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| **Explanatory Note**  |
| **Document name:** | Trademark License Agreement  |
| **Document Summary:** | An agreement on the provisions of Trademark Licenses |
| **PLEASE READ:***This precedent has been prepared by Al Tamimi & Company without reference to any particular matter, transaction or set of facts.  Substantive changes to this precedent may be required to adapt it to the requirements of a specific client or matter.  As of the date of publication, this template has been drafted pursuant to all applicable legislation and statutes. Laws and/or procedures may have changed since this precedent was published.* ***NOTE: THIS IS A BASIC SAMPLE ONLY AND SPECIFIC ADVICE SHOULD BE SOUGHT FROM COUNSEL DULY LICENSED TO OPINE ON THE LAWS OF THE UNITED ARAB EMITRATES PRIOR TO A PARTY ENTERING INTO SUCH AN AGREEMENT.*** |

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| **Notes:** 1. The draft contemplates a license of UAE registered trademark.
2. The draft contemplates the governing law to be UAE law.
3. You should pay attention to the license granted and whether it is, exclusive or non-exclusive, royalty bearing or royalty free, sub-licensable or not, transferrable or non-transferrable. This is a core of a license agreement and shall be considered carefully. The scope of the license determines different obligations on the parties and grant different rights.
4. If the license is royalty bearing, then additional clauses related to royalties and tax would need to be considered.
5. The obligations of the parties in this draft agreement are basic. Obligations would change if the agreement is drafted from a licensor or licensee perspective. In addition, the obligation may change if the license is related to services or to products.
6. Quality control clause should be carefully assessed based on the type of service/products the trademark will be used on. This will differ from a licensee or licensor perspective.
7. Termination clause and post termination clause are crucial in any license agreement and should be carefully addressed.
8. All clauses of a license agreement may be viewed differently from licensor to licensee perspective.
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**TRADEMARK LICENSE AGREEMENT**

**THIS AGREEMENT is dated [DATE] (“Effective Date”)**

**BETWEEN**:

1. **[ ]**, a [ ] company established in [ ], whose principal address is [**Address**], (“**Licensor**”); and
2. **[ ]**, a limited liability company established in [ ] and whose principal address is [**Address**](“**Licensee**”).

The Licensor and the Licensee shall be referred to herein either individually as a “**Party**” or collectively as the “**Parties**”.

**WHEREAS**:

1. The Licensor is the owner and sole proprietor of the trademarks listed in Annex (1) (hereinafter referred to as the “Trademark”); and
2. The Licensee desires to have the right to use the Trademark and the Licensor has agreed to grant a licence to the Licensee to use the rights in the Trademarks on the terms set out in this agreement.

**NOW, THEREFORE,** in consideration of the premises and of the mutual promises of the parties, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged, it is agreed as follows:

1. **GRANT OF LICENSE**
	1. The Licensor hereby grants to the Licensee an [exclusive/non-exclusive], [royalty-free/royalty], [transferrable/non-transferable] and [sub-licensable/non-sub licensable] license to use the Trademark in [location] (“Territory”) strictly in connection with [insert the business or products], for the Term of this Agreement.
	2. The Licensor retains the right to use the Trademark in the Territory.
2. **OWNERSHIP AND USE OF THE LICENSED TRADEMARK**
	1. The Licensee acknowledges that Licensor owns the Trademark and all rights therein and that nothing in this Agreement shall give the Licensee any right, title or interest in or to the Trademark other than pursuant to the license expressly granted hereby.
	2. Licensee’s right to use the Trademark is derived solely from this Agreement and is limited to the conduct of the licensee’s business in compliance with this Agreement.
	3. The Licensee agrees that it will do nothing inconsistent with Licensor’s ownership of the Trademark and shall not claim adversely to Licensor, or assist any third party in attempting to claim adversely to Licensor, with regards to such ownership.
	4. The Licensee is not authorized to use the Trademark in connection with any business activity unrelated to the Licensee’s business.
3. **LICENSEE’S UNDERTAKINGS AND OBLIGATIONS**
	1. Licensee acknowledges that the use of the Trademarks and any goodwill established by such use is for the Licensor’s exclusive benefit.
	2. Licensee shall not use the Trademark in any manner which would bring the Trademark or the Licensor into disrepute or damage any goodwill associated with the Trademark or jeopardize or invalidate any registration (or prejudice any application for registration) of the Trademark.
	3. Licensee shall use the Trademark strictly in accordance with this Agreement and any guidelines provided by the Licensor from time to time during the Term.
	4. Licensee shall not at any time, whether during or after the termination of this Agreement, directly or indirectly, challenge Licensor’s ownership of, or right to license, the Trademark or any registrations or applications related to the Trademark;

* 1. Licensee shall not at any time, whether during or after the termination of this Agreement, directly or indirectly, apply to register any trademarks, service marks, domain names, copyrights, business or trading names identical to or similar to the Trademark.

1. **QUALITY STANDARD PROVISION**
	1. The Licensee acknowledges that the Trademark serves as an indication of source and guarantee of quality with respect to the [service/products] provided by the Licensor in the eyes of the ultimate consumers. Therefore, the Licensee agrees that the nature and quality of all [services/products] provided by the Licensee and covered by the Trademark shall conform to the standards to the satisfaction of the Licensor (hereinafter, "Quality Standard").
	2. At any time during the Term, the Licensor may request the Licensee to assure that its services conform to the Quality Standard and, to this end, the Licensee shall permit reasonable inspection by an authorized representative of Licensor of the Licensee's facilities to inspect the Licensee's operations relating to the [services/products] that are provided or promoted under the Trademark.
	3. The Licensee is obliged to maintain as required the quality of the [services/products] covered by the Trademark.
2. **THIRD PARTY INFRINGEMENT**
	1. Licensee shall promptly notify Licensor in writing of any infringement or a threatened infringement by a third party of the Trademark and shall cooperate fully with Licensor in dealing with it.
	2. At Licensor’s option, Licensee shall join in an action to stop such infringement, in which case Licensor shall bear all of the out-of-pocket costs of Licensee for such participation. If Licensee joins in an action, the recovery, if any, from any legal proceedings shall be first applied to the total expenses, including legal fees and expenses, associated therewith, after which the remaining balance of said recovery shall all go to Licensor. Licensor shall control all actions but shall not be obligated to take any action.
3. **TERM AND TERMINATION**
	1. This Agreement shall commence on the Effective Date and continue in force for [duration] (“Term”), unless and until it is earlier terminated at any time by either party giving not less than thirty (30) days written notice to the other.
	2. Upon termination of the license under this Agreement:
	3. Licensee shall immediately cease using the Trademark in any manner whatsoever, including but not limited to, using it in relation to its business activity, on any signage, stationery, business cards, advertisements and promotional materials.
	4. Licensee shall discontinue the use of and destroy all objects and materials bearing the Trademark, with such destruction to be attested to in a certificate signed by one of the Licensor and the Licensee duly authorized officers;
	5. Licensee shall not use in any manner whatsoever any imitation, similar to, variation of the Trademarks any part thereof; and
	6. Licensee shall transfer and assign to Licensor any rights which Licensee may have acquired in the Trademark and shall execute such documents and take such action as Licensor requests to confirm or enable such transfer and assignment to Licensor of any rights which Licensee may have so acquired in the Trademark.
4. **ENTIRE AGREEMENT AND AMENDMENTS**

This Agreement constitutes the entire agreement between the Parties relating to the subject matter of this Agreement and supersedes all previous verbal or written agreements and negotiations between the Parties and this Agreement may only be modified or amended if mutually agreed in writing and signed by the duly authorised representatives of the Parties.

1. **FURTHER ASSURANCES**

Each Party shall, at the request of the other, do and execute or procure to be done or executed all such acts, deeds, documents and things as the other Party may reasonably request to give effect to this Agreement.

1. **INVALIDITY**

If any Party of this Agreement is determined to be invalid, unenforceable or illegal the remainder shall be enforceable to the maximum extent possible.

1. **SEVERABILITY**

If any part of the Agreement becomes invalid, illegal or unenforceable the parties shall in such an event negotiate in good faith in order to agree the terms of a mutu­ally satisfactory provision to be substituted for the invalid, illegal or unenforcea­ble provision which as nearly as possible validly gives effect to their intentions as expressed in the Agreement. Failure to agree on such a provision within six months of commencement of those negotiations shall result in automatic termina­tion of the Agreement. The obligations of the parties under any invalid, illegal or unenforceable provision of the agreement shall be suspended during such a nego­tiation.

1. **COST**

Each Party shall pay the costs and expenses incurred by it in connection with the entering into of this Agreement.

1. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which when executed shall constitute an original, but all of which when taken together shall constitute one and the same Agreement.

1. **LANGUAGE**

Notwithstanding any translation which might be required for a particular purpose, this Agreement shall be construed and interpreted solely in accordance with the Arabic text hereof which shall be deemed to be the authentic version.

1. **HEADINGS**

Clause headings are for convenient reference only and shall not affect the meaning or have any bearing on the interpretation of any provision of this Agreement

1. **GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws and regulations in force from time to time in the United Arab Emirates.

Any dispute arising out of or in connection with the formation, performance, interpretation, nullification, termination or invalidation of this Agreement, in any manner whatsoever, shall be shall be heard and determined by the Courts of United Arab Emirates.

**IN WITNESS WHEREOF,** the Parties have executed this Agreement as of the date first written above.

**Signatories**

For and on behalf of

by:

Name:

Title:

For and on behalf of

by:

Name:

Title:

**ANNEX 1
TRADEMARKS**

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| **Trademark** | **Application Number** | **Registration Number** | **Class** |
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