



GROCERY STORE LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“**Agreement**”) is entered into this ____ day of _____, _____, JOVIAL CONCEPTS, INC., a Colorado nonprofit corporation (“**Jovial**”), _____ and (“**Vendor**”).

1. STORE

In consideration of the fees, covenants and agreements contained herein, Jovial and Vendor agree that Vendor shall be afforded approximately [INSERT MEASUREMENT OF SPACE HERE – SHELVING UNITS, FLOOR SPACE, DISPLAY BOOTH, ETC.] of commercial space within the grocery store (the “**Store**”) in the building commonly known as the Co-op at 1st located at 5045 W 1st Ave, Denver, CO 80219, Denver, Colorado (the “**Co-Op**”). Vendor will be permitted to provide certain approved goods (“**Products**”) for sale within the Store.

2. TERM

2.1 Length of Term.

The term of this Agreement shall be for a period of _____ (____) consecutive full months beginning on the Commencement Date as set forth below.

2.2 Commencement Date/Termination Date and obligation to Pay Fees.

The “**Commencement Date**” for this Agreement and Vendor’s obligation to pay Minimum Fees and Percentage Fees hereunder shall commence upon the date when this Agreement is signed by both Jovial and Vendor.

The Agreement shall expire, unless terminated earlier as provided herein, on _____ (the “**Termination Date**”).

3. MINIMUM MONTHLY FEE.

3.1 Minimum Fee.



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Vendor agrees to pay to Jovial at such place as Jovial may designate, without prior notice or demand therefore and without any deduction or setoff whatsoever, and as a fixed “**Minimum Fee**”, the sum of _____ (\$_____) Dollars per month, in advance on the first day of each calendar month during the term of the Agreement. Simultaneously with the execution hereof, Vendor shall pay to Jovial the first Minimum Fee. In the event the Commencement Date occurs on a day other than the first day of the month, then the Minimum Fee shall be prorated for such month on a per-diem basis. If the termination date occurs on a day other than the last day of the month, then the Minimum Fee shall be prorated for such month on a per-diem basis.

4. PERCENTAGE FEE

4.1 Calculation of Fee.

(a) In addition to the Minimum Fee, Vendor agrees to donate to Jovial a percentage fee equal to the sum of _____ percent (____ %) of Vendor’s Gross Receipts (as defined below) during any calendar month or fraction thereof as a market fee for Jovial’s handling of the sale of Vendor’s Products (“**Percentage Fee**”). Each calendar month or fraction thereof shall be considered as an independent accounting period for the purpose of computing the Percentage Fee, if any. Said Percentage Fee shall be automatically deducted from the Gross Receipts provided to Vendor at the end of each calendar month.

(b) Vendor may request, in writing, an accounting of gross sales and Percentage Fee withheld at any time during the Term of this Agreement. Jovial will use commercially reasonable efforts to provide such accounting within a reasonable time after receiving such written request.

(c) It is recognized that the beginning or the end of the term of this Agreement may not correspond with the beginning or end of a calendar month. The payment provision hereof shall nevertheless apply to any such fractional calendar month.

4.2 Gross Receipts Defined.

The term “**Gross Receipts**” means all receipts from all sales from all businesses conducted upon or from the Store by Vendor, whether such sales be evidenced by check, credit, charge account, exchange, or otherwise, and shall include, but not be limited to, the amounts received from the sale of Products sold at the Store.



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Gross Receipts shall not include the amount of any sales, use, or gross sales tax imposed by any federal, state, municipal or governmental authority directly on sales and collected from customers, provided that the amount thereof is added to the selling price or absorbed therein, and paid by Vendor to such governmental authority. No franchise or capital stock tax and no income or similar tax based upon income or profits as such shall be deducted from gross sales in any event whatsoever.

5. SECURITY DEPOSIT

5.1 Deposit.

Vendor has deposited with Jovial the sum of _____ (\$ _____) Dollars as security for the performance by Vendor of all the terms, covenants, and conditions required to be performed by it hereunder. Such sum shall be returned to Vendor within a reasonable time after the expiration of the term of this Agreement and removal of all Vendor's personal property and Products from the Store if, at such time, Vendor has performed all such terms, covenants, and conditions. Prior to the time when Vendor is entitled to the return of this deposit Jovial will be allowed to intermingle such deposit with its own funds and to use such sum for such purposes as Jovial may determine appropriate. Vendor shall not be entitled to any interest on the security deposit.

5.2 Default.

In the event of default by Vendor in respect to any of its obligations under this Agreement, including, but not limited to, the payment of rent or additional rent, Jovial may use, apply, or retain all or any part of the security deposit for the payment of any unpaid rent or additional rent, or for any other amount which Jovial may be required to expend by reason of the default of Vendor.

5.3 Sale of Co-Op.

In the event of an assignment of Jovial's interest in the Co-Op, Jovial shall have the right to transfer the security deposit to the assignee thereof and Jovial shall thereupon be released from all liability for the return of such deposit.

6. CONTINUOUS OPERATION



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Vendor covenants to ensure there is at all times a sufficient stock of Products in the Store during the entire term of this Agreement so as to produce a maximum volume of gross sales, unless prevented from doing so by causes beyond Vendor's control.

7. LAWS, WASTE, NUISANCE

Vendor shall comply with the provisions of all recorded covenants, conditions and restrictions affecting the Co-Op and all building, zoning, fire and other governmental laws, ordinances, regulations or rules applicable to the Co-Op, and all requirements of the carriers of insurance covering the Co-Op.

Vendor covenants that it will comply with all governmental laws, ordinances, regulations, and requirements, now in force or which hereafter may be in force, or any lawful governmental body or authorities having jurisdiction over the Store.

8. MAINTENANCE

8.1 Maintenance by Jovial.

Jovial shall maintain the structural components of the Co-Op; provided, if Jovial is required to make structural repairs by reason of Vendor's act or omission, Vendor shall pay Jovial's cost for making such repairs, immediately upon presentation of a bill thereof. Failure of Vendor to pay such amount immediately shall constitute a default by Vendor hereunder.

8.2 Jovial's Right to Cure.

Jovial may make any repairs it deems reasonably necessary without liability on its part to Vendor for any loss or damage that may accrue to Vendor's Products or other property or to Vendor's business by reason thereof.

9. ALTERATIONS

Vendor shall not make or cause to be made any alterations additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor coverings, interior or exterior lighting, plumbing fixtures, or shades or awnings, or make any changes to the store front.

10. UTILITIES



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Jovial shall not be liable in the event of any interruption in the supply of any utility services to the Store or the Co-Op.

11. ASSIGNMENT

11.1 Assignment Prohibited.

Vendor shall not transfer, assign, mortgage, or hypothecate its interest in this Agreement, in whole or in part, without the prior written consent of Jovial in each instance which shall be in the sole and absolute discretion of Jovial.

11.2 Consent Required.

An assignment without Jovial's consent shall be void, and shall constitute a default hereunder which, at the option of Jovial, shall result in the immediate termination of this Agreement and/or exercise of Jovial's other remedies available at law or in equity, including, without limitation, those set forth hereunder. Consent to any assignment shall not operate as a waiver of the necessity for consent to any subsequent assignment, and the terms of such consent shall be binding upon any person holding by, under, or through Vendor.

11.3 Jovial's Right in Event of Assignment.

If this Agreement is assigned, Jovial may collect fees and other charges from such assignee, and apply the amount collected to the fees and other charges reserved hereunder, but such collection shall not constitute consent or waiver of the necessity of consent to such assignment or other transfer, nor shall such collection constitute the recognition of such assignee or other party as the Vendor hereunder; nor shall it release Vendor from the further performance of all of the covenants and obligations of Vendor herein contained. Jovial's consent to an assignment shall not operate to relieve Vendor or any guarantor from primary liability.

12. INDEMNITY

To the fullest extent permitted by law, Vendor hereby agrees to defend, pay, indemnify, and save free and harmless Jovial, from and against any and all claims, demands, fines, suits, actions, proceedings, orders, decrees, and judgments of any kind or nature by or in favor of anyone whomsoever and from and against any and all costs and expenses, including, without limitation, reasonable attorneys' fees, resulting from or in connection with loss of life, bodily or personal injury or property damage arising, directly or indirectly, out of or from or on account of: (i) any occurrence in, upon, at, or from the Store or occasioned wholly or in part



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through the use and occupancy of the Store or any improvements therein or appurtenances thereto, or by any act of omission or negligence of Vendor, or their respective employees, agents, or contractors in, upon, at or from its or their negligence; (ii) from the sale to or consumption by any third party of any of Vendor's Products; (iii) from or on account of Vendor's occupancy and use of the Store or the Co-Op or resulting from any present or future condition or state of repair thereof; (iv) that may be occasioned by or through the acts, omissions, or negligence of any other persons, or any other vendors or occupants of any portion of the Co-Op; (v) for any defects, latent or otherwise, in any buildings or improvements, in the Co-Op or any of the equipment, machinery, utilities, appliances, or apparatus therein; or (vi) caused by or resulting from the bursting, breaking, leaking, running, seeping, overflowing, or backing up of water, steam, gas, sewage, snow, or ice in any part of the Store or caused by or resulting from acts of God or the elements, vandalism, forcible entry, or resulting from any defect or negligence in the occupancy, construction, operation, or use of any buildings or improvements in the Co-Op, including the Store, or any of the equipment, fixtures, machinery, appliances, or apparatus therein. Vendor further agrees if Vendor shall default in any of the terms of this Agreement, Jovial shall be entitled to recover from Vendor all costs and expenses that it may incur in enforcing the terms of this Agreement, including reasonable attorneys' fees, costs and expert witness fees. Vendor expressly acknowledges that all of the foregoing provisions of this section shall apply and become effective from and after the date Jovial shall deliver possession of the Store to Vendor.

13. INSURANCE

13.1 Vendor Licensing and Insurance.

All permits, licenses, and insurance required by the State of Colorado and by the City and County of Denver for the sale of Vendor's Products, are the sole responsibility of Vendor. Vendor shall make all such permits, licenses, and insurance certificates available to Jovial and/or any city, county, or state officials and inspectors upon request. Vendor acknowledges that Jovial has no obligation to obtain or maintain such vendor licenses, permits, or insurance coverage, and Vendor agrees that it shall indemnify, protect, and defend Jovial from any fines or penalties related to such licenses and insurance, or the lack thereof. Collection and payment of sales tax is the sole responsibility of Vendor.

13.2 Provisions to be Contained in Policies.

All insurance required of Vendor in this Agreement shall be effected under enforceable policies issued by insurers approved by Jovial and a copy of the policy or a certificate of insurance shall be delivered to Jovial within 10 (ten) days after the date of commencement of the term of this Agreement or on or before the day Vendor accepts possession of the Store, whichever is first. The policy or policies shall provide by its terms that it is



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noncancellable except on 20 (twenty) days prior written notice to Jovial. All policies shall name Jovial and Vendor as insured. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Jovial may carry. All such policies shall contain a provision that Jovial, although named as an insured, shall nevertheless be entitled to recover under such policies for any loss occasioned to it, its servants, agents, and employees by reason of the negligence of Vendor.

13.3 Subrogation.

Each party hereto waives its right of subrogation against the other for any reason whatsoever to the extent of insurance coverage required herein, and any insurance policies' herein required to be procured by either shall contain an express waiver of any right of subrogation by the insurer against the other.

13.4 Increase in Insurance Premiums.

Vendor shall not stock, use, or sell any article or do anything in or about the Store which may be prohibited by Jovial's insurance policies carried on the remainder of the Co-Op or any endorsements or forms attached thereto, or which will increase any insurance rates and premiums on the other buildings in the Co-Op. This prohibition includes, without limitation, the sale of any product, such as alcohol or marijuana-related products, which may only be sold to individuals over a certain age. Vendor shall pay on demand any increase in premiums for Jovial's insurance that may be charged on such insurance carried by Jovial resulting from Vendor's use and occupancy of the Store or the Co-Op, whether or not Jovial has consented to the same.

14. EVENTS OF DEFAULT, REMEDIES

14.1 Default by Vendor.

Upon the occurrence of any of the following events, Jovial shall have the right to pursue any and all remedies available at law or in equity, including, by way of example and not by way of limitation, those remedies set forth in Section 14.2 of this Agreement.

- (a) Vendor fails to pay any fee or any other sum due hereunder within five (5) days after the same shall be due.
- (b) Vendor fails to perform any other term, condition, or covenant to be performed by it pursuant to this Agreement,



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including those Rules and Regulations attached hereto as Exhibit A, as the same may be revised.

14.2 Remedies.

Upon the occurrence of the events set forth herein, Jovial shall have the option to pursue any and all remedies available at law or in equity, including, without limitation, pursuing any or all of the following actions, without further notice of demand of any kind to Vendor or any other person: (a) Collect by suit or otherwise all fees or other sums as they become due hereunder, or enforce, by suit or otherwise, any other term or provision hereof on the part of Vendor required to be kept or performed; and/or (b) Terminate Vendor's license hereunder. Upon termination, Jovial may recover from Vendor.

Vendor hereby waives his/her/its right to trial by jury in any civil proceeding involving the enforcement of this Agreement. Instead, all such trials shall be to a court without a jury.

In all legal actions involving this Agreement, Vendor shall be obligated to pay Jovial an amount equal to Jovial's reasonable attorneys' fees, costs of suit and expert witness fees.

15. FINANCING

15.1 Subordination.

This Agreement shall be subordinate and junior in all respects to the lien of any security interest resulting from any method of financing or refinancing, now or hereafter in force against the land and/or buildings hereafter placed upon the land of which the Store is a part and to all advances made or thereafter to be made upon the security thereof.

15.2 Amendment.

Vendor agrees that from time to time, it shall, if so requested by Jovial, and if doing so will not substantially and adversely affect Vendor's economic interests under this Agreement, join with Jovial in amending the terms of this Agreement.

16. SALE OF THE CO-OP.

In the event of the sale or assignment of Jovial's interest in the Co-Op, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under, any mortgage or other security instrument made by Jovial covering the Co-Op,



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Vendor shall attorn to the assignee or purchaser and recognize such purchaser as Jovial under this Agreement.

17. RIGHT TO CURE

In the event of breach, default, or noncompliance hereunder by Jovial, Vendor shall, before exercising any right or remedy available to it under this Agreement, give Jovial written notice of the claimed breach, default, or noncompliance. For the 30 (thirty) days following Jovial's receipt of such written notice (or such longer period of time as may be reasonably required to cure a matter which, due to its nature, cannot reasonably be rectified within 30 (thirty) days), Jovial shall have the right to cure the breach, default, or noncompliance involved. If Vendor fails to provide Jovial with the foregoing written notice, Jovial shall not, under any circumstances, be deemed in default under this Agreement. In addition, if Vendor fails to bring a civil action against Jovial for alleged violations and/or defaults hereunder within six (6) months of when the events giving rise to potential claims against Jovial occurred, Vendor shall forever forfeit and release such claims, and forever waive the right to assert such claims against Jovial, and also forever waive the right to assert such circumstances as a defense to actions brought by Jovial.

18. SURRENDER OF STORE

At the expiration of this Agreement, Vendor shall immediately remove its Products and other personal property from the Store and the Co-Op. Should Vendor fail to remove its Products and other personal property upon the expiration of this Agreement, the same shall be deemed abandoned and shall become the property of Jovial.

19. PAST DUE SUMS

If Vendor fails to pay, when the same is due and payable, any fee or other sum required to be paid by it hereunder, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of 18% (eighteen percent) per annum. No payments of rent or other sums due by Vendor to Jovial after termination of this Agreement shall reinstate, continue or extend the term of this Agreement unless expressly agreed to by Jovial in writing.

20. MISCELLANEOUS PROVISIONS

20.1 No Partnership.



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Jovial does not by this Agreement, in any way or for any purpose, become a partner or joint venturer of Vendor in the conduct of its business or otherwise.

20.2 Force Majeure.

Jovial shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond Jovial's control.

20.3 No Waiver; Accord and Satisfaction.

Failure of Jovial to insist upon the strict performance of any provision or to exercise any option hereunder shall not be deemed a waiver of such breach. No provision of this Agreement shall be deemed to have been waived unless such waiver be in writing signed by Jovial. No receipt and retention by Jovial of any payment tendered by Vendor in connection with this Agreement will give rise to or support or constitute an accord and satisfaction, notwithstanding any accompanying endorsement, statement, instruction or other assertion to the contrary (whether by notation on a check or in a transmittal letter or otherwise) unless Jovial expressly agrees to an accord and satisfaction in a separate writing duly executed by Jovial.

20.4 Notices.

Any notice or other communication required or permitted under this Agreement must be in writing and will be deemed to have been given when personally delivered, emailed to the address below, or deposited with any nationally recognized overnight courier service that routinely issues receipts, or deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, addressed to the party for whom it is intended at the address set forth below. Either Jovial or Vendor may add additional addresses or change addresses for purposes of notice by giving written notice of the same pursuant to this section.

If to Jovial: Jovial Concepts
5045 W. 1st Avenue
Denver, CO 80219
Email: kristina@jovialconcepts.org

If to Vendor: _____



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20.5 Recording.

Vendor shall not record this Agreement or a memorandum thereof without the written consent of Jovial.

20.6 Partial Invalidity.

If any provision of this Agreement or the application thereof to any persons or circumstances shall to any extent be invalid, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

20.7 Provisions Binding, Etc.

Except as otherwise provided, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, heirs, successors, and assigns. Each provision to be performed by Vendor shall be construed to be both a covenant and a condition, and if there shall be more than one Vendor, they shall all be bound jointly and severally, by such provisions.

20.8 Entire Agreement, Etc.

This Agreement sets forth the entire agreement between parties. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Agreement shall be binding upon Jovial or Vendor unless reduced to writing and signed by both parties. The captions and section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe, or describe the scope or intent of any section or paragraph.

20.9 Rules and Regulations.

Jovial has put in place certain “**Rules and Regulations**”, attached hereto as Exhibit A. Jovial reserves the right to revise and supplement these Rules and Regulations. Vendor agrees that it will cause itself, and its employees, agents, representatives and customers to comply with all such Rules and Regulations, as the same may be revised and supplemented.

20.10 Time of Essence.



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Vendor agrees that the time is of the essence with respect to the obligations of Vendor hereunder.

21. SECURITY

Vendor acknowledges that it is Vendor's sole responsibility to provide security for its Store. Jovial does not provide, and has no duty to provide, security services for Vendor, the Store or any occupant of the Store. Jovial will not be liable for failure to provide security services to protect Vendor, the Store or any other occupants of Store from the criminal or wrongful acts of other persons (including other Vendors or other occupants of the Store) or Jovial's employees or agents. If, from time to time, Jovial provides any patrol or security services, those services are only for the protection of Jovial's property and will not constitute a waiver of, or in any manner modify this disclaimer.

22. AUTHORITY OF SIGNATORIES

Each person executing this Agreement individually and personally represents and warrants that he is duly authorized to execute and deliver the same on behalf of the entity for which he is signing (whether it be a corporation, general or limited, partnership, or otherwise) and that this Agreement is binding upon said entity in accordance with its terms.

[SIGNATURES ON FOLLOWING PAGE]



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DATED as of this _____ day of _____, 201__.

IN WITNESS WHEREOF, the parties have duly executed this Agreement the day and year hereinabove written.

JOVIAL CONCEPTS, INC.:

By: _____

Title: _____

VENDOR (the obligations of each of the following are joint and several):

By: _____

Title: _____

By: _____

Title: _____



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EXHIBIT A
RULES AND REGULATIONS

1 The sidewalks, entrances, halls, corridors, elevators and stairways of the Co-Op shall be kept clear of debris and shall not be obstructed or used for storage or as a waiting or lounging place by Vendor, or its agents, servants, employees, invitees, licensees and visitors.

2 Jovial reserves the right to refuse admittance to the Co-Op at any time other than between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday, and 7:00 a.m. to 12:00 noon on Saturday. In case of invasion, riot, public excitement or other commotion, Jovial also reserves the right to prevent access to the Co-Op during the continuance of same. Jovial shall in no case be liable for damages for the admission or exclusion of any person to or from the Co-Op.

3 No canvassing, soliciting, distribution of hand bills or other written material, or peddling shall be permitted in the Co-Op, and Vendor shall cooperate with Jovial in prevention and elimination of same.

4. All Products will be sold by Jovial's staff and/or volunteers. All such staff and volunteers must undergo training in order to operate the registers, as well as training on all Products. Vendor must provide training materials and information on all Products to be sold in the Store to ensure proper training. Vendor expressly authorizes Jovial's trained staff and/or volunteers to sell Vendor's Products on Vendor's behalf, and will protect, indemnify, defend, and hold harmless Jovial and its staff and/or volunteers from injuries, property losses, damage or expenses resulting from all actions related to the sale of Vendor's Products.

5. Jovial reserves the right to make reasonable amendments, modifications, and additions to the rules and regulations heretofore set forth, and to make additional reasonable rules and regulations, as in Jovial's sole judgment may from time to time be needed for the safety, care, cleanliness and preservation of good order of the Co-Op.