

Beverly Hills City Council Liaison / Branding and Licensing Committee will conduct a Special Meeting, at the following time and place, and will address the agenda listed below:

> CITY OF BEVERLY HILLS 455 N. Rexford Drive Beverly Hills, CA 90210

TELEPHONIC / VIDEO CONFERENCE MEETING

Beverly Hills Liaison Committee Meeting <u>https://beverlyhills-org.zoom.us/my/committee</u>

Meeting ID: 516 191 2424 Passcode: 90210

You can also dial in by phone: +1 669 900 9128 US +1 833 548 0282 (Toll-Free)

One tap mobile +16699009128,,5161912424# US +18335480282,,5161912424# US (Toll-Free)

> Thursday, October 14, 2021 4:00 PM

Pursuant to Government Code Section 54953(e)(3), members of the Beverly Hills City Council / Branding and Licensing Committee and staff may participate in this meeting via a teleconference. In the interest of maintaining appropriate social distancing, members of the public can view this meeting through live webcast at <u>www.beverlyhills.org/live</u> and on BH Channel 10 or 35 on Spectrum Cable, and can participate in the teleconference/video conference by using the link above. Written comments may be emailed to <u>mayorandcitycouncil@beverlyhills.org</u>.

AGENDA

1) Public Comment

a. Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.

- Resolution of the Beverly Hills City Council Liaison/ Branding and Licensing Committee authorizing public meetings to be held via teleconferencing pursuant to Government Code Section 54953(e) and making findings and determination regarding the same.
- 3) Review of License Agreement Extension Request from Amiri
- 4) Future Agenda Items Discussion

5) Adjournment

Huma Ahmed

City Clerk

Posted: October 11, 2021

A DETAILED LIAISON AGENDA PACKET IS AVAILABLE FOR REVIEW AT WWW.BEVERLYHILLS.ORG

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Ì E. Pursuant to the Americans with Disabilities Act, the City of Beverly Hills will make reasonable efforts to accommodate persons with disabilities. If you require special assistance, please call (310) 285-1014 (voice) or (310) 285-6881 (TTY). Providing at least forty-eight (48) hours advance notice will help to ensure availability of services.

<u>Item 2</u>



STAFF REPORT

Meeting Date: October 14, 2021

To: City Council Liaison / Branding and Licensing Committee

- From: Gabriella Yap, Secretary of the City Council Liaison / Branding and Licensing Committee
- Subject: A RESOLUTION OF THE CITY COUNCIL LIAISON / BRANDING AND LICENSING COMMITTEE OF THE CITY OF BEVERLY HILLS AUTHORIZING PUBLIC MEETINGS ТО BE HELD VIA TELECONFERENCING PURSUANT TO GOVERNMENT CODE AND MAKING FINDINGS AND SECTION 54953(e) DETERMINATIONS REGARDING THE SAME
- Attachments: 1. Proposed resolution

RECOMMENDATION

Staff and the City Attorney's office recommend that the City Council Liaison / Branding and Licensing Committee adopt a resolution making the following findings so that meetings of the City Council Liaison / Branding and Licensing Committee will be subject to the special Brown Act requirements for teleconference meetings: (1) the City Council Liaison / Branding and Licensing Committee has reconsidered the circumstances of the COVID-19 state of emergency; (2) the state of emergency continues to directly impact the ability of the members to meet safely in person; and (3) state or local officials continue to impose or recommend measures to promote social distancing.

FISCAL IMPACT

The proposed resolution allowing the City Council Liaison / Branding and Licensing Committee greater flexibility to conduct teleconference meetings is unlikely to cause a greater fiscal impact to the City as the City Council Liaison / Branding and Licensing Committee has been conducting such teleconference meetings for over a year.

INTRODUCTION

Governor Newsom recently signed new legislation (AB 361) allowing the City Council Liaison / Branding and Licensing Committee to continue virtual meetings during the COVID-19 declared emergency subject to certain conditions. These special requirements give the City greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

BACKGROUND

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. Those special rules expired on September 30, 2021.

On September 16, 2021, in anticipation of then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361. In key part, this bill amends the Brown Act to establish special requirements for teleconference meetings if a legislative body of a local public agency holds a meeting during a proclaimed state of emergency and either state or local officials have imposed or recommended measures to promote social distancing, or the body determines, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

AB 361 builds upon Executive Order ("EO") N-29-20, issued by the Governor on March 17, 2020, which relaxed the teleconferencing requirements of the Brown Act to facilitate virtual meetings during the COVID-19 declared emergency. EO N-29-20's provisions concerning public meetings applied through September 30, 2021.

AB 361 authorizes local agencies to continue meeting remotely without following the Brown Act's standard teleconferencing provisions if the meeting is held during a state of emergency proclaimed by the Governor and either of the following applies: (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the agency has already determined or is determining whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

EO N-29-20 required legislative bodies to make remote public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body, and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Brown Act. AB 361 adds new procedures and clarifies the requirements for conducting remote meetings as follows:

- <u>Public Comment Opportunities in Real Time</u>: A legislative body that meets remotely pursuant to AB 361 must allow members of the public to access the meeting via a call-in option or an internet-based service option, and the agenda for the remote meeting must provide an opportunity for members of the public to directly address the body in real time. Although the agency may still ask for public comments to be submitted in advance, the agency cannot require public comments to be submitted in advance of the meeting. If an agency does not provide a timed public comment period, but takes public comment separately on each agenda item, it must allow a reasonable amount of time per agenda item to allow members of the public the opportunity to provide public comment, including time to "be recognized for the purpose of providing public comment."
- <u>No Action During Disruptions</u>: In the event of a disruption that prevents the local agency from broadcasting the remote meeting, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, AB 361 prohibits the legislative body from taking any further action on items appearing on the meeting agenda until public access to the meeting via the call-in or internet-based options is restored.
- <u>Periodic Findings</u>: To continue meeting remotely pursuant to AB 361, an agency must make periodic findings that: (1) the body has reconsidered the circumstances of the declared emergency; and (2) the emergency impacts the ability of the body's members to meet safely in person, or state or local officials continue to impose or recommend measures to promote social distancing. These findings should be made not later than 30 days after teleconferencing for the first time pursuant to AB 361, and every 30 days thereafter.

DISCUSSION

To continue to hold meetings under these special teleconferencing requirements, the City Council Liaison / Branding and Licensing Committee needs to make two findings pursuant to Government Code Section 54953(e)(3). First, there must be a declared state of emergency and the City Council Liaison / Branding and Licensing Committee must find that it has reconsidered the circumstances of such emergency. Second, the City Council Liaison / Branding and Licensing Committee must find that such emergency continues to directly impact the ability of the City Council Liaison / Branding and Licensing Committee must find that state or local committee's members to meet in person. Alternatively, for the second finding, the City Council Liaison / Branding and Licensing Committee must find that state or local officials continue to impose or recommend social distancing measures. These findings must be made within 30 days after the City Council Liaison / Branding and Licensing Committee teleconferences for the first time under AB 361 and every 30 days thereafter.

The declared emergency is still in effect. Furthermore, the State of California and the County of Los Angeles have recommended measures to promote social distancing. The Centers for Disease Control and Prevention continue to advise that COVID-19 spreads more easily indoors than outdoors and that people are more likely to be exposed to COVID-19 when they are closer than 6 feet apart from others for longer periods of time. Additionally, the Los Angeles County Department of Public Health still encourages

people at risk for severe illness of death from COVID-19 to take protective measures such as social distancing and, for those not yet fully vaccinated, to physically distance from others whose vaccination status is unknown. The County Health Department also continues to recommend that employers take steps to support physical distancing.

Please note that AB 361 applies to all legislative bodies. Therefore, Commissions and standing committees will need to also comply with the requirements of AB 361.

Gabriella Yap Secretary of the City Council Liaison / Branding and Licensing Committee Approved By

Attachment 1

RESOLUTION NO. 21-R-____

RESOLUTION OF THE CITY COUNCIL LIAISON / BRANDING AND LICENSING COMMITTEE OF THE CITY OF BEVERLY HILLS AUTHORIZING PUBLIC MEETINGS TO BE HELD VIA TELECONFERENCING PURSUANT TO GOVERNMENT CODE SECTION 54953(e) AND MAKING FINDINGS AND DETERMINATIONS REGARDING THE SAME

WHEREAS, the City Council Liaison / Branding and Licensing Committee is committed to public access and participation in its meetings while balancing the need to conduct public meetings in a manner that reduces the likelihood of exposure to COVID-19 and to support physical distancing during the COVID-19 pandemic; and

WHEREAS, all meetings of the City Council Liaison / Branding and Licensing Committee are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the City Council Liaison / Branding and Licensing Committee conduct its business; and

WHEREAS, pursuant to Assembly Bill 361, signed by Governor Newsom and effective on September 16, 2021, legislative bodies of local agencies may hold public meetings via teleconferencing pursuant to Government Code Section 54953(e), without complying with the requirements of Government Code Section 54953(b)(3), if the legislative body complies with certain enumerated requirements in any of the following circumstances:

- The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
- The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the

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emergency, meeting in person would present imminent risks to the health or safety of attendees.

3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency in response to the COVID-19 pandemic (the "Emergency"); and

WHEREAS, the Centers for Disease Control and Prevention continue to advise that COVID-19 spreads more easily indoors than outdoors and that people are more likely to be exposed to COVID-19 when they are closer than 6 feet apart from others for longer periods of time; and

WHEREAS, the Los Angeles County "Responding together at Work and in the Community Order (8.23.21)" provides that all individuals and businesses are strongly encouraged to follow the Los Angeles County Public Health Department Best Practices. The Los Angeles County Public Health Department "Best Practices to Prevent COVID-19 Guidance for Businesses and Employers", updated on September 13, 2021, recommend that employers take steps to reduce crowding indoors and to support physical distancing between employees and customers; and

WHEREAS, due to the ongoing COVID-19 pandemic and the need to promote social distancing to reduce the likelihood of exposure to COVID-19, the City Council Liaison / Branding and Licensing Committee intends to hold public meetings via teleconferencing pursuant to Government Code Section 54953(e).

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NOW, THEREFORE, the City Council Liaison / Branding and Licensing Committee of the City of Beverly Hills resolves as follows:

Section 1. The Recitals provided above are true and correct and are hereby incorporated by reference.

Section 2. The City Council Liaison / Branding and Licensing Committee hereby determines that, as a result of the Emergency, meeting in person presents imminent risks to the health or safety of attendees.

Section 3. The City Council Liaison / Branding and Licensing Committee shall conduct its meetings pursuant to Government Code Section 54953(e).

Section 4. Staff is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. The City has reconsidered the circumstances of the state of emergency and finds that: (i) the state of emergency continues to directly impact the ability of the members to meet safely in person, and (ii) state or local officials continue to impose or recommend measures to promote social distancing.

Section 6. The Secretary of the City Council Liaison / Branding and Licensing Committee shall certify to the adoption of this Resolution and shall cause this Resolution and her certification to be entered in the Book of Resolution of the City Council Liaison / Branding and Licensing Committee of this City.

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Adopted:

John A. Mirisch Chair of the City Council Liaison / Branding and Licensing Committee of the City of Beverly Hills, California

ATTEST:

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Gabriella Yap Secretary of the City Council Liaison / Branding and Licensing Committee

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Laurence S. Wiener City Attorney Gabriella Yap Secretary of the City Council Liaison / Branding and Licensing Committee

<u>Item 3</u>



CITY OF BEVERLY HILLS

POLICY AND MANAGEMENT

MEMORANDUM

| TO: | City Council Liaison/Branding and Licensing | |
|--------------|--|--|
| FROM: | Laura Biery, Marketing and Economic Sustainability Manager | |
| DATE: | October 14, 2021 | |
| SUBJECT: | Review of License Agreement Extension Request from Amiri | |
| ATTACHMENTS: | Proposal by Amiri for Extension Existing License Agreement with Amiri | |

INTRODUCTION

The City periodically receives inquiries about the use of the Beverly Hills Shield. On August 4, 2020, the City Council approved Atelier Luxury Group dba Amiri ("Amiri") to feature the Beverly Hills Shield in front of the Amiri logo in either pink, black or white print for a series of apparel items. On February 16, 2021, the City Council approved Amiri to expand the use to feature the Beverly Hills Shield in a rainbow color scheme in front of the Amiri logo for a series of apparel items. On September 14, 2021, the City Council approved Amiri to expand the use further to include a purple and gold color scheme. The current license agreement with Amiri expires on December 31, 2021. This item will review a request for an extension of the license agreement with Amiri.

DISCUSSION

Staff receives inquiries from individuals and businesses looking to use the Beverly Hills shield on products and merchandise. As requests are received, they are referred to the City's branding and licensing consultant CMG Worldwide. The City has contracted with CMG Worldwide since 2013.

Amiri specializes in high end luxury clothing reminiscent of the California rock and roll scene. Amiri opened their Rodeo Drive flagship store in Fall 2020. Items with the shield design are featured in-store and in the online shop.

Amiri x Beverly Hills

Amiri is interested in continuing to use the Beverly Hills Shield on a series of apparel items. The Beverly Hills Shield would be featured on a series (but not limited to) of tees, hats, sweatshirts, sweat shorts, and sweatpants. Previously, Amiri received approval to feature the Beverly Hills Shield in front of the Amiri logo in pink, black, white, rainbow, as well as a purple and gold color scheme. The previous license agreement covered the term from September 1, 2020 through December 31, 2021.

The current distribution plan features Amiri's flagship store on Rodeo Drive and their online store. The items proposed for use of the Beverly Hills Shield in the upcoming license agreement extension include the following:

- Hat (MSRP \$320)
- Short Sleeve Tee (MSRP \$390)
- Long Sleeve Tee (MSRP \$450)
- Sweatshirt (MSRP \$690)
- Hoodie (MSRP \$790)
- Sweatpants (MSRP \$690)
- Sweatshort (MSRP \$690)

At this time, Amiri is requesting an extension of the license agreement with the following deal points for consideration:

Existing Deal Points in Agreement:

Term: 1 year with option to renew each year (1/1/22 – 12/31/22) Territory: Amiri flagship store Rodeo Drive and online store worldwide Royalty: 8% of net sales paid quarterly 30 days after the end of each quarter Retail Price: \$320 - \$790

Attachment 1 to this Liaison Report provides larger images of the proposed apparel items as well as the extension proposal. Additionally, attachment 2 to this Liaison Report is the current existing license agreement with Amiri.

FISCAL IMPACT

There is no direct fiscal impact of approving an extension of the license agreement; however, additional sales from an extension will result in additional royalties paid to the City of Beverly Hills.

RECOMMENDATION

It is recommended that the City Council Branding and Licensing Committee provide direction regarding the request for an extension of the license agreement with Amiri.

Attachment 1



461 N. Rodeo Dr Beverly Hills, CA 90210



- RIBBED CREW NECK

- 30 SINGLE SUPIMA COTTON JERSEY

- FRONT AND BACK SCREENPRINT



AMIRI x BEVERLY LONG SLEEVE TEE MSRP: \$450



- RIBBED CREW NECK LONGSLEEVE

- 30 SINGLE SUPIMA COTTON JERSEY

- FRONT AND BACK SCREENPRINT



AMIRI x BEVERLY HILLS SWEATSHIRT MSRP: \$690



- 14 OZ. SUPIMA COTTON LOOP TERRY

- SCREEN PRINT ON FRONT & BACK



AMIRI x BEVERLY HILLS HOODIE MSRP: \$790



- 14 OZ. SUPIMA COTTON LOOP TERRY

- SCREEN PRINT ON FRONT & BACK



- CUSTOM COTTON/ CANVAS/

- EMBROIDERED ART

- MADE IN LOS ANGELES



AMIRI x BEVERLY HILLS HAT MSRP: \$320





- 14 OZ. SUPIMA COTTON LOOP TERRY

- SCREEN PRINT ON FRONT & BACK



AMIRI x BEVERLY HILLS SWEATSHORT MSRP: \$690



- 14 OZ. SUPIMA COTTON LOOP TERRY

- SCREEN PRINT ON FRONT



| BEVERLY HILLS SHIELD LICENSE EXTENSION PROPOSAL | | |
|---|--|--|
| Licensee: Atelier Luxury Group dba AMIRI | | |
| Terms: 8% of net sales | | |
| Products (by item): Including, but not limited to: Tees, Sweatshirts, Sweatpants, Hats | | |
| Permitted Distribution: AMIRI Rodeo Drive Store and Online through: www.amiri.com | | |
| Terms/Payment: 8% of net sales. Royalty payments will be made within 30 days after the end of each quarter. | | |
| 2022 Projections: \$350-400K in total revenue. | | |
| Territory: Worldwide | | |
| Proposed License extension dates: 1/1/22 – 12/30/22 with option to renew each year. | | |
| | | |



Attachment 2



This License Agreement (the "Agreement"), dated August 4, 2020 (the "Effective Date") is between the City of Beverly Hills ("Licensor" or the "City"), % CMG Worldwide, Inc. ("CMG"), located at 9229 Sunset Boulevard Penthouse 950, West Hollywood, California 90069, and Mike Amiri on behalf of Amiri ("Licensee"), located at 1330 Channing Street, Los Angeles, California 90021. Licensor and Licensee each individually a "Party," and collectively, the "Parties."

WHEREAS, Licensor is the owner of all right, title, and interest in, to, and under the Beverly Hills Shield design mark shown below (the "Property"), together with trademark registrations for the mark.



WHEREAS, Licensee desires to utilize said Property, upon the terms and conditions set forth below.

WHEREAS, CMG is the licensing agent of the Licensor in connection with licensing the Property.

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein contained and for other good and valuable consideration, intending to be legally bound, the Parties agree as follows:

1. Grant of License.

- (a) Subject to the limitations set forth in Paragraph 1(c) below and the other conditions of this Agreement, Licensor hereby grants to Licensee the non-exclusive right to use the Property in connection with the manufacture, promotion, distribution, and sale of t-shirts, long sleeved shirts, sweatshirts, hats, and other apparel items subject to written pre-approval by Licensor (the "Goods") from the period beginning on September 1, 2020 and ending on December 31, 2021 (the "Term").
- (b) Market and Territory: The license hereby granted extends to the Amiri flagship retail store in Beverly Hills and the Amiri online webpage only (the "Territory").
- (c) Limitations on License: No license is granted hereunder for the use of the Property for any purpose other than upon or in connection with the Goods. No license is granted hereunder for the manufacture, sale, or distribution of Goods to be used as Premiums (as defined hereafter), for publicity purposes, as giveaways, or to be disposed of under similar methods of merchandising. In the event Licensee desires to sell Goods for such purposes, Licensee acknowledges and agrees that it must first seek and obtain a separate license from Licensor, and that the user thereof must also obtain a separate license from Licensor for such use of Goods. Furthermore, Licensee specifically agrees and acknowledges that making, using, and/or selling any unauthorized goods, articles, and/or promotional materials which use any aspect of the Property, including any variety of elements of Property's likeness, is an infringement of the Property that may result in serious damages, dilution, and tarnishment to the integrity, distinctiveness, and value of the Property, and will constitute material breach of this Agreement. Licensee shall neither contest nor object to immediate termination of this Agreement, and/or the injunctive relief against manufacture, use, and/or sales of any such goods, articles, and/or promotional materials. "Premium" shall mean any article used for the purpose of: increasing the sale of another item; promoting or publicizing any product or service; fundraising or as giveaways; to motivate a sales force, merchant, consumer, or any other person to perform a specific act.

Royalty & Guarantee. 2.

- (a) Licensee agrees to pay Ten Thousand United States Dollars (\$10,000 USD), net of all fees and taxes, as a nonrefundable advance recoupable against royalties earned through the Term and payable immediately upon execution of this Agreement.
- (b) Licensee shall recover, within the Term, the advance royalty payment by offsetting royalties earned against said advance until the advance is recouped and shall thereafter make the royalty payments to Licensor as set forth herein.
- (c) Licensee agrees to pay royalties in the amount of eight percent (8%) of Licensee's "Actual Retail Price" (as defined hereafter) for the Goods covered by this Agreement in United States Dollars computed upon the total number of units each Good shipped or otherwise distributed by Licensee or any of its affiliated, associated (including reps and/or distributors) or subsidiary companies ("Related Companies"), without deductions for bad debt, cost of shipping, cost of packaging, advertising or promotional expenses, or other costs. A deduction of not more than five percent (5%) may be taken for actual certified returns. The term "Actual Retail Price" as used herein shall mean the actual invoiced price charged by Licensee, or by any of its Related Companies, directly to customers for sale of the Goods described in Paragraph 1 hereof. Royalties at the stated rate shall be due and payable on all units of Goods shipped or otherwise distributed by Licensee to its Related Companies or to a third party or to Licensee from its Related Companies and irrespective of the actual price charged for such distributed Goods.

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3. <u>Payment & Reporting</u>. Not later than the thirtieth (30th) day after the close of every calendar quarter during the Term, and thereafter so long as any sales are made by the Licensee pursuant to this Agreement, Licensee shall furnish to Licensor a full and complete statement showing the number of Goods which have been sold by Licensee and the selling price thereof during the preceding month. An item will be considered to be sold when it is ordered and then invoiced or shipped, whichever is sooner. Licensee shall pay to the Licensor, % CMG Worldwide, Inc., via wire transfer to a bank account specified by Licensor, such royalties as the statement indicates are due to Licensor. All late payments shall be subject to a one percent (1%) per month late charge on all such outstanding amounts (i.e. a 12% annual rate).

4. Quality. Licensor is familiar with Licensee's business, management, and abilities, and believes Licensee to be fully capable of properly and competently designing, manufacturing, and distributing the Goods in accordance with and subject to the strict guality standards and levels demanded by Licensor in connection with the use of the Property. Licensor agrees that it will not at any time do or cause to be done any act or thing impairing or tending to impair any of Licensor's rights in or to the Property. Licensee acknowledges that if the Goods manufactured and sold by it are of inferior quality in material and workmanship, the substantial goodwill which the Licensor has built up and now possesses in the Property will be impaired. Accordingly, Licensee warrants that the Goods will be of high standard and of such appearance and guality as shall be reasonably adequate and suited to their exploitation and best advantage. Licensee shall submit to Licensor finished samples of all Goods to be manufactured, together with its cartons and containers, including packaging and wrapping material, which shall be approved in writing by the Licensor before the Goods are advertised, distributed, or sold. After samples of the Goods have been approved pursuant to this paragraph, Licensee shall not depart therefrom without written consent from Licensor. In the event there is a departure from the approved sample of the Goods made or distributed by Licensee, or in the event there is an occurrence connected with the Goods which reflect unfavorably upon Licensor, the Licensor shall have the right, in the reasonable exercise of its sole discretion, to withdraw its approval of such Goods, at which time this Agreement shall automatically terminate with respect to such Goods. Thereupon, Licensee shall cease the use of the Property in the sale, advertising, distribution, or use of such Goods immediately upon notice from Licensor, and within ten (10) days thereafter, shall pay all amounts due to Licensor hereunder. If there are other Goods under this Agreement not covered or affected by the foregoing two sentences of this paragraph, this Agreement shall remain in full force and effect as to those other Goods.

5. <u>Advertising</u>. All advertisements and promotional material which Licensee intends to use to promote Goods shall be submitted to Licensor for its written approval prior to publication. Licensor shall have fourteen (14) days from the date of receipt of said material in which to approve or disapprove it, such approval not to be unreasonably withheld.

6. **Samples**. Licensee shall supply Licensor with ten (10) samples of each of the completed Goods, promptly after completion. Licensor shall have the right to purchase additional samples at the actual cost of the Goods.

7. Books & Records.

- (a) Licensee shall keep full, complete, and accurate books of account and records covering all transactions relating to the subject matter of this Agreement. Licensor, through its authorized representative, shall have the right to examine such books of account and records and other documents and material in Licensee's possession or under its control insofar as they relate to the manufacture and sale of Goods. Licensor shall have free and full access thereto at any reasonable hour of the day during which the Licensee's offices are open and in any reasonable manner. In the event an examination of Licensee's books and/or records reveals a deficiency in royalties paid to Licensor of more than Three Hundred United States Dollars (\$300 USD), Licensee shall pay all expenses related to the performance of the examination and shall immediately pay the deficient amount to Licensor.
- (b) Licensee shall ensure that all invoices for the sale of the Goods will include the quantity and description of each of the Goods itemized by version, style, and with the name of Property within the invoice item description.
- (c) For audit purposes, Licensee must provide the auditor the detail of each period's reported net sales and returns, to the invoice/credit memo level, in Excel format. Each sale or return must detail the license number, invoice/credit memo number, date, customer name, ship to address, product number and description, gross sale and discounts, FOB point of shipment, units sold/returned, and royalty rate.

8. **Goodwill**. Licensee acknowledges Licensor's exclusive rights in the Property and further acknowledges the value of the goodwill associated with the Property, that the Property and all ultimate rights therein belong exclusively to the City, and that the Property is famous and has developed secondary meaning and connotes an image of prestige, quality, and exclusivity in the minds of the public. Licensee agrees that the Property is, and shall remain, the property of Licensor and that Licensee obtains no right, title, or interest in or to the Property except for the limited rights to use the Property as set forth in this Agreement. Licensee acknowledges and agrees that any goodwill generated by Licensee's use of the Property shall inure exclusively to the benefit of Licensor. Licensee shall not manufacture, market, or sell any confusingly similar unlicensed products that are intended to, or that consumers would reasonably believe to, trade off the goodwill of the Property licensed hereunder. Licensee shall not, during the Term of the Agreement, or at any time thereafter, dispute or contest, directly or indirectly, Licensor's ownership of the Property, Licensor's exclusive right (subject to valid licenses granted by Licensor) to use the Property, the validity of any trademark registrations pertaining to the Property, or the Licensor's ownership thereof, nor shall the Licensee assist or aid others in doing so. At Licensor's request, Licensee shall cooperate with Licensor in preventing or stopping any

DocuSign Envelope ID: 128AE55A-DE57-41BE-86F3-117EDD5FC665 Intringement of untail use by any unit party of the Goods or Property. Licensor shall determine what action, if any, it elects to pursue in regard to preventing or stopping any infringement or unfair use by any third party of the Goods or Property and shall be under no obligation whatsoever to take action at Licensee's request.

9. Credit Line.

- (a) Licensor may apply to register trademarks and/or copyrights for any design incorporating the Property on the Goods and/or the Property as may be reasonably necessary, in Licensor's sole discretion, to protect Licensor's interests. All applications for registration of claims to copyright, where applicable, shall identify the Licensor as the copyright proprietor, and all applications to register trademarks shall identify the Licensor as the trademark owner.
- (a) If Licensor requires any specimens of the Goods, or any photographic reproductions of the same, for use in filing copyright or trademark applications, Licensee shall provide the Licensor with the same at Licensee's expense.
- (b) At Licensor's request, Licensee shall execute assignments in favor of Licensor of any and all copyrights, trademarks, or other intellectual property rights of whatever kind relating to the Goods and/or the Property without further consideration and Licensee will, upon the request of Licensor, assign to the Licensor any rights, if any, which Licensee may have acquired through its use of the Property.
- (c) Licensee warrants that it will provide a legally sufficient credit line on the Goods and packaging, wrapping, advertising, and promotional material bearing any reproductions of the Goods or the Property, in the following format:

The Beverly Hills Shield[™] is a trademark of the City of Beverly Hills,

www.BeverlyHills.org

- (d) Licensee warrants that it will provide a legally sufficient trademark notice by prominently displaying the sign [™] against every occurrence of Property on the Goods and against every occurrence of the Property on packaging, wrapping, advertising, and promotional material for the Goods.
- (e) Licensee warrants that it will take such precautions as are necessary to insure that any promotional materials for the Goods which utilize the Property made by its customers bear the Licensor's trademark notice as provided in Paragraph 9(c) and Paragraph 9(d).

10. **Right of Termination.** Without prejudice to any other rights, Licensor shall have the right to terminate this Agreement, or a portion thereof, upon written notice to Licensee, at any time that the following may occur:

- (a) If full and regular production and aggressive marketing has not commenced within three (3) months from the date of this Agreement. Any individual categories of Goods granted in Paragraph 1(a) not in distribution within five (5) months are subject to revocation of production rights. If the Goods are out of production for more than three (3) consecutive months, Licensor may terminate the production rights for the particular category of Goods, that particular Good in a particular territory, or terminate the entire Agreement at Licensor's sole discretion.
- (b) If Licensee shall fail to make any payment due hereunder or to deliver any of the statements herein referred to, and if such default shall continue for a period of five (5) days after written notice of such default is sent by Licensor to Licensee.
- (c) If Licensee is involved in any act of bankruptcy or insolvency, then Licensor shall have the right to terminate this Agreement. Notwithstanding the foregoing, Licensor shall, at any time during the Term of this Agreement, have the option of demanding an assurance from Licensee of Licensee's ongoing ability to perform the provisions of this Agreement. Unless reasonable and adequate assurance is received by Licensor from Licensee concerning Licensee's ability to perform, Licensor shall have the right to terminate this Agreement.

11. Sales after Expiration. Upon expiration or termination, for whatever reason, of this Agreement, Licensee shall not be permitted to sell or ship its remaining inventory of Goods following the termination date of this Agreement without the express written consent from Licensor. Upon expiration or termination, Licensee shall provide Licensor with a complete accounting statement of all remaining inventory of Goods. Licensee shall not, without prior written consent of the Licensor, sell or ship any such remaining Goods as distress merchandise, or to unaffiliated third parties for eventual resale, or otherwise than in the ordinary course of business. Licensee shall not stockpile inventory prior to expiration or termination of this Agreement for purposes of sale or shipment thereafter. For purposes of this Agreement, a distress sale shall be defined as one in which the merchandise is sold for less than fifty percent (50%) of the normal wholesale selling price. Licensor shall have the right to buy the remaining inventory of Goods upon expiration or termination of this Agreement.

Rights Reserved by Licensor. Any and all rights in and to said Property which are not expressly granted to the 12. Licensee are hereby reserved by the Licensor. Any one or more of such reserved rights may be exercised or enjoyed by the Licensor, directly or indirectly, at any and all times.

Licensor's Claim. Whatever claim Licensor may have against Licensee hereunder for royalties and/or for damages 13. shall become a first lien upon all of said Goods manufactured or produced pursuant to the terms of this Agreement in the possession or under the control of Licensee or its agents upon the expiration or termination of this Agreement.

14. Remedies. All specific remedies provided for in this Agreement shall be cumulative and shall not be exclusive of one another or of any other remedies available in law or equity. Failure of Licensor to insist upon strict performance of any of the covenants or terms hereof to be performed by Licensee shall not be construed to be a waiver of any such other covenants or

DocuSign Envelope ID: 128AE55A-DE57-41BE-86F3-117EDD5FC665 terms. Should Licenson be forced to initiate regaraction due to Licensee's breach hereof, then all legal costs incurred therein by Licensor shall be recoupable by Licensor.

Licensee's Indemnification & Product Liability Insurance. Licensee hereby agrees to be solely responsible for, to 15. defend and indemnify Licensor and its respective officers, agents and employees, and to hold each of them harmless from any claims, demands, causes of action or damages, including reasonable attorney's fees arising out of the distribution or use of the Goods. Licensee will obtain and maintain product liability insurance at least in the amount of One Million United States Dollars (\$1,000,000 USD) with a deductible of not more than Ten Thousand United States Dollars (\$10,000 USD), a certificate of which shall be furnished to Licensor, providing adequate protection for Licensor and its respective officers, agents, and employees against any claims, demands, arising out of any alleged defects in Goods or any use thereof. Such insurance policy shall provide that it may not be cancelled without at least ten (10) days written notice to Licensor.

16. Licensor's Warranty. Licensor represents and warrants to Licensee that it has the power to enter into this Agreement. Should any third party assert a claim, demand, or cause of action against Licensee contesting Licensor's ownership of the Property in relation to Licensee's use of the Property under this Agreement, Licensor shall have the option to undertake and conduct the defense of any such claim, demand, or cause of action. Licensee may, but shall not be obligated, to join in such defense and be represented by its own counsel. If Licensee elects to be represented by its own counsel, Licensee will pay its own attorney's fees. Licensee agrees that while it may counsel Licensor concerning the disposition of any such action, Licensor shall have the sole and final decision concerning the disposition of any action which involves the Property and has the right to order the Licensee to dispose of inventory and all works in progress as it sees fit. Licensor shall also have the right, in its discretion, to institute and prosecute lawsuits against third persons for infringement of the rights licensed in this Agreement. Any lawsuit shall be prosecuted solely at the cost and expense of the Licensor and all sums recovered in any such lawsuits, whether by judgment, settlement, or otherwise, shall be retained solely and exclusively by Licensor. Upon request of Licensor, Licensee shall execute all papers, testify on all matters, and otherwise cooperate in every way necessary and desirable for the prosecution of any such lawsuit. Licensor shall reimburse Licensee for all reasonable expenses incurred as a result of such cooperation.

17. No Partnership or Joint Venture. This Agreement does not constitute and shall not be construed as constituting a partnership, agency, or joint venture between Licensor and Licensee. Licensee shall have no right to obligate or bind Licensor in any manner whatsoever and nothing herein contained shall give or is intended to give any right of any kind to any third party.

No Assignment. The license hereby granted is and shall be personal to the Licensee, and shall not be assignable by 18. any action of the Licensee or by operation of the law, and any attempt at such assignment shall be null and void. This Agreement shall inure to the benefit of and shall be binding upon Licensor's successors and assigns.

Notice. Whenever notice is required to be given under this Agreement, it shall be deemed to be good and sufficient 19. notice if in writing, signed by an officer or an authorized agent of the Party serving such notice and sent by telegram, telefax, or mailed by registered or certified mail, to the other Party at the address stated above unless notification of a change of address is given in writing.

20. **Entire Agreement**. This Agreement contains the entire understanding of the Parties. There are no representations, warranties, promises, covenants, or understandings other than those herein contained.

Disclaimer. This Agreement in no manner absolves Licensee of its responsibility, if any, to procure legally sufficient 21. permission from the copyright owner(s) of any photographs, illustrations, and/or artwork, or any other third party intellectual property rights utilized in conjunction with the manufacture and distribution of the Goods. Licensee agrees to indemnify and hold harmless Licensor and its agent(s) from any and all claims made by third parties with respect to intellectual property utilized in conjunction with the Goods.

22. Construction & Jurisdiction.

- (a) This Agreement shall be construed in accordance with the laws of the State of California.
- (b) Nothing in this Agreement is intended to be contrary to the laws of any country or political subdivision thereof. In the event that any of the paragraphs or particular terms or conditions set forth within any paragraphs are held to be unenforceable by a court of record with competent jurisdiction, such paragraph or particular term of condition therein shall be deemed to be stricken from this Agreement within the jurisdiction of such court, and the Agreement shall otherwise remain in full force and effect in such jurisdiction and in its entirety in other jurisdictions.
- (c) Notwithstanding any present or future legal decisions in any jurisdiction, regarding the necessity of Licensee to be licensed hereunder, Licensee agrees to pay royalties as provided herein for as long as it exploits the Property.
- (d) Each Party has cooperated in the drafting and preparation of this Agreement. Hence, this Agreement will be construed neutrally and will not be applied more strictly against one Party than another.

23. Forum Selection Clause. Both Parties acknowledge and consent that any controversy or claim arising out of, or relating to, this Agreement or the breach thereof, shall be settled within any court located in the State of California, agreeing that

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DocuSign Envelope ID: 128AE55A-DE57-41BE-86F3-117EDD5FC665 any such court would have exclusive jurisdiction over any dispute, case, or controversy arising under or in connection with this Agreement, and that any such California court shall be a proper forum in which to adjudicate such dispute, case, or controversy. The prevailing Party in any action above shall be allowed to recoup any and all attorney fees, interest, and costs therein.

24. Multiple Counterparts & Facsimile Signatures. This Agreement may be executed in any number of counterparts, including facsimile counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement. Signatures conveyed by facsimile transmission shall serve to bind the Parties to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have signed by their duly authorized officers as of the day and year first above written.

Licensor

Licensee

George Chavey

The City of Beverly Hills

Mile amiri Mike Amiri on behalf of Amiri



| Certificate Of Completion | | |
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| Subject: Please DocuSign: Amiri License - BH '20 | | |
| Source Envelope: | | |
| Document Pages: 5 | Signatures: 2 | Envelope Originator: |
| Certificate Pages: 2 | Initials: 1 | Cindy Owens |
| AutoNav: Enabled | | 455 N. Rexford Drive |
| Envelopeld Stamping: Enabled | | Beverly Hills, CA 90210 |
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| 12/7/2020 11:36:24 AM | cowens@beverlyhills.org | |
| Signer Events | Signature | Timestamp |
| Mike Amiri | | Sent: 12/7/2020 11:41:04 AM |
| mike@amiri.com | Mike Amiri | Viewed: 12/7/2020 2:48:04 PM |
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| cowens@beverlyhills.org | 010 | Viewed: 12/7/2020 3:47:09 PM |
| Policy & Management Analyst | | Signed: 12/7/2020 3:47:26 PM |
| City of Beverly Hills | | |
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| gchavez@beverlyhills.org | George Chavey | Viewed: 12/8/2020 11:27:30 AM |
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| Laura Biery Ibiery@beverlyhills.org Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: | COPIED | Sent: 12/8/2020 11:27:46 AM |
| Not Offered via DocuSign Michael Dunn mdunn@beverlyhills.org Records and Archives Manager City of Beverly Hills Security Level: Email, Account Authentication | COPIED | Sent: 12/8/2020 11:27:46 AM |
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| Witness Events | Signature | Timestamp |
| Notary Events | Signature | Timestamp |
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| Payment Events | Status | Timestamps |