

# LICENSING AGREEMENT



## 1. AGREEING PARTIES

Illustrator's name/Company, (hereafter "Illustrator"): .....	Company's name, (hereafter "Licensee"): .....
.....	.....
Identity number/Business ID: .....	Business ID: .....
Address: .....	Address: .....
.....	.....

## 2. BACKGROUND OF THE AGREEMENT

The Licensee is interested in licensing illustrations to which the Illustrator has copyrights for use in the Licensee's products, services and/or marketing materials.

The Illustrator has copyrights to the illustrations ("Illustrations") defined in more detail in Attachment 1. Commercial terms and other conditions: Illustrations.

The Illustrator grants the Licensee a limited right of use to the Illustrations. The terms and conditions of this right of use are determined on the basis of this agreement ("License"). The License entitles the Licensee to use the Illustrations in products, services and marketing materials ("Products") in the region defined in Attachment 1 and possible regions beyond this region as separately agreed (hereafter "Agreement Region"). Adding a new country to the Agreement Region always requires advance approval from the Illustrator in writing. The License is non-exclusive in the Agreement Region and solely concerns the Illustrations. Attachment 1: Commercial terms and other conditions form an essential part of this agreement.

## 3. PURPOSE OF THE AGREEMENT

This agreement concerns the Licensee's right to design and manufacture Products according to the License. The Licensee is granted the right to design and manufacture Products in the Agreement Region.

#### **4. DEFINITION OF THE LICENSE**

Products that utilise the Illustrator's Illustrations are the subject of this agreement and they are defined in more detail in Attachment 1.

Everything agreed upon in this agreement and its attachments is applied to possible new uses of the Illustrations. Possible new uses must be agreed in writing by the agreeing parties.

#### **5. DESIGN, MANUFACTURE AND COPYRIGHT MARKING OF THE PRODUCTS.**

The Licensee commits to using the licensed Illustrations according to the Illustrator's instructions. The Licensee is responsible for the design of the Products and the Illustrator commits to delivering the agreed Illustrations to the Licensee digitally and in a format that suits the Products. The Illustrator delivers the Illustrations to the Licensee at the moment this agreement is signed.

The Licensee commits to possible further instructions issued by the Illustrator with all the means at their disposal. The Licensee does not have the right to alter the Illustrations or other copyright-related matters without prior written approval from the Illustrator.

The Licensee seeks the Illustrator's approval for using the Illustrations in the Products.

The Licensee commits to bearing all the costs related to the manufacture and delivery of the Products.

Whenever possible and when the execution, size or shape of the Products allows it, the Licensee commits to adding a copyright marking to the Products that use the Illustrations. This marking is defined in more detail in Attachment 1 of this agreement. Commercial terms and other conditions: Copyright marking.

## **6. DESIGN, DELIVERY AND MARKETING OF MATERIALS**

The Illustrator is not responsible for the design, delivery or marketing of the Products. The Illustrator does not participate in the daily operations of the Licensee in relation to the Illustrations, unless such an agreement has been made separately between the Licensee and the Illustrator.

The Licensee is responsible for expenses resulting from the design, delivery, use and marketing of the Products, unless the agreeing parties have agreed otherwise in writing or this agreement states otherwise.

## **7. LICENCE FEE AND TERMS OF PAYMENT**

The Licensee commits to paying a license fee for the use of the Illustrations during the agreement period. The sum of the license fee is defined in more detail in Attachment 1. The advance portion of the license fee is to be paid within 14 days of the signing of this agreement.

The license fee consists of the advance payment and royalties, unless otherwise agreed upon in Attachment 1. The Licensee is reimbursed for the advance payment from the royalties, and once the advance payment has been reimbursed in full, the Licensee commits to paying the Illustrator royalties for each sold product and/or service. The Licensee provides the Illustrator with a quarterly report on accumulated royalties. This report must contain itemised information on all income accumulated from the use of the Illustrations that forms the basis for the payment of royalties. For a justified reason, the Illustrator has the right to verify the information used as the basis of the report from the Licensee's accounting material using an outside expert. The Illustrator has the right to invoice the Licensee immediately after receiving the report.

If the Licensee has manufactured physical copies of an Illustration, the Illustrator must be notified of the number of copies made. Furthermore, if the Illustrator so requests in writing, they must be notified of the number of remaining copies at the end of the year.

## **8. COPYRIGHTS**

The Illustrator warrants that they have all the copyrights to the Illustrations.

No intangible rights to the Illustrations are created or transferred to the Licensee on the basis of this agreement.

The Licensee has no right to use the intangible rights related to copyrights for any other purpose besides the manufacture of Products according to this agreement.

The Licensee is prohibited from transferring or otherwise sub-licensing the license right to a third party either in full or in part.

## **9. CONFIDENTIALITY**

By entering into this agreement and in operations according to this agreement, the agreeing parties receive confidential information from each other. Here confidential information is considered to include but not be limited to all information in this agreement and its attachments, as well as all information related to technical and commercial aspects and customer relationships.

An agreeing party commits to keeping confidential all confidential information of the other agreeing party regardless of how the information in question became known to them. Both agreeing parties are responsible for ensuring that this obligation to confidentiality is also adhered to by their employees, and that their employees are aware of the importance of confidentiality.

Information that is publicly available or that was already known by an agreeing party before receiving it from the other agreeing party is not considered confidential information.

## **10. CHANGES TO THE AGREEMENT**

All changes to this agreement and/or its attachments must be made in writing. Changes to the agreement are signed by the official authorised signatories of the agreeing parties. Unless separately agreed otherwise, the change to an attachment enters into effect on the day it is dated.

## 11. NOTIFICATIONS AND CONTACT PERSONS

All notices and notifications to the other agreeing party must be made in writing. In writing denotes sending the notice via mail or email. Insofar as has not been agreed otherwise in this agreement, notices and notifications are to be sent to the following contact persons:

### Illustrator

Name: .....  
.....  
Address: .....  
.....  
Tel: .....  
E-mail: .....

### Licensee

Company/Name: .....  
.....  
Address: .....  
.....  
Tel: .....  
E-mail: .....

## 12. VALIDITY OF THE AGREEMENT

This agreement is valid for the period defined in Attachment 1.

In the event that an agreeing party breaches this agreement either wilfully or via gross negligence and has not rectified the breach or compensated for the possible damages they have caused within one month of receiving written notice of the matter, the other agreeing party has the right to terminate this agreement with immediate effect.

The other agreeing party must be notified of the termination in writing.

The Licensee does not have permission to design, manufacture or use the Products or utilise the copyrights of the Illustrations in their business operations in any other manner after the agreement period has ended.

The Licensee has the right to deliver physical Products it has in storage for a period of six (6) months after the agreement period has ended. If the Licensee still has Products in storage after these six (6) months, the Licensee commits to destroying these Products should the Illustrator request them to do so.

### **13. DISPUTES**

Primarily, the agreeing parties strive to resolve any possible disputes via negotiations in good mutual understanding. In the last resort, disputes arising from this agreement are ultimately resolved in the District Court of Helsinki or the Market Court of Finland insofar as the disputed matter belongs to its exclusive jurisdiction.

### **14. ATTACHMENTS**

Attachment 1: Commercial terms and other conditions

This agreement was written in duplicate: one for each agreeing party.

Date and time:

.....

Illustrator

Licensee

.....

.....

# ATTACHMENT 1. COMMERCIAL TERMS AND OTHER CONDITIONS

## 1. Products (Specify the products covered by the license)

.....  
.....  
.....

## 2. License fee

Advance payment: ..... €, which is to be paid in full in execution of the agreement.

Royalties: ..... % of the retail price/net price of the products calculated before possible deductions.

## 3. Agreement region

Finland.

## 4. Agreement term

Period between \_\_\_\_\_ - \_\_\_\_\_.

## 5. Illustrations (Specify in writing or add pictures.)

.....  
.....  
.....

## 6. Copyright marking

© ..... 20 \_\_\_\_

(the year is determined by when the Products were introduced or manufactured).