

## SCHEDULE C

### ARTWORK ASSIGNMENT AGREEMENT

IN CONSIDERATION OF One Dollar (\$1.00) and other good and valuable consideration paid or to be paid to \_\_\_\_\_ (the "Contractor") by \_\_\_\_\_ ("Company"), the parties hereto agree as follows:

- (a) Contractor represents and warrants that Contractor will create all \_\_\_\_\_ to be submitted by Contractor hereafter to the Company, and to be done in connection with one or more properties of [The Department of the Navy](#) known as [Navy Trademarks](#) which are set forth on Exhibit A attached hereto. (All such materials created by Contractor and all drafts, outlines, and other preparatory materials shall collectively be called the "Work" herein). Contractor warrants and represents that the Work shall be original with Contractor.
- (b) The Work is and shall be considered a work made for hire for the Company. Pursuant to the Trademark License Agreement between The Department of the Navy and Company (the "TM Agreement"), [The Department of the Navy](#) owns and shall own all right, title and interest in and to any portion of the Work that is a CREATION (as that term is defined in the TM Agreement) in accordance with the TM Agreement.
- (c) To the extent that any such ownership in such Work does not vest in the [Company](#) by reason of Contractor's status as an employee for hire, Contractor hereby assigns and transfers in whole to the Company, all right, title, and interest in and to such Work and the results and proceeds thereof to the extent that Contractor has, had, or will have any interest therein, including without limitation, all copyrights and renewals and extensions of copyright therein.
- (d) The CREATION may be registered for copyright in the name of [The Department of the Navy](#), and \_\_\_\_\_ shall own and possess all physical material in which or on which the Work is embodied or reproduced, by or on behalf of Contractor. [The Department of the Navy](#) shall have the exclusive right forever throughout the universe to change, adapt, modify, use, combine with other material, and otherwise exploit the CREATION in all media and by all means, whether now known or hereafter invented or developed. Contractor hereby waives any and all claims that Contractor may have now or may hereafter have in any jurisdiction to so-called "moral rights" or "droit moral" with respect to the Work, and to the results and proceeds thereof.

- (e) Any further compensation paid or to be paid to Contractor for services rendered in connection with the Work shall be described in a separate writing or writings. This Agreement shall constitute the entire understanding between the parties regarding ownership and rights in CREATIONS. This Agreement may not be altered, modified or changed in any way without the express written consent of both parties and shall be construed in accordance with the laws of the State of \_\_\_\_\_ applicable to agreements executed and wholly performed therein.
- (f) When requested by Company, or The Department of the Navy, Contractor shall perform all such acts and things and sign all documents and certificates which the Company may reasonably request in order to carry out the intent and purpose of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement.

COMPANY:

CONTRACTOR:

BY: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

## SCHEDULE D

### Standards of Manufacturing Practices

#### *Overview*

In order to maintain high standards for decent and humane working conditions in the manufacturing operations of \_\_\_\_\_ or its LICENSEES, [the Department of the Navy](#) has established specific guidelines for its manufacturing partners around the world. [The Department of the Navy](#) 's supplier selection process requires all factories with which the Company or its LICENSEES contracts to operate in compliance with local laws and, in addition, to meet the specific Standards of Manufacturing Practices set forth below through a monitored certification process.

[The Department of the Navy](#) believes that the following set of standards will ensure that decent and humane working conditions are provided to the employees of the factories with which [the Department of the Navy](#) or its LICENSEE'S contracts. Where a factory is found to be in violation of the *Standards*, corrective action will be initiated and unless the violation is corrected, [the Department of the Navy](#) may require the LICENSEE to cease to do business with the offending factory. [The Department of the Navy](#) believes that consumers can have confidence that products manufactured in compliance with these standards are not produced under exploitative or inhumane conditions.

#### *Standards of Practice*

##### **Forced Labor**

MANUFACTURER certifies that it does not use any forced labor - prison, indentured, bonded or otherwise.

##### **Child Labor**

MANUFACTURER certifies that no person shall be employed in any factory at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

##### **Harassment or Abuse**

MANUFACTURER certifies every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

##### **Health and Safety**

MANUFACTURER certifies that workers will be provided a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of contractors' facilities.

##### **Freedom of Association and Collective Bargaining**

MANUFACTURER certifies that employees' rights to freedom of association and collective bargaining will be recognized and respected.

**Wages and Benefits**

MANUFACTURER certifies that employees will be paid at least the minimum wage required by local law, or the prevailing industry wage, whichever is higher.

**Hours of Work/Overtime**

MANUFACTURER certifies that it complies with regulations concerning work hours mandated by local laws and uses overtime only when employees are compensated according to local law. MANUFACTURER further certifies that it will not allow employees to exceed the maximum number of overtime hours provided by local law.

**Benefits**

MANUFACTURER certifies that it complies with all provisions for legally-mandated benefits, including but not limited to health care; child care; sick leave; contributions for social security; life, health, worker’s compensation and other insurance mandated by local law.

**Environment**

MANUFACTURER certifies that it complies with applicable country environmental regulations.

**Documentation and Inspection**

MANUFACTURER agrees to:

- (A) Certify to OWNER on an annual basis in writing that each of the above-listed Standards is being met.
- (B) Consent to and permit two (2) unannounced surprise inspections of each factory by OWNER’s representatives each year.
- (C) Maintain on file such documentation as may be needed to demonstrate compliance with this the Standards set forth in this Schedule D.
- (D) Make these documents available in the English language to OWNER for audit inspection upon request.
- (E) Provide employees with the opportunity to report noncompliance with workplace standards outlined herein, free from punishment or prejudice for so doing.
- (F) Post the Standards set forth in this Schedule D in the language of the country of manufacture in a common area accessible by all employees.

MANUFACTURER:

LICENSEE:

BY: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

## SCHEDULE E

### MANUFACTURER'S AGREEMENT

This Manufacturer's Agreement is made by and between \_\_\_\_\_  
("LICENSEE") and \_\_\_\_\_ ("MANUFACTURER")  
located at \_\_\_\_\_.

WHEREAS, LICENSEE has entered into a License Agreement with [The Department of the Navy](#) ("OWNER") effective \_\_\_\_\_ for the manufacture, distribution and sale of certain products bearing certain trademarks of OWNER that are identified on the attached Schedule A ("PROPERTY");

WHEREAS, LICENSEE desires MANUFACTURER to manufacture or supply materials for the manufacture of certain products bearing the Property ("LICENSED ARTICLES"), which are subject to such Agreement;

WHEREAS, pursuant to said License Agreement, all suppliers and manufacturers utilized by LICENSEE in the manufacture of LICENSED ARTICLES must agree to certain conditions;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MANUFACTURER agrees as follows:

1. MANUFACTURER acknowledges that all elements of the PROPERTY are the sole property of OWNER and that MANUFACTURER'S right to manufacture the LICENSED ARTICLES with the PROPERTY thereon is in all respects subject to the terms and conditions of the LICENSE AGREEMENT. All manufacturing rights to the LICENSED ARTICLES are subject to the restrictions on the use of the PROPERTY and the termination provisions of the LICENSE AGREEMENT. The manufacture of the LICENSED ARTICLES shall give MANUFACTURER no right to use the PROPERTY or to sell LICENSED ARTICLES bearing the PROPERTY beyond the term of the License Agreement. MANUFACTURER agrees that all uses of the PROPERTY hereunder inures solely and exclusively to the benefit of OWNER and that only OWNER shall have the right to apply for and obtain any intellectual property registration in the PROPERTY. MANUFACTURER shall not register or attempt to register any of the PROPERTY, or any name, logo, design or symbol confusingly similar thereto, in any country, or aid or abet anyone else in doing so. If OWNER terminates the License Agreement, MANUFACTURER shall have no claim against OWNER for any reason whatsoever.
2. MANUFACTURER shall not sell the LICENSED ARTICLES to any person or entity except LICENSEE. MANUFACTURER shall look solely to LICENSEE (and not to OWNER) for all payments in connection with or relating to this Manufacturer's Agreement.
3. MANUFACTURER will conform to all local laws and customs regarding hiring practices, wage and working conditions. MANUFACTURER will comply with all of the provisions of Schedule D, of the Agreement, *Standards of Manufacturing Practices*, (a copy of which shall be provided to MANUFACTURER by LICENSEE upon signing hereof), including, without limitation, OWNER'S right to inspect M MANUFACTURER'S facilities. Under no circumstances will MANUFACTURER involve the production of LICENSED ARTICLES in an environment where underage labor is employed. MANUFACTURER will not utilize factories or production facilities that force work to be performed by unpaid laborers or those who must otherwise work against their will. LICENSEE will monitor MANUFACTURER'S factories and work environment to ensure compliance with these policies and obtain

verification of compliance. If MANUFACTURER is found not to be in compliance with the above requirements, it will no longer be permitted to be a manufacturer of LICENSED ARTICLES.

4. OWNER shall be deemed an intended third party beneficiary of this Manufacturer's Agreement and shall have the right, in its sole discretion, to enforce its provisions against MANUFACTURER.
5. A copy of this Manufacturer's Agreement shall be provided to OWNER by LICENSEE.
6. In the context of this LICENSE, list the LICENSED ARTICLES, or component parts of LICENSED ARTICLES manufactured by this MANUFACTURER. If the MANUFACTURER is a decorator or company that affixes a mark please write "decorator" below.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

MANUFACTURER

LICENSEE

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date




**DISTRIBUTION OVERVIEW**

Overall Distribution Strategy (i.e. mid-tier and specialty retailers):

Targeted Growth Areas (new channels, regions, departments, etc.):

Targeted Retailers (new retailers for CY \_\_\_\_):

Retail Challenges (retailer consolidations, buyer changes, etc. that will effect your business in CY \_\_\_\_):

**Channel Analysis**

Channel	CY ____	CY ____
Mass Market (e.g., Wal-Mart, Kmart, Target)	%	%
Mid-Tier (e.g., Sears, JC Penney, Kohl's, Mervyn's)	%	%
Department Stores (e.g., Bloomingdales, Dillard's, Nordstrom)	%	%
Specialty Stores (by category—Apparel, Auto, Home, Toy, etc.)	%	%
Card/Gift (e.g., Hallmark, independent card/gift stores)	%	%
Price Clubs (e.g., Sam's Club, BJ's Wholesale, Costco)	%	%
Off Price Discounters (e.g., TJ Maxx, Marshall's)	%	%
Other Explain: _____	%	%
Total:	100%	100%

**Retail Detail**

Top 5 Retail Accounts	CY ____ Sales Volume	CY ____ Sales Volume



Total:		

**CY PROMOTIONS/MARKETING OVERVIEW**

<b>Trade Promotions / Marketing</b>	<b>Details</b>
Trade Shows (please list dates)	
Trade Advertising/ Incentives? Special offers	
Other: _____	
<b>Consumer Promotions / Marketing</b>	<b>Details</b>
Consumer Advertising	
Cross Promotion	
Direct Mail	
Special Events	
Other: _____	