

**BOOKSTORE OPERATING AGREEMENT BETWEEN
THE BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES
DBA WAYNE STATE COLLEGE AND FOLLETT HIGHER EDUCATION GROUP, INC.**

This Bookstore Operating Agreement (“Agreement”) is made between the Board of Trustees of the Nebraska State Colleges dba Wayne State College (“School”) and Follett Higher Education Group, Inc. (“Follett”).

Intending to be legally bound, School and Follett agree:

- 1. Store.** Subject to all the terms and conditions in this Agreement, Follett shall operate a bookstore (“Store”) for School. Follett will not operate any additional competitive retail operation within a five mile radius of the School located at 1111 Main Street, Wayne, NE 68787 during the term of this Agreement.
- 2. Term.** This Agreement takes effect July 1, 2021 and continues, unless sooner terminated in accordance with Section 3, until June 30, 2024. For the purpose of financial calculations and reporting, the “contract year” is defined as July 1 to June 30. Thereafter, unless either party notifies the other in writing at least 120 days before expiration of the initial term of its intention not to renew, this Agreement shall automatically renew for one successive two-year renewal term (July 1, 2024 through June 30, 2026) under the terms and conditions set forth in this Agreement.
- 3. Early Termination.**
 - 3.1 Either party may terminate this Agreement with or without cause by giving the other party at least 120 days prior written notice of termination.
 - 3.2 Either party may terminate this Agreement upon 90 days prior written notice for material nonperformance by the other party, documented, in case of nonperformance by Follett, in accordance with Section 7.4.
 - 3.3 School may terminate this Agreement immediately if Follett initiates any bankruptcy proceeding, or if any such proceeding initiated against Follett remains undismissed for 60 days.
- 4. Rights Upon Termination, Expiration or Non-Renewal.**
 - 4.1 Termination, expiration or non-renewal of this Agreement shall not affect any right of either party accrued prior to such termination, expiration or non-renewal.
 - 4.2 On any termination, expiration or non-renewal of this Agreement, School shall pay Follett the unamortized book value of all Store Remodeling (as defined in Section 5) paid by Follett as follows:
 - The Store Remodeling book value shall be calculated on the straight-line method, from the in-service date[s] until June 30, 2026.
 - 4.3 On any termination, expiration or non-renewal of this Agreement, School shall purchase, or cause to be purchased, the Store Merchandise then on hand under the following terms:

“Store Merchandise” will include all salable merchandise in the Store, including new textbooks, used textbooks, trade, reference and technical books, rental program inventory, and general merchandise. School shall cause all such merchandise to be inventoried by an independent firm. Each party may observe the inventory if desired. Payment to Follett for Store Merchandise shall be made or caused to be made by School within 30 days after the completion of the inventory as follows:

- a) New Textbooks
 - 1. New textbooks adopted for the next academic term in quantities not exceeding course requirements will be purchased at standard industry discounts or cost.
 - 2. New textbooks not adopted for the next academic term, or adopted but in excess of course requirements, will be purchased at the current wholesale price.
- b) Used Textbooks
 - 1. Used textbooks adopted for the next academic term in quantities not exceeding course requirements will be purchased at 50% of the current retail selling price.
 - 2. Used textbooks not adopted for the next academic term, or adopted but in excess of course requirements, will be purchased at current wholesale price.
- c) Trade, Reference and Technical Books ("Trade Books")
 - 1. Trade Books that have been purchased during the past academic year and are returnable to the publisher will be purchased at standard industry discounts or cost.
 - 2. Trade Books not meeting these requirements will be purchased at a price agreeable to School and Follett.
- d) General Merchandise
 - 1. General merchandise traditionally sold in college bookstores, purchased in the past academic year, in salable condition, and not in excessive quantities, will be purchased at standard industry discounts or cost.
 - 2. General merchandise not meeting these requirements will be purchased at a price agreeable to School and Follett.

5. Store Improvements.

- 5.1 Follett has made various investments in the Store since it commenced operations pursuant to a prior Agreement on July 1, 2016. These investments have been amortized and depreciated from the in-service date(s), in accordance with the previous Agreement. The remaining book value of these prior investments (which the parties agree is \$27,590.45 as of June 30, 2021) together with all replacements, additions, and extensions, and any other improvement furnished by Follett to the Store over the life of this contract, constitute "Store Remodeling".
- 5.2 Follett commits **\$50,000** for improvements to the Store and investment to support the School's technology needs as it completes its infrastructure requirements for the implementation of Follett's ConnectOnce and/or Discover platforms in accordance with this Section 5. Of this \$50,000 sum, \$3,476 shall be a reimbursement for flooring improvements completed by School in the past two years. Payment of this sum shall be made by Follett out of the \$50,000 allotment upon receipt of invoice by the School. An estimated \$3,100 shall be for a financial reimbursement for completion of the School server requirements to enable the implementation of Follett's ConnectOnce and Discover programs. The costs of providing the server are estimated at this time to be approximately \$3,100 (or \$620/year for five years) and will be invoiced annually by the School and which would begin once the ConnectOnce and Discover programs are in place. The balance remaining shall be used for capital improvements to the Store. This expenditure may include furniture, trade fixtures, technology, and equipment, including point-of-sale equipment, that is readily removable ("Capital Equipment") and Follett and third-party design and project management services, third-party architectural and engineering services, cabling and infrastructure, floor and wall coverings, decorating, lighting, and fixtures that are not readily removable ("Store Remodeling"). Capital Equipment and Store Remodeling each include all replacements, additions and extensions paid for by Follett, whenever installed. The Capital Equipment and Store Remodeling together comprise the "Store Improvements."
- 5.3 Follett shall prepare complete plans and specifications for the Store Improvements for review and approval by School, and shall work closely with School to develop mutually acceptable plans ("Plans"). School shall have the final approval over all the Plans; provided, however, that if the cost of carrying out the Plans as approved by School exceeds the amount set forth in Section 5.2,

School shall be responsible for the excess. School reserves the right to ask for revisions to the Plans if the Plans exceed the amount set forth in Section 5.2.

- 5.4 When School has given final approval to the Plans, Follett shall submit an installation and/or construction schedule to School for approval. School shall review and comment on the Plans and schedule in a reasonable time frame to allow the project completion date to be met.
- 5.5 The Store Improvements shall meet or exceed the requirements of the Americans with Disabilities Act ("ADA") and all other applicable codes, laws and regulations, and shall be in accordance with Follett's Design Intent documents.
- 5.6 All Capital Equipment purchased by Follett will remain the property of Follett.

6. General Rights and Responsibilities of Follett.

- 6.1 Follett shall operate the Store in accordance with the highest standards and commercial practices in the college bookstore industry.
- 6.2 Follett shall operate the Store 12 months per year. The name of the Store shall not change. The Store's normal hours of operation and holiday closing schedule, shall be as approved in writing by School after consultation with Follett; hours of operation during registration periods, the first two weeks of classes, and all special campus events, shall be extended to coincide with demand.
- 6.3 Follett shall have the exclusive right, free from any alternate source endorsed, licensed or otherwise approved or supported by School (whether on campus, by catalog or through electronic commerce, including hyperlinks to alternate sources) to buy, sell, rent and distribute (including the right to select vendors) merchandise and services traditionally offered in college and university bookstores, including but not limited to, all required course materials (print and digital) with the exception of open source materials (also referred to as open educational resources, are publicly accessible, proprietary teaching and learning materials), class and alumni rings and jewelry, clothing (whether or not emblematic), school supplies, desk and dorm accessories, gifts, souvenirs, graduation regalia (sale and rental) and announcements, course-adopted software and paper and electronic custom anthologies, and textbook buybacks. Follett shall also have right of first refusal to fulfill any distance learning instructional and ancillary materials required by School during the term of this Agreement. This Section 6.3 does not prohibit occasional sales by student groups or student government organizations.
- 6.4 School grants Follett the right, subject to School's published standards, to use the School's seal, logotype, and associated trademarks and service marks on the Store's Internet site, signage and collateral materials, and stationery, soft goods, notebooks, pens, pencils, decals and other goods traditionally sold in college and university bookstores during the term of this Agreement. School will not grant such right to any other online or brick-and-mortar retail bookseller during the term of this Agreement. If School changes its name, seal, or logotype with less than one year written notice to Follett prior to notice to the public, Follett may deduct from any commissions otherwise payable to School Follett's actual documented cost of all unsold emblematic merchandise on hand at the time of such change.
- 6.5 In order to secure property in the Store, Follett shall cooperate with School in providing Store security, theft prevention, and emergency procedures in case of fire or casualty. In cooperation with School Security, Follett shall create and maintain a Store security plan acceptable to School for textbook buyback, rush and other special events.
- 6.6 Follett shall not cause School's students, faculty, or staff suspected of theft or disturbance to be arrested by public authorities (except in emergencies) or prosecuted without prior consultation with School.

- 6.7 In its operation of the Store, Follett shall pay its financial obligations to School as outlined in Section 10.4 and to third parties in a timely manner. If payment is not received by School as outlined in Section 10.4, the School may charge Follett an interest charge of 1.5% per month.
- 6.8 Follett shall collect and pay any sales tax or similar tax on its retail sales, and applicable income taxes on its revenues. Follett shall not be responsible for property taxes on the Store facility or any other taxes not currently assessed.
- 6.9 Follett shall obtain and maintain at its sole expense, and in its name, all necessary licenses and permits required to perform the services described herein.
- 6.10 Follett shall abide, and require its employees to abide, by applicable School regulations and policies. School shall provide Follett with copies of applicable policies, and timely inform Follett of any changes.
- 6.11 Follett shall abide by all federal, state and local laws applicable to its operation.
- 6.12 In performing this Agreement, Follett agrees to comply fully with applicable provisions of Title VI of the Civil Rights Act of 1964, as amended, the Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, as amended, and Board Policy 5000 in that there shall be no discrimination against any employee who is employed in the performance of this Agreement, or against any applicant for such employment, because of age, color, national origin, race, religion, disability, sex, sexual orientation, or gender identity. This provision shall include, but not be limited to employment, promotion, demotion, transfer, recruitment, layoff, termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. Follett further agrees to insert a similar provision in all subcontracts for services allowed under this Agreement.
- 6.13 Follett shall be responsible for any loss or damage to property owned by School that is in Follett's possession or control or is caused by Follett or its employees or agents in the course and scope of their employment.
- 6.14 Follett will make its corporate representatives reasonably available to School to discuss and resolve any operational issues.
- 6.15 Follett shall be responsible for daily cleaning of the Store interior, including provision of basic janitorial equipment and supplies, sweeping, dusting, and removal of light trash to School-provided receptacles.
- 6.16 Follett will offer School faculty and staff a 10% discount on all purchases over \$1.00, excluding textbooks, sale merchandise, computer hardware, and academically discounted software. Follett will offer all School departments a 20% discount on purchases of supplies over \$1.00, excluding textbooks, sale merchandise, computer hardware, and academically discounted software.
- 6.17 Follett will provide **\$10,000** for academic materials scholarships annually for each full contract year during the term of this Agreement, in the form of an accounts receivable account which is managed by the School. In the event there is a partial contract year, the payment will be prorated according to the contract year.
- 6.18 The School has entered into agreements with other entities for exclusive beverage, vending, and food services which support School programs. Follett will not sell any product in the Store which is in direct conflict or violation of existing agreements between those contractors and the School or successor agreements providing similar exclusive rights.

7. General Rights and Responsibilities of School.

- 7.1 School will provide and maintain an appropriate, safe and habitable location, in accordance with all applicable laws and regulations. School will make available to Follett all existing furniture,

fixtures, equipment, shelving, lighting, flooring, plumbing, power and HVAC. School shall also keep the building in which the Store is located in compliance with all fire, building and electrical codes and regulations, including regulations governing fire alarms, smoke detectors, fire extinguishers, fire suppression and sprinkler systems, water pressure, plumbing and electrical service. School shall be responsible for any loss resulting from failure of the building to meet applicable building codes and regulations. School is responsible promptly for remedying any hazardous materials issues that arise during the Term, except where the hazardous materials were brought onto the premises by Follett, its employees or contractors. If the School relocates all or any part of the Store operations, School will provide Follett with at least 90 days advance notice of the relocation and will reimburse Follett, within 45 days after Follett's invoice in accordance with the Prompt Payment Act, Neb. Rev. Stat. 81-2401 to 81-2408, for Follett's cost of the relocation.

7.2 School's representative authorized to advise Follett of School's approvals, consents and instructions under this Agreement is:

CD Douglas, Vice President for Student Affairs, (402) 375-7213

7.3 School may prohibit sale at the Store of any item it finds offensive or inappropriate.

7.4 If at any time School is dissatisfied with Follett's performance under this Agreement, School shall document the unsatisfactory performance and submit the documentation to Follett for immediate review and corrective action. School may require a review meeting to prepare the corrective action.

7.5 School shall provide the following services and support to the Store at no cost to Follett:

- a) Internal and external building maintenance, including, but not limited to: plumbing, electric, light bulbs, HVAC and other mechanical systems, fire protection, roof membrane and structure, floors, walls, ceilings, windows and doors in accordance with School's building standards;
- b) Building standard utilities;
- c) Pest control services on the regular School schedule;
- d) Local telephone/data service including all equipment and lines (telephone toll charges to be charged to Follett at the same rate charged to School's departments);
- e) Reasonable access to School's telecommunications and network systems as required to install, at Follett's sole expense, T1 lines and associated connectivity for Follett's point-of-sale systems;
- f) Security of persons and property in the same manner provided for other School premises;
- g) Lost and found service as regularly provided by School;
- h) Parking for Follett's employees in common with other authorized parkers in a location approved and provided by School (Follett's employees must abide by all applicable parking regulations); and
- i) Participation in any debit or credit card, voucher program, or other payment or financial aid service now or hereafter made available by School to its students or to local merchants.

7.6 School will require its faculty and staff to provide Follett with timely and accurate textbook adoption information.

7.7 Follett will extend credit to School for financial aid and departmental charge accounts in accordance with the Prompt Payment Act, Neb. Rev. Stat. 81-2401 to 81-2408. School will send all A/R payments directly to the bank via ACH, Wire Transfer or Lock Box.

7.8 Within 30 days of the effective date of this Agreement both Parties agree to establish a project timeline, with final completion date, to complete implementation of the ConnectOnce integration between the School and Follett systems to facilitate the course import and enrollment

integration. Upon completion of ConnectOnce both parties agree to establish a project timeline, with due date(s), to complete implementation of the Follett Discover tool set.

- 7.9 To help the Parties maximize their brand exposure and increase revenue, School will provide to the Store at no cost, the following:
- a) A minimum of two hyperlinks located on appropriate pages of the School's .edu website to the Store's eFollett website, and on the appropriate subpage(s) of the School's .edu website, a Store information page that includes information on Store hours, location, and other information as appropriate. The subpage shall also include a hyperlink to the Store's eFollett website.
 - b) The inclusion of key search terms within the School's .edu site that presents eFollett hyperlinks when key words are typed into the .edu site search field. Key terms include bookstore, book store, campus store, textbooks, course materials, books, clothing, fans and athletics.
 - c) Approval to send Financial Aid notifications by email and SMS to students, notifying them of their financial aid balances, timelines for using funds, and other messaging to help promote the use of available funds in the Store and the Store's eFollett website.
 - d) The opportunity to include material acknowledging the Store into appropriate future and current student mailings (physical and digital) as determined by the School, and new student orientation packets. Follett is responsible for the production and/or printing of all material to be included in such mailings/packets. It will be Follett's responsibility to work with appropriate School staff to ensure timely delivery of material for these mailings/packets.
 - e) Acknowledgement in appropriate faculty, athletic, and student e-newsletters with a hyperlink to the Store's eFollett website as determined by the School.
 - f) Acknowledgement space in appropriate School-produced print publication (weekly, quarterly or yearly) as determined by the School.
 - g) In compliance with industry standard practices, School shall provide the following:
 - i. all enrolled student email addresses one month before the start of the fall term each year; and
 - ii. all accepted student email addresses within one month of acceptance notice distribution each spring.
 - h) The opportunity to present Store information and promotional information at student and parent orientations.
 - i) The opportunity to annually present at faculty/staff orientation to review current Follett programs and services. Follett shall initiate communication with School annually regarding these presentations.
 - j) The opportunity to present campus Store events and promotions on any existing or future closed circuit campus message broadcast applications. Approval for each message must be by the School's representative indicated in section 7.2.
 - k) In-store product and service placements to drive brand awareness for vendors that serve the campus operation.

8. Bookstore Personnel.

- 8.1 Follett will furnish sufficient, adequately trained personnel to provide efficient and courteous service to customers, including sufficient substitute personnel in case of employee absence. In addition, Follett will provide ongoing training in customer service and will formally recognize and reward employees who provide superior customer service.
- 8.2 School may participate in interviewing and evaluation of Follett's Store Manager should the need arise to fill the position. Follett's selection of the Store Manager is subject to School's approval.
- 8.3 School reserves the right to request replacement of the Store Manager for good and reasonable cause as determined by School, or for actions not considered to be in the best interests of School.
- 8.4 Follett may conduct a pre-employment background check, as well as screening required by the state in which the Store is located. In the event adverse information is received as a result of the

screening, Follett will manage the information received and the offer of employment in accordance with the Follett Background Check Policy. Follett reserves the right to rescind the offer of employment made prior to the screening.

8.5 Follett employees shall dress in a professional manner and shall not wear apparel with any college or university name and/or logo other than School.

9. Bookstore Stock and Sales.

9.1 In operating the Store, Follett will charge industry standard, competitive and fair prices, which, at present, are as follows:

- a) On new textbooks and trade books, not more than the publishers' list price, or a 25% gross margin (cost divided by .75) on net price books and list price books sold to Follett at less than a 25% discount off list, plus freight and handling costs and rounded up to the next quarter.
- b) On coursepacks, text "packages," "kits," "sets," and "bundles," and non-returnable and return-restricted texts, not more than a 30% gross margin (cost divided by .70), plus freight and handling costs and rounded up to the next quarter.
- c) On ebooks and other digital content, when Follett determines the end-user price, Follett will follow the same pricing rules applicable to coursepacks, and when the publisher determines the end-user price and Follett acts as agent, Follett will use the publisher price.
- d) On used books, including cloth, paperback and others, not more than 75% of the new textbook selling prices rounded up to the next quarter.
- e) On rental books, Follett will be setting rental fees for each title, and any given title's fee may vary as a percentage of the retail selling price.
- f) On general merchandise, not more than the normal gross profit margin for similar merchandise in the college bookstore industry.

9.2 Follett will expeditiously process text requests placed after the adoption deadline.

9.3 Follett shall purchase used textbooks year round. Follett shall purchase used textbooks adopted for the next academic term in quantities sufficient to meet course requirements at not less than 50% of the student's purchase price rounded to the nearest quarter. Follett shall purchase used books not adopted for the next academic term or in excess of course requirements at wholesale competitive and prevailing prices rounded to the nearest quarter.

9.4 Follett shall exercise due diligence and commit its full and complete array of resources and programs including regular and continuous faculty outreach and communication, Text Program Review and Buyback marketing and promotion to the campus to insure a robust used book inventory is available to the students with a goal of maintaining an average used-to-new textbook sales ratio consistent with or above industry standard benchmarks. In the event Follett fails to maintain this benchmark ratio to the satisfaction of School, Follett will consult with School in developing a corrective action plan.

9.5 Follett will provide an appropriate assortment of logo and emblematic merchandise and will seek input and feedback from the campus community on an ongoing basis through the Bookstore Advisory Committee and annual surveys with a goal of maintaining a minimum of \$190,000 in annual clothing sales. In the event Follett fails to maintain this sales threshold to the satisfaction of School, Follett will consult with School in developing a corrective action plan. It is understood that this minimal sales requirement will not be applicable in any year where there is a campus or store closing/restriction due to force majeure event such as this past year with COVID. In addition, School will have the opportunity at various times throughout the academic year to make special requests for merchandise not carried by Follett. The request shall be promptly administered and approval shall not be unreasonably withheld. School may also order merchandise not carried in the Store through the Guaranteed Sale and Custom Gifts programs. Follett shall also make available the Follett On-Demand products via the Store's eCommerce site.

Follett shall not include logo and emblematic merchandise in the School's eCommerce site for any college or university other than School.

- 9.6 Follett will accept returns in accordance with the following policies:
- a) Non-textbook items in resalable condition may be refunded or exchanged at any time with original receipt.
 - b) Textbooks in resalable condition may be refunded with receipt within seven (7) calendar days from the start of classes or within two (2) days of purchase thereafter, including during summer term.
 - c) Textbooks purchased during the last week of classes or during exams may be sold back under the book buyback policy.
 - d) Computer software may be returned if it is unopened and shrink-wrapped.
 - e) In addition, upon proof of drop/add, Follett will accept textbook returns from students who have dropped a course up to thirty (30) days from the start of classes or until the end of the official drop/add period, whichever comes first.
- 9.7 In operating the Store, Follett shall accept as a minimum, MasterCard, Visa, Discover and American Express charge cards. Follett will pay all merchant charges associated with acceptance of these credit cards. Follett agrees to establish security procedures to protect cardholder data and comply with the Payment Card Industry Data Security Standard (PCI DSS).
- 9.8 Follett will offer its Price Match Program ("PMP") to School. The PMP includes textbooks (new, used and rental) that are currently in-stock at the Store as well as at competing retailers, but excludes digital books. The following terms and conditions apply:
- a) The student brings their original receipt and/or the advertisement for the better price to the Store within seven days of their original purchase.
 - b) The book must be in stock at the Store and with the retailer advertising the lower price. Retailers include: a local bookstore, Amazon (excluding its Marketplace) or Barnes & Noble. This program excludes peer-to-peer marketplaces and online aggregator sites.
 - c) The lower priced item must match the exact book and edition purchased or rented, including accompanying CDs, online access codes, student manuals, etc.
 - d) Once verified, the Store associate calculates the difference and issues a Store gift card to the student.
 - e) The PMP and its terms and conditions are subject to change over the term of this Agreement upon approval by Follett and School.
 - f) Follett shall display their PMP in the store and on their e-Commerce website.

10. Commission.

- 10.1 Follett shall pay commission to the School in an annual amount equal to the sum of:

15.0% of all Commissionable Sales[^] excluding digital course materials up to **\$2,000,000**; plus **16.0%** of any part of Commissionable Sales[^] excluding digital course materials over **\$2,000,000**
8% of all Commissionable Sales of digital course materials.

* and accounts receivable, as reasonably calculated by Follett.

[^]Commissionable Sales is defined as all recognized revenue (in compliance with generally accepted accounting principles) generated through the Store or the Store website, less voids, refunds, sales tax, campus debit card fees, discounted sales to authorized School faculty, staff, departments, and others as may be mutually agreed to under this Agreement in sections 6.16 and 24.5, Follett funded scholarships, handling fees associated with non-return of rental textbooks, pass-through income and merchandise sales at less than an inherent 20% margin (i.e. computer hardware and software).

- 10.2 If in the first full contract year during the term of this Agreement, commission payments to School calculated in accordance with Section 10.1 are less than **\$100,000** ("Guaranteed Annual Income"), Follett will pay School an additional amount necessary to bring total payments to School for that contract year up to the Guaranteed Annual Income. Follett will provide a Guaranteed Annual Income in all future contract years of this Agreement that will be an amount equal to ninety percent (90%) of the calculated commission on Commissionable Sales of the immediately preceding contract year. In any partial contract year commission will be based on the applicable percentage and not on the Guaranteed Annual Income.
- 10.3 Follett will keep complete and accurate records of all Store transactions in accordance with industry accounting practices and will provide a statement of Store Commissionable Sales to School monthly for the preceding period. Follett will provide a monthly accounting of the Store Improvements categorized by Capital Equipment and Store Remodeling. Follett also agrees to provide a monthly accounting of the accounts receivable account described in Section 6.17. Follett will preserve records of store operations for 3 years from the transaction date, and will make them available for review, audit and verification by School at the Store upon request on reasonable advance notice during ordinary business hours other than during Store "rush" periods. Furthermore, Follett shall provide School with access to Follett's workbench system for financial reporting upon completion..
- 10.4 Follett shall pay the commission calculated in accordance with Section 10.1 monthly, twenty days after the end of the month. Any other payment required to be made by Follett to School under this Agreement shall be made within thirty days of receipt of invoice. Follett will make any payments due under Section 10.2 within 90 days after the end of the contract year. In case of termination of this Agreement, other than at a contract year-end, payments under Section 10.2 shall be prorated to the actual date of termination.

Follett will process commission payments by sending ACH transfers (Direct Deposit) in lieu of paper checks. On the day the ACH payment is made, the School's designated recipient will receive an email informing the School thereof. A csv file (that can be opened in Excel) will be attached to the email that will contain the remit information with the document numbers that were paid (similar to the check remittance advice). Please note that this is not a wire transfer. The process takes approximately 7-10 business days to process once the necessary form is completed by the School and submitted to Follett's Accounts Payable department.

10.5 If annual gross sales of the Bookstore shall materially decline more than 5% as a result of declining enrollment, public legislation, other conflicting campus contracts, material changes in school policies or the business model of the industry, such as digital books, sales directly from the publisher, or other reasons outside of the control of Follett, School and Follett agree to negotiate in good faith an appropriate adjustment in the payments set forth above.

Likewise, if annual gross sales of the Bookstore shall materially increase more than 5% as a result of increasing enrollment, material changes in school policies, the business model of the industry, market conditions, or other reasons outside of the control of Follett, School and Follett agree to negotiate in good faith an appropriate adjustment in the payments set forth above.

11. Bookstore Rentals.

- 11.1 Follett will provide a proprietary course material rental program ("Rental Program") via individual rental agreements with students ("Student Rental Agreements"). Rental pricing will be determined by Follett. Two types of textbooks will be eligible for adoption in the rental program:

The "National Title List" Textbook. Follett will offer a National Textbook Rental Title List of the textbooks available for rental, which will be updated periodically by Follett (the "National Title List").

The "Local Program" Textbook. School may select books not on the National Title List to be part of the Rental Program provided School agrees to continue to adopt the specific book(s) for at least 4 consecutive semesters. In the event School fails to consistently comply with meeting the 4 consecutive similar-sized semesters' commitment in the aggregate, Follett at its sole discretion may eliminate the Local Program upon written notification to School.

- 11.2 School will support the Rental Program as follows: Successor in Interest - On any termination, expiration or non-renewal of this Agreement, Student Rental Agreements will be assigned to School or successor store operator. Where rented textbooks have not been returned, where no charge has been made to the credit or debit card held as security therein, or where some other loss occurs under a Student Rental Agreement, School will look solely to the student.

12. Insurance.

- 12.1 During the term of this Agreement, Follett shall keep in force, at its own expense, at least the following insurance, all in accordance with this Section 12:
- a) Commercial General Liability having a combined single limit of not less than \$1,000,000 per occurrence covering premises and operations, contractual liability and products/completed operations;
 - b) Business Automobile Liability having a combined single limit of not less than \$1,000,000 per occurrence covering claims arising out of ownership, maintenance, or use of owned or non-owned automobiles;
 - c) Worker's Compensation insurance having limits not less than those required by applicable statute;
 - d) Employer's Liability in the amount of at least \$1,000,000 per occurrence; and
 - e) Excess or Umbrella Liability in the amount of at least \$2,000,000.
- 12.2 School, its affiliates, officers, directors, trustees, volunteers, and employees shall be named as additional insureds by blanket endorsement under the Commercial General Liability policy.
- 12.3 Follett shall furnish industry standard Certificate[s] of Liability Insurance to School showing the coverage required by this Section 12 within 30 days after execution of this Agreement or before Follett takes possession of the Store, whichever is earlier. The Certificate[s] shall provide that, should any of the above policies be cancelled before the expiration date thereof, notice will be delivered in accordance with policy provisions.
- 12.4 School will notify Follett of any flood plain zoning changes affecting the Store within 30 days of receiving notice of such change from any source.

13. Indemnification.

- 13.1 Follett shall defend, indemnify and hold harmless School, its Board of Trustees, affiliates, officers and employees from any and all claims, suits, actions, damages, judgments, and costs (including reasonable attorney fees), arising out of any: (i) damage, destruction or loss of any property (including but not limited to School's property); or (ii) injury to or death of any person (including but not limited to any employee of School); which results from or arises out of negligent or willful acts or omissions of Follett, its officers, agents and employees, in the performance of this Agreement.
- 13.2 To the extent permitted by applicable law, School shall defend, indemnify and hold harmless Follett, its affiliates, directors, officers and employees from any and all claims, suits, actions, damages, judgments, and costs (including reasonable attorney fees) arising out of any: (i) damage, destruction or loss of any property (including but not limited to Follett's property); or (ii) injury to or death of any person (including but not limited to any employee of Follett); which results from or arises out of negligent or willful acts or omissions of School, its officers, agents,

third-party contractors performing work on behalf of School or employees, in the performance of this Agreement.

14. **Independent Contractor Status.** Follett shall be an independent contractor and not a School employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act, minimum wage and overtime payments, the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, any Nebraska revenue and taxation law, Nebraska workers' compensation law and Nebraska unemployment insurance law.

Follett agrees that it is a separate and independent enterprise from the School, that it has a full opportunity to find other business, that it has made its own investment in its business, and that it shall utilize a high level of skill necessary to perform the work. This Agreement shall not be construed as creating any partnership, joint venture, or joint employment relationship between Follett and the School, and the School shall not be liable for any obligation incurred by Follett, including but not limited to unpaid minimum wages or overtime premiums. If Follett has employees or subcontractors, Follett further agrees to maintain at least the prescribed minimum workers' compensation insurance coverage for all of the its employees for the duration of this Agreement. Follett agrees to furnish the School proof of workers' compensation insurance coverage upon request.

15. **Nonassignability.** Neither party may assign or sublet this Agreement in whole or in part without the prior written consent of the other party, except that either party may assign this Agreement in its entirety to an affiliate that controls, is controlled by or is under common control with such party. This Agreement is made for the exclusive benefit of the parties, and no benefit to any third party is intended.

16. **Notice.** Notices required or permitted by this Agreement shall be deemed given when received if sent by recognized overnight courier or first class mail, postage prepaid, to the following address, or such other address as the party may specify by notice:

To School:
CD Douglas
Vice President for Student Affairs
1111 Main Street
Wayne, NE 68787

To Follett:
Roe McFarlane
President
Follett Higher Education Group
3 Westbrook Corporate Center, Suite 200
Westchester, Illinois 60154

With a copy to:
Angela Fredrickson
Vice President for Admin. & Finance
1111 Main Street
Wayne, NE 68787

With a copy to:
Follett Corporation
3 Westbrook Corporate Center, Suite 200
Westchester, Illinois 60154
Attn: General Counsel

17. **Severability.** If any provision of this Agreement is finally adjudicated illegal, invalid, in excess of the authority of either party hereto, or otherwise unenforceable, then such provision shall be severed, and the remainder of this Agreement shall remain in force as if such adjudicated provision were never included in this Agreement.

18. **Integrated Agreement.** This Agreement may not be modified, amended or waived except in writing of subsequent date hereto executed by both parties (School and Follett).

19. **Confidential Information.** Follett acknowledges that performance under the terms of this Agreement may involve receipt of user data from the School. Follett will utilize user data from the School only in the furtherance of this Agreement. Follett will notify School within twenty-four (24) hours of becoming aware of any data breach of its systems which expose confidential School

user data. Follett will reimburse the School for any and all expenses incurred by the School as a result of a data breach of Follett's systems.

If the user data consists of confidential student information protected by The Family Educational Rights and Privacy Act (FERPA) Follett agrees and acknowledges that Follett is acting as an officer of the School for the purposes of this Agreement as defined by Nebraska State College Board Policy 3650 (at the time of this writing available at: <https://www.nscs.edu/policy-manual/detail/39-3650-student%20records>) and will take necessary steps to safeguard the confidential student information.

Follett further acknowledges the obligation and agrees to comply with the General Data Protection Regulation (GDPR) privacy laws in regard to the collection, processing, storage, security, management, transfer and erasure of user data.

20. **Technology Access.** All agreements, that include provisions of technology products, systems, and services, including data, voice, and video technologies, as well as information dissemination methods, shall comply with the applicable provisions of the Nebraska Technology Access Standards adopted pursuant to Neb. Rev. Stat. §73-205. These Standards are available for viewing on the Web at <https://nitc.ne.gov/standards/2-201.html> and are incorporated into this Agreement as if fully set forth therein. Follett agrees to comply with this provision by meeting ADA and WCAG standards.
21. **New Employee Work Eligibility Status.** Follett is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.
22. **ADA & Drug-Free Workplace Requirements.** All provisions of this Agreement are subject to the Americans with Disabilities Act (ADA). Further, Follett certifies that Follett operates a drug-free workplace and, during the term of this Agreement, will be in compliance with the provisions of the Drug-Free Workplace Act of 1988.
23. **Public Records.** Agreements for Services are public records which are generally subject to statutory public disclosure and public website posting requirements.
24. **Follett On Demand Products.**
 - 24.1 During the term of the Agreement, Follett shall offer via the Store's eCommerce site a wide variety of on demand products for sale through a web-based ordering system operated by a Follett Corporation wholly owned subsidiary, Advanced Graphic Products, Inc. dba Follett On-Demand ("Follett"). Follett will provide a web-based ordering system through which School students, faculty, staff, alumni, and the general public will be able to order products bearing School Indicia.
 - 24.2 Follett shall enter into the Exhibit A License Agreement (the "License Agreement") with School. During the term of this Agreement, Follett will maintain its status as a properly appointed licensee of School and Follett will comply with the requirements of the License Agreement. Follett will comply with all requirements of School and receive approval of all graphics through School.
 - 24.3 Follett will provide a marketing campaign that may include an email campaign, promotions and other marketing related items to enhance overall retail sales. Promotional emails for free, discounted, or special product promotions will be sent from Follett as approved by the Schools representative as outlined in section 7.2
 - 24.4 A web link from the School athletics' website will be provided for Follett's eCommerce site. A designated acknowledgement space on the School athletics' website will be allocated for

permanent online Store acknowledgment. All printed or verbal acknowledgements by School associated with this Agreement are limited to Follett's name, contact information, regularly used logo and slogan, and/or neutral product or service descriptions.

24.5 Follett will provide a website application to allow School staff to purchase products from the School's product line at discounts of approximately 25% to 50% off retail pricing. Such discounted sales shall be exempt from Commission in Sections 10.1 and 10.2 respectively.

24.6 Commissions for on demand items will be payable as indicated in section 10 and shall be reported as a separate category on all sales reports.

With respect to online sales, commissions shall be deemed earned by School as of the transaction billing date.

WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective authorized representatives.

**FOLLETT HIGHER EDUCATION
GROUP, INC.**

By: _____

Name: Clay Wahl

Title: Chief Operating Officer

Date: _____

**BOARD OF TRUSTEES OF THE
NEBRASKA STATE COLLEGES
DBA WAYNE STATE COLLEGE**

By: _____

Name: Marysz Rames

Title: President

Date: _____

**BOARD OF TRUSTEES OF THE
NEBRASKA STATE COLLEGES**

By: _____

Name: Paul Turman

Title: Chancellor

Date: _____

WAYNE STATE COLLEGE
Licensing
Department of Athletics
1111 Main Street
Wayne, NE 68787-1172

LICENSE AGREEMENT NO.
2021-22-#1

NONEXCLUSIVE LICENSE AGREEMENT

WHEREAS, The Board of Trustees of the Nebraska State Colleges, doing business as Wayne State College ("WSC"), is the exclusive owner of the Licensed Marks (as defined below); and

WHEREAS, Follett Higher Education Group, Inc and/or Advanced Graphic Products, Inc. dba Follett On-Demand

(hereinafter called "Licensee") 3 Westbrook Corporate Center, Suite 200, Westchester, IL 60154
(address)

Telephone 630-956-3699.

desires to make use of one or more of the said Licensed Marks with respect to the Licensed Articles (as defined below); and

THEREFORE, in consideration of the premises and mutual promises and covenants herein contained, the parties hereto agree as follows:

I. Definitions

- (1) "Licensed Articles" means the following products, and any other products that may be agreed upon in writing by WSC and Licensee from time to time, in each case displaying, embodying, or making use of the Licensed Marks: [as later defined].
- (2) "Licensed Channels" means the channels of trade or outlets listed on Exhibit 1 attached to this Agreement.
- (3) "Licensed Marks" means the designs, trademarks, service marks, logo graphics, and/or symbols owned or licensed by WSC, including but not limited to, "Wayne State College," "WSC," "Wayne State College Wildcats," "WSC Wildcats," and the WSC Logo (as later defined).
- (4) "Net Sales" means the total gross sales of all Licensed Articles distributed or sold at the greater of Licensee's invoiced selling price or Licensee's regular domestic wholesale warehouse price, less (a) quantity discounts actually allowed and taken by the customer, (b) credits for returns actually made as supported by credit memos issued to customers, (c) sales taxes, and (d) prepaid transportation charges on Licensed Articles shipped by Licensee from

its facilities to the purchaser. No costs incurred in the manufacturing, selling, advertising, or distribution of the goods, or any indirect expenses shall be deducted, nor shall any deduction be made for uncollectible accounts, cash discounts, or similar allowances.

- (5) "Exempt Sales" means sales directly to Wayne State College Athletic Department.
- (6) "Premium" means any article given free or sold at less than the usual selling price for the purpose of increasing the sale of, or publicizing any other product or service, or for any other giveaway or promotional purpose.
- (7) "WSC Logo" shall mean the mark depicted below (whether in color or otherwise):



- (8) "Wildcat Logo" shall mean the mark depicted below (whether in color or otherwise):



II. Grant of License

- (1) Subject to the terms and conditions of the Agreement, WSC hereby grants to the Licensee a nonexclusive, non-transferable, non-sublicensable, right and license to use the Licensed Marks during the Term solely in connection with the manufacture, promotion, advertising, distribution, and sale of the Licensed Articles in the United States, provided that Licensee may only sell the Licensed Articles in the Licensed Channels, if applicable.
- (2) No license is granted under this Agreement for the use of Licensed Marks in connection with Premium programs. Premium programs using Licensed Marks must have the prior written approval of the licensing coordinator of WSC.

- (3) In the event any Licensed Channels are specified in Exhibit 1, then Licensee agrees it may only sell the Licensed Articles through the Licensed Channels.
- (4) WSC reserves all rights not expressly granted to Licensee under this Agreement. No use by WSC of the Licensed Marks in any medium or manner will be deemed to interfere with the limited permissions made to Licensee by WSC herein, including: (a) WSC or its designees' exploitation of products similar or identical to the Licensed Articles and products directly or indirectly competitive with the Licensed Articles, and (b) granting other licenses or rights to exploit the Licensed Property.

III. Royalty Payments and Reports

- (1) Rate. Licensee agrees to pay WSC a royalty of six and one-half percent (6 1/2 %) of Net Sales of all Licensed Articles sold (or in the case of a Premium program in which a Licensed Article is given free, delivered) during the term of this Agreement, other than Exempt Sales.
- (2) Reports and Records. Licensee shall provide quarterly reports to WSC within thirty (30) days following the last day of the months of March, June, September, and December on all items sold (or in the case of a Premium program in which a Licensed Article is given free, delivered) in the previous calendar quarter. Licensee agrees to keep full and accurate records to show the basis for calculation of royalties and such records, including sales invoices, and Licensee's general accounting records shall be open to inspection by WSC's representative at reasonable times, and within normal business hours.
- (3) Royalty Payments. For purposes of determining the royalty payments, a Licensed Article shall be deemed to have been "sold" at the time of invoicing or billing for said Licensed Article. Royalty payments are due within thirty (30) days following the last day of the months of March, June, September, and December on all items sold (or in the case of a Premium program in which a Licensed Article is given free, delivered) in the previous calendar quarter and shall be sent to Wayne State College, Licensing, Athletic Department, 1111 Main Street, Wayne, NE 68787.
- (4) Multiple Royalty Payments. WSC recognizes that the Licensee may be subject to other license agreements which together with this Agreement would subject certain Licensed Articles to more than one (1) royalty payment. WSC may agree to a reduced royalty subject to the written approval of the WSC licensing coordinator.

IV. Term

The initial term of this Agreement shall be for one (1) year and this Agreement shall automatically renew from year to year thereafter unless (a) terminated by either party giving to the other not less than thirty (30) days written notice prior to the expiration of the applicable term, or (b) terminated by WSC pursuant to Section VIII of this Agreement (the "Term"). Upon such termination, all rights granted to Licensee herein shall cease, except that for a time period not to exceed six (6) months following the date of termination of this Agreement, Licensee may continue to sell all

Licensed Articles on hand in inventory at the time of termination, provided that Licensee shall pay to WSC the royalties thereon and provide reports as required in Section III.

V. Licensee Warranties, Obligations, and Restrictions.

- (1) WSC has an ongoing interest in seeing that the Licensed Marks are used in a manner appropriate to the standards and image maintained by WSC. A sample of each Licensed Article and a color photo of each Licensed Article shall be submitted by Licensee to WSC, at the expense of Licensee, for approval by WSC prior to its sale or distribution. Licensee shall submit to WSC for approval at least one (1) sample of any advertisements, labels, and/or packaging used in connection with the marketing of any Licensed Article. Any proposed change in a Licensed Article shall also be submitted to WSC for approval prior to its sale or distribution. Licensee shall submit such samples and materials to WSC in a timely fashion to ensure that WSC has adequate time to review such materials prior to the date of their proposed use by Licensee.
- (2) If WSC notifies Licensee of any defect in any Licensed Article, advertisements, labels, and/or packaging or of any deviation from the approved use of any of the Licensed Marks, Licensee shall have fifteen (15) days from the date of notification from WSC to correct every noted defect or deviation. No defective Licensed Article, advertisement, label or package in Licensee's inventory shall be used, distributed or sold and each shall, upon request by WSC, be immediately recalled from the marketplace and destroyed or submitted to WSC, at WSC's option and at Licensee's expense. However, if it is possible to correct all defects in the Licensed Articles, advertisements, labels, and/or packaging in Licensee's inventory, said items may be distributed or sold after all defects are corrected to the satisfaction of WSC, which shall be indicated in writing.
- (3) WSC and/or its authorized representatives shall have the right at reasonable times and during normal business hours to inspect Licensee's plants, warehouses, storage facilities and operations related to the production of Licensed Articles.
- (4) Selling or distributing Licensed Articles not approved by WSC pursuant to Section V of this Agreement shall be a "default" under this Agreement as such term is used in Section VIII.
- (5) Licensee shall comply, and ensure that all manufacturers producing the Licensed Articles comply, with all advertising, labeling and labor laws and regulations related to the manufacture, production, distribution and sale of the Licensed Articles. WSC shall have the right to approve any manufacturer, or require a change in a manufacturer whose activities do not comply with the terms and conditions of this Agreement, with whom Licensee contracts to produce or manufacture the Licensed Articles.
- (6) Licensee warrants that the Licensed Articles it produces, distributes and sells shall be of a high quality which is at least equal to comparable products manufactured and marketed by Licensee and in conformity with the standard sample approved by WSC pursuant to Section V of this Agreement.

- (7) Licensee further warrants that the Licensed Articles, labels, packaging and advertising material distributed to promote the Licensed Articles shall not infringe or otherwise violate the intellectual property rights of any third party.
- (8) The Licensed Articles, labels, packaging and advertising material distributed to promote the Licensed Articles shall include all appropriate legal notices and markings as required by WSC. Notwithstanding the generality of the foregoing, Licensee agrees to affix the ® registration symbol to each Licensed Article bearing the WSC Logo and at least once to each advertisement, label, and packaging item bearing the WSC Logo in the manner shown below:



- (9) Licensee agrees that it shall not, during the Term or thereafter, directly or indirectly:
 - a. do, omit to do, or permit to be done, any act which will or may dilute the Licensed Article, or tarnish or bring into disrepute the reputation of or goodwill associated with the Licensed Marks or WSC, or which will or may invalidate or jeopardize any registration of any rights in and to the Licensed Marks or any element thereof;
 - b. apply for, obtain, or assist any person in applying for or obtaining any registration of any copyright, trademark, or other designation, or take any other action, which would or may affect ownership of the Licensed Marks; or
 - c. state or imply that WSC endorses the Licensee, its products or services, or the Licensed Articles.

VI. No Joint Venture or Endorsement of Licensee

- (1) Approval by WSC of a particular product shall not be deemed an endorsement by WSC of the usefulness or safety of the product bearing the Licensed Marks, nor shall such approval be deemed in any manner a guarantee or warranty of any nature with respect to the items approved. Licensee agrees that in the exercise of this license, it will neither state nor imply either directly or indirectly that Licensee or Licensee's activities are supported, endorsed, or sponsored by WSC, and upon request by WSC, shall issue express disclaimers to that effect.
- (2) Nothing in this Agreement shall be construed to place the parties in the relationship of partners, joint venturers or agents, and neither party shall have any power to obligate or bind the other party in any manner whatsoever.

VII. Acknowledgment of Ownership.

- (1) Neither this Agreement, nor any act, omission, or statement by WSC or Licensee, conveys any ownership right in any of the Licensed Marks, or to any element or portion thereof, or other materials provided by or on behalf of WSC under this Agreement. Except for the licenses expressly granted to Licensee in this Agreement, Licensee acknowledges that all right, title, and interest in and to the Licensed Marks, as well as any modifications or improvements made thereto by the Licensee, and the goodwill resulting from Licensee's use of the Licensed Marks are owned by and will remain with WSC. Licensee agrees not to dispute or challenge, or assist any person in disputing or challenging, WSC's rights in and to the Licensed Marks or the validity of any trademark, copyright, or patent, and any applications therefore which may have been or may be filed in the future, relating to the Licensed Marks.

VIII. Indemnity; Insurance

Licensee agrees to defend and hold harmless WSC, its trustees, insurers, licensees, employees, agents, predecessors, successors, parents, affiliates and subsidiaries from all liability, of whatever nature or description, arising out of or relating in any manner to (a) any actual or alleged breach by Licensee of any representation, warranty, covenant, or obligation under this Agreement; (b) the exercise by Licensee of the rights granted under this Agreement, including any product liability claims or third-party intellectual property rights infringement claims relating to the Licensed Articles or their advertising and promotion; or (c) infringement, dilution, or other violation of any intellectual property or other rights of any person resulting from the manufacture, promotion, advertising, distribution, or sale of Licensed Articles. .

Proof of adequate commercial general liability and/or product insurance will be provided to WSC upon request.

IX. Disclaimer of Representations and Warranties; Limitation of Liability.

EXCEPT AS EXPRESSLY PROVIDED IN SECTION IX, WSC EXPRESSLY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESSED, IMPLIED, STATUTORY, OR OTHERWISE, WITH RESPECT TO THE LICENSED MARKS, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, AND WARRANTIES THAT MAY ARISE OUT OF THE COURSE OF DEALING, THE COURSE OF PERFORMANCE, USAGE, OR TRADE PRACTICE.

WSC WILL NOT BE LIABLE UNDER, OR IN CONNECTION WITH, THIS AGREEMENT FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, LIQUIDATED, SPECIAL, OR EXEMPLARY DAMAGES OR PENALTIES, INCLUDING LOSSES OF BUSINESS, REVENUE, OR ANTICIPATED PROFITS, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER WSC HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

X. Event of Default or Breach

Without prejudice to any other rights it may have under this Agreement or otherwise, WSC shall have the right to terminate this Agreement upon written notice to Licensee at any time if Licensee shall default on any provision hereof and such default continues for a period of ten (10) days after written notice of default is given by WSC to Licensee.

Licensee acknowledges that a breach by Licensee of this Agreement may cause WSC irreparable damages, for which an award of damages would not be adequate compensation, and agrees that, in the event of such breach or threatened breach, WSC will be entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance, and any other relief that may be available from any court, in addition to any other remedy to which WSC may be entitled at law or in equity. Such remedies are not exclusive but are in addition to all other remedies available at law or in equity, subject to any express exclusions or limitations in this Agreement to the contrary.

XI. Enforcement and Protection of Intellectual Property Rights

- (1) Licensee shall not, during the term of this Agreement or after termination of this Agreement, dispute or contest the property rights of WSC in the Licensed Marks, dispute or contest the validity of this Agreement, or use the Licensed Marks or any similar mark in any manner other than as licensed under this Agreement.
- (2) WSC will endeavor to investigate unauthorized use by others of the Licensed Marks brought to its attention by Licensee. However, nothing in this Agreement shall require WSC to bring suit or take action for infringement of any of the Licensed Marks. Licensee shall not institute any suit or take any action on account of any such alleged infringements. Licensee agrees that it is not entitled to share in any proceeds received by WSC (by settlement or otherwise) in connection with any formal or informal action brought by WSC.
- (3) Licensee shall not use any of the Licensed Marks or any similar mark as, or as part of, a trademark, service mark, trade name, Uniform Resource Locator (URL), social media identity, fictitious name, company or corporate name anywhere in the world.
- (4) Nothing in this Agreement gives Licensee any right, title or interest in the Licensed Marks except the right to use the Licensed Marks in accordance with the terms of this Agreement. Licensee's use of the Licensed Marks shall inure to the benefit of WSC.

XII. Assignment

This Agreement and any rights herein granted are personal to Licensee and shall not be assigned, sublicensed or encumbered without the prior, written consent of WSC, which may be withheld in the sole discretion of WSC.

XIII. Integration and Governing Law

This Agreement constitutes the entire agreement between the parties as to the licensed items, and no modifications or revisions hereof shall be of any force or effect unless the same are in writing and executed by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of Nebraska.

LICENSEE

BOARD OF TRUSTEES OF
THE NEBRASKA STATE COLLEGES, D/B/A
WAYNE STATE COLLEGE

By _____

By _____

Title _____

Title President

Date _____

Date _____

EXHIBIT 1

LICENSED CHANNELS

1. Direct to customers via retail store on campus.
2. Direct to customer via the following designated website/online store:
<https://www.bkstr.com/waynestatestore>).
3. Sale to a contracted retail vendor who will produce and sell licensed goods direct to customers.