THE CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

BY-LAW NUMBER 66-2012

Being a By-Law to Authorize Mayor and Clerk to
Sign an Exit Agreement Relating to the Official
Marks of the Town of South Bruce Peninsula
Regarding Wiarton Willie

WHEREAS the Municipal Act, 2001 Section 9, as may be amended from time to time, confers that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS the Council for the Town of South Bruce Peninsula did execute a trademark agreement with Ram Trophies and Sportswear in 2007 to permit Ram Trophies and Sportswear to act as the official supplier and retailer of Wiarton Willie merchandise and products;

AND WHEREAS the Corporation of the Town of South Bruce Peninsula and Ram Trophies and Sportswear are desirous of entering into an exit agreement relating to the use of the official marks.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA ENACTS AS FOLLOWS:

1. THAT the Mayor and Clerk are hereby authorized to sign the exit agreement with Ram Trophies and Sportswear.

2. THAT the exit agreement referred to herein shall be attached hereto and form part of this by-law.

3. THAT this by-law shall come into full force and effect upon the final passing thereof.

READ a FIRST and SECOND time this 15th day of May, 2012.

MAYOR
CLERK

READ a THIRD time and FINALLY PASSED this 15th day of May, 2012.

MAYOR
CLERK
Exit Agreement Relating to the Official Marks of the Town of South Bruce Peninsula re: Wiarton Willie
(By-law # 8-2007)

THIS AGREEMENT made effective the 18th day of April, 2012.

BETWEEN:

RAM Trophies and Sportswear

- and -

The Corporation of the Town of South Bruce Peninsula

WHEREAS The Town of South Bruce Peninsula (hereinafter the “Town”) is the owner of the Official marks Wiarton Willie and GROUNDHOG Design;

WHEREAS RAM Trophies and Sportswear had an agreement with the Town to act as the official supplier and retailer of Wiarton Willie merchandise and product;

AND WHEREAS the agreement has now expired;

NOW WITNESSETH THAT:

1. RAM Trophies and Sportswear will cease to be the official supplier and retailer of the Wiarton Willie merchandise and products;

2. RAM Trophies and Sportswear will be permitted to sell off their existing inventory of Wiarton Willie products;

3. RAM Trophies and Sportswear will pay the Town royalty fees on existing inventory sold as set out in ‘Schedule C’;

4. RAM Trophies and Sportswear agrees not to produce new Wiarton Willie product without written consent of the Town;
5. The Town agrees to return the $5,000 deposit to RAM Trophies and Sportswear held for the original agreement.

Dated this \_\_ Day of \_\_\_ May, 2012.

SIGNED, SEALED AND DELIVERED in the presence of:

RAM TROPIES AND SPORTSWEAR

KOREEN RYAN, OWNER

THE CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

JOHN CLOSE, MAYOR

ANGIE CATHRAE, CLERK
SCHEDULE C

ROYALTIES AND PRODUCT MARKING

1. **Royalties**

The royalty percentage payable to the Town shall be based on the incremental Net Sales as listed below. The Licensee must submit to the Town, GST on the royalty amounts owing each quarter. A minimum $5.00 plus GST per quarter shall be collected from all Licensees who report net sales totaling $0.00 to $50.00 per quarter. Therefore, the minimum annual royalty payable to the Town shall be $20.00 plus GST.

<table>
<thead>
<tr>
<th>Net Sales Per Quarter</th>
<th>Royalty Percentage Owing Per Quarter (plus GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00 to $50.00</td>
<td>$5.00 minimum quarterly</td>
</tr>
<tr>
<td>$50.01 to $500.00</td>
<td>5%</td>
</tr>
<tr>
<td>$500.01 to $1000.00</td>
<td>10%</td>
</tr>
<tr>
<td>$1000.01 and greater</td>
<td>15%</td>
</tr>
</tbody>
</table>

2. **Net Sales**

2.1 “Net Sales” shall mean the gross selling price by Licensee to any customer; less the following items to the extent they are included in such gross selling price:

   a. transport and other related shipping or insurance charges,

   b. sales, goods, services, use, custom clearance or similar taxes or duties,

   c. trade and quality discounts (but not advertising allowances, or commissions paid to any salesmen, sales agents or service representatives).

3. **Reporting and Payment**

3.1 The Licensee agrees to furnish the Economic Development Officer, within ten (10) days after the end of each calendar quarter, a written royalty report setting forth the net sales made during the preceding quarter and the royalties due thereon. The Licensee further agrees to remit with each royalty report, the full amount of royalties then due.

3.2 The royalty reporting form (Schedule D, attached) must be submitted to the Economic Development Officer by the Licensee regardless of the sale, distribution or use of any item. In the event that no monetary amount has been made by the Licensee in any particular reporting period, it is still the responsibility of the Licensee to file a report with the Town. Failure to file a royalty reporting form shall a default of this agreement and the agreement shall be subject to termination as outlined herein.
4. **Marking**

4.1 The Licensee agrees to cause to be marked on the goods or container thereof the following ownership clause:

“Licensed under the authority of the Town of South Bruce Peninsula, owner of the official marks ‘WIARTON WILLIE™’ and ‘TM?’

4.2 No other ownership clause shall be acceptable unless expressly agreed to by the Town and the Licensee. Agreement will be acknowledged in written format, one party to the other. Said agreement will be attached to this agreement in the form of an addendum.”