affect any licensee's ability to maintain good standing with the FLA. The foregoing is subject to availability of such information as provided by the FLA.
- B. Provide support on corporate responsibility and labor code issues (specifically, the implementation of a labor code into license agreements and the collection and dissemination of factory site disclosure data).
- C. Integrate Corporate Responsibility objectives into each licensee's operations by assessing Corporate Responsibility performance at the application phase of the licensing process and reinforcing it throughout the term of the license with the foregoing to be done in coordination with the University.
- D. Assist the University in the trademark registration process and in preventing infringing uses of the Indicia.
- E. Payee shall be responsible for monitoring all new and pending trademark applications with respect to potential infringement on University's trademarks and shall promptly inform the University of any such third party infringement.

7. Approvals

Payee agrees that it will permit the use of the Indicia only in connection with merchandise and promotion of the kind or character approved by the University. Payee acknowledges that if merchandise sold by licensees were of inferior quality in design, material or workmanship, the substantial goodwill that the University possesses in the Indicia may be impaired. Accordingly, Payee undertakes that the marketing will be done in such a way as to preserve the integrity, character and dignity of the University and that the items of merchandise shall be of high quality. To assure the implementation of the stated purposes, Payee will:

- A. For merchandise of the types described in Attachment D attached hereto, Payee will inspect a sample or design of the merchandise and shall submit to the University free of cost, for its approval in accordance with subparagraph 7(c), specification of description of the merchandise, photographs thereof, and if amendable, sample swatches. If approved by the University and if Payee believes that the sample is of the quality contemplated by this Agreement, Payee may approve the sample as the prototype of merchandise for production and sale.
- B. For merchandise of types not described in Attachment D or for which the Indicia to be used thereon depart significantly from the Indicia in Attachment C, Payee shall, before it permits the sale or distribution of any item of merchandise, furnish to the University free of cost, for its approval, a sample of each item of merchandise.