TERMS OF USE OF HOME CORPORATION FACILITIES BY KNIGHTS OF COLUMBUS SUBORDINATE UNIT

(U.S. Version)

This TERMS OF USE OF HOME CORPORATION FACILITIES BY KNIGHTS OF COLUMBUS SUBORDINATE UNIT ("<u>Agreement</u>") is made as of the _____ day of _____, 20____, by and between:

<u>SUBORDINATE UNIT</u> (including, but not limited to, subordinate councils, assemblies, circles, chapters, etc.):

Knights of Columbus Council/Assembly/Circle/C	Chapter	
Name	No	
an unincorporated association holding a charter approved by the Board of Directors of Knights o		е
Address:		
Address:		
Federal Tax EIN:		
(" <u>Subordinate Unit</u> ")		
and		
CORPORATION:		
Name:		
Address:		
Address:		
A corporation organized under the laws of the S	State of	
Federal Tax EIN:		
(" <u>Corporation</u> ")		
CORPORATION PREMISES:		
Address:		
Address:		
("Premises")		
ANNUAL FEE:		
Annual Fee: \$		

Signature Page 1 of 2

TERM DATE:

Commencement Date: January 1, 20____

This Agreement is subject to the Terms and Conditions attached hereto and made a part hereof.

IN WITNESS WHEREOF, this Agreement is hereby executed as of the date first above written.

SUBORDINATE UNIT

CORPORATION

Knights of Columbus Council/Assembly/Circle/Chapter Name:	Name:
No	~~
Ву:	Ву:
Name:	Name:
Title:	Title:
STATE OF	STATE OF
COUNTY OF	COUNTY OF
On the day of in the year before me personally came to me known, who, being by me duly sworn, did depose and say that he resides in	On the day of in the year before me personally came to me known, who, being by me duly sworn, did depose and say that he resides in
that he is the of the of the (name of subordinate unit), the subordinate unit described in and which executed the above instrument; and that he signed his name thereto by authority of said subordinate unit identified above.	that he is the of the of the of the (name of corporation), the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the board of directors of said corporation.

Notary Public

Notary Public

TERMS AND CONDITIONS

In consideration of the mutual covenants set forth herein, and for other good and valuable consideration, including without limitation the Charitable Distribution Agreement being executed simultaneously herewith by and between the parties hereto, the receipt and sufficiency of which are acknowledged, Subordinate Unit and Corporation each hereby agree as follows:

1. **DEFINITIONS AND OBJECTIVE**.

1.1 <u>Subordinate Unit</u>. Subordinate Unit is an unincorporated association holding a charter from Knights of Columbus (as hereinafter defined) or is otherwise approved by the Board of Directors of Knights of Columbus (as hereinafter defined).

1.2 <u>Corporation</u>. Corporation is a legal entity incorporated under laws of the state in which Corporation is located. Corporation is a legal entity separate and distinct from Subordinate Unit and Knights of Columbus (as hereinafter defined).

1.3 <u>Knights of Columbus</u>. Knights of Columbus is a Connecticut non-stock corporation ("Knights of Columbus"), which received its corporate charter from the General Assembly of the State of Connecticut in 1882, the year of its founding. The Supreme Office of Knights of Columbus is located in New Haven, Connecticut. Knights of Columbus is not a party to this Agreement.

1.4 <u>Objective</u>. Subordinate Unit and Corporation are entering into this Agreement to clarify the relationship between Subordinate Unit and Corporation in order to promote the fraternal and charitable mission of Subordinate Unit.

1.5 <u>Annual Fee</u>. An amount between Subordinate Unit and Corporation not less than \$10 per year.

2. **PREMISES**.

2.1 <u>Premises and Space</u>. In consideration of Subordinate Unit's agreement to pay Annual Fee and subject to the covenants and conditions hereinafter set forth, Corporation shall provide to Subordinate Unit designated space ("Space") in the Premises for Subordinate Unit's regular meetings and other functions, at times and locations within the Premises mutually agreed upon by the parties. Corporation shall give first priority to Subordinate Unit and shall use its best efforts to make Space available to Subordinate Unit on the dates and times requested by Subordinate Unit.

2.2 <u>"As-Is" Condition</u>. Subordinate Unit shall accept Space from and after the Commencement Date in its then "as-is" condition without (i) any obligation on Corporation's part to undertake, or pay for, any improvements or alterations therein in connection with this Agreement or otherwise, or (ii) any representations or warranties regarding the condition thereof.

Initials ____

3. TERM, COMMENCEMENT OF TERM, AND RENEWAL.

3.1 <u>**Term**</u>. The term of this Agreement (the "Term") shall commence on the Commencement Date and shall continue in effect for a period of five (5) years (the "Initial Term"), unless earlier terminated in accordance with the terms hereof.

3.2 **Renewal**. This Agreement shall automatically renew for an additional three (3) terms of five (5) years each (each a "Renewal Term"), unless Subordinate Unit terminates Agreement at the end of the Initial Term or any subsequent Renewal Term by giving written notice that it will not be renewing this Agreement pursuant to Section 19.3. Notice of non-renewal shall be received by Corporation ten (10) days prior to expiration of the Initial Term or any subsequent Renewal Term and Corporation acknowledges that such notice is adequate consideration for Subordinate Unit's right to terminate this Agreement.

4. ANNUAL FEE.

Beginning on the Commencement Date, Subordinate Unit covenants and agrees to pay to Corporation the Annual Fee in twelve equal monthly installments due in advance on the first day of each month.

5. UTILITIES AND SERVICES.

Corporation shall furnish at Corporation's expense all electricity, hot and cold water, lavatory supplies, heat and air-conditioning during the appropriate seasons of the year as reasonably required, trash removal, and maintenance services.

6. USE OF SPACE.

6.1 <u>Use of Space</u>. Subordinate Unit shall be entitled to use Space for all lawful purposes including without limitation conducting Subordinate Unit meetings and conducting Knights of Columbus related activities such as charitable and fraternal programs and functions.

6.2 <u>Sale or Service of Alcoholic Beverages</u>. The sale or service of alcoholic beverages of any kind shall not take place during any meeting or degree work of Subordinate Unit. Similarly, the sale or service of alcoholic beverages of any kind shall not take place during any fraternal or charitable program of Subordinate Unit unless food is served.

Initials ____

7. CORPORATION INDEMNIFICATION.

Corporation shall indemnify, defend and hold harmless Subordinate Unit, Knights of Columbus, state councils, local councils, assemblies, circles, chapters, and their respective members, officers, employees, agents, and directors (collectively "Indemnitees") from any and all liabilities, losses, expenses, costs and damages (including reasonable attorneys' fees) arising out of all third-party lawsuits, claims of injury to persons or damage to property in connection with activities occurring on Premises or any injuries to persons or damage to property, not caused by Subordinate Unit. In addition, Corporation shall indemnify, defend and hold harmless Indemnitees from any and all claims which may arise from, on, in or about the Premises when such claims arise out of or are caused in whole or in part by a defective, dangerous, or unsafe condition of the Premises, equipment, fixtures, or appurtenances required by law to be maintained in good repair by Corporation.

8. SUBORDINATE UNIT INSURANCE.

Subordinate Unit shall maintain insurance with minimum coverages as set forth below, shall name (i) Corporation and (ii) Knights of Columbus, state councils, local councils, assemblies, circles, chapters, and their respective members, officers, employees and directors as additional insureds, and shall submit proof of insurance coverage upon Corporation's request:

- Commercial General Liability
 - Bodily Injury and Property Damage
 - Host Liquor Liability coverage for providing alcoholic beverages at Subordinate Unit functions, provided alcoholic beverages are not "sold" subject to the policy's per occurrence and aggregate limits
 - \$1,000,000 per occurrence
 - \$2,000,000 aggregate
- Endorsement for Hired and Non-owned Automobile Liability
 - \$1,000,000 limit

Notwithstanding the foregoing, if the Subordinate Unit currently has an insurance policy in effect, such insurance policy shall be deemed sufficient to satisfy the insurance requirements in this paragraph. Subordinate Unit shall provide a copy of the certificate of insurance of such insurance policy to Corporation.

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9. CORPORATION INSURANCE.

Corporation shall maintain insurance with *minimum* coverages as set forth below, shall name (i) Subordinate Unit and (ii) Knights of Columbus, state councils, local councils, assemblies, circles, chapters, and their respective members, officers, employees and directors as additional insureds, and shall submit proof of insurance coverage upon Subordinate Unit request:

- Commercial General Liability
 - Bodily Injury and Property Damage
 - \$1,000,000 per occurrence
 - \$2,000,000 aggregate
- Endorsement for Dram Shop Liability
 - \$250,000 per person
 - \$500,000 per accident
- Endorsement for Hired and Non-owned Automobile Liability
 - \$1,000,000 limit
 - \$2,000,000 aggregate
- Worker's Compensation statutory coverage in accordance with worker's compensation laws of the state in which Premises is located for employees of Corporation working on Premises

10. TRADEMARKS AND SERVICE MARKS.

10.1 <u>Exclusive Owner</u>. Corporation acknowledges that Knights of Columbus is the exclusive owner of the registered and unregistered trademarks and service marks of Knights of Columbus, including, without limitation, the name and mark "KNIGHTS OF COLUMBUS," "K of C," and the "K of C DESIGN EMBLEM" (collectively "Marks"). Corporation shall not use, and hereby acknowledges that it has no right to use, the Marks in any manner whatsoever, including without limitation, in its corporate or entity name, signage, or in connection with the promotion of any product or service, on its website, on any social media platform, or with respect to any third-party activities, including, but not limited to, third-party rentals of Corporation's facilities.

10.2 <u>Prohibited Use in Corporate Name</u>. If the Marks, including, but not limited to, "Knights of Columbus" or "K of C," are currently used in Corporation's legal corporate name, then within 90 days of the Commencement Date of this Agreement, Corporation shall have completed all steps to change its legal corporate name so that any Marks are removed from the legal corporate name. Corporation shall provide Subordinate Unit with written confirmation of the legal corporate name change. Corporation acknowledges and agrees that Knights of Columbus is intended to be a third-party beneficiary of Paragraphs 7 (Corporation Indemnification), 9 (Corporation Insurance), 10.1 (Exclusive Owner) and 10.2 (Prohibited use in Corporate Name) of this Agreement, and that Knights of Columbus shall have the right to enforce the obligations of Paragraphs 7, 9, 10.1 and 10.2 directly against Corporation.

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10.3 <u>Signage on Premises</u>. Corporation agrees to affix signage in a visibly conspicuous location on its premises identifying the legal owner of its Premises.

10.4 <u>Rental Agreement Addendum</u>. In any written rental agreement between Corporation and a third-party renter of the Premises, Corporation shall include a clause in such rental agreement prohibiting the third-party renter from using any Marks, including, but not limited to, "Knights of Columbus," in promoting the event of the thirdparty renter on the Premises. The clause in the rental agreement between Corporation and the third-party renter shall further provide that the third-party's prohibited use of the Marks shall result in the immediate cancellation of the rental agreement with the thirdparty renter. Corporation shall attach as an Addendum to the written rental agreement the paragraphs attached hereto as Schedule 1.

10.5 <u>Violation of Section 10 (Trademarks and Service Marks)</u>. If Subordinate Unit determines, in its sole discretion, that Corporation is in violation of Section 10 (Trademarks and Service Marks), then upon Subordinate Unit notice to Corporation, Corporation shall cease the non-conforming use.

11. SIGNAGE.

Subordinate Unit shall be permitted, during the Initial Term and any Renewal Term, to place the Marks on the outside and inside of the Premises in accordance with Guidelines for Display of Marks by Subordinate Units (attached as **Schedule 2**) established by Knights of Columbus. Notwithstanding the foregoing, Section 10 (Trademarks and Service Marks) in its entirety shall apply to Corporation with respect to any and all use of the Marks.

12. MAINTENANCE OF PREMISES.

Corporation shall keep the Premises safe, clean, and in good repair.

13. LICENSES.

Corporation is solely responsible to maintain all required licenses, including, but not limited to, liquor licenses. Subordinate Unit shall not maintain a liquor license.

14. **RECRUITMENT**.

Corporation shall not hinder or impede Knights of Columbus or Subordinate Unit from recruiting new members.

15. **PROMOTION OF FINANCIAL PRODUCTS**.

Corporation shall not permit the Premises to be used to promote the sale of any financial products and services other than the financial products and services offered by Knights of Columbus.

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16. **TERMINATION**.

16.1 <u>Termination for Material Breach under applicable law</u>. If a party commits a material breach ("Material Breach") of this Agreement (the "<u>Breaching Party</u>"), the other party (the "<u>Non-Breaching Party</u>") shall give the Breaching Party written notice of the alleged breach, and the Breaching Party shall have 30 days following receipt of such notice to cure the breach to the reasonable satisfaction of the Non-Breaching Party. With respect to a claim for non-payment of Monthly Fees, Subordinate Unit shall have an additional 60 days to cure. If the breach is not so cured within the applicable time period, the Non-Breaching Party shall have the right to terminate this Agreement. Material Breach by Corporation includes, without limitation, (i) use by Corporation of the Marks in violation of Section 10.1 (Exclusive Owner) or Section 10.2 (Prohibited Use in Corporate Name) of this Agreement; (ii) reputational harm to Subordinate Unit or Knights of Columbus caused by Corporation's failure to enforce the obligations of Section 10.4 (Rental Agreement Addendum); or (iii) other reputational harm to Subordinate Unit or Subordinate Unit or Knights of Columbus.

16.2 <u>Effect of Termination</u>. Upon any termination or expiration of this Agreement (other than for termination based upon Corporation's Material Breach), any and all amounts due from Subordinate Unit but not yet paid shall become immediately due and payable. Termination, for any reason, or expiration of this Agreement shall not preclude either party from pursuing any rights or remedies it may have hereunder or at law or in equity with respect to any breach of this Agreement.

16.3 Legacy Payments Upon Termination. In recognition of the legacy of Subordinate Unit members who were the original incorporators of Corporation as well as all subsequent generations of Subordinate Unit members, many of whom invested personal financial resources and sweat equity into maintaining and improving Corporation facilities and property, and in recognition of the reservoir of goodwill associated with Corporation facilities built up among generations of members and their families in local parishes and within the local community, Corporation shall for 10 years following termination or expiration of this Agreement, pay to Subordinate Unit annually within 30 days of the end of each year of the 10 year period a minimum of 5% of Corporation's gross revenues received during such year ("Legacy Payments"). Corporation acknowledges and agrees that ten dollars (\$10.00) of the Annual Fee, the receipt and adequacy of which is hereby acknowledged by Corporation, is paid as special consideration to Corporation for Legacy Payments. Corporation shall provide to Subordinate Unit an accounting of the way in which the Legacy Payment was calculated for each year. Subordinate Unit shall be entitled to audit the records of Corporation with regard to the computation of the Legacy Payment annually. Corporation shall cooperate with this audit.

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17. **TRUSTEE**.

In the event that for any reason Subordinate Unit has been suspended, dissolved or otherwise no longer exists, state council of Knights of Columbus ("State Council") in whose jurisdiction Subordinate Unit is located may at its sole discretion act as trustee of this Agreement ("Trustee") with respect to Sections 16.3 (Legacy Payments upon Termination) and 19.4 (Survival), in which case the Legacy Payments shall be paid to the Trustee, who shall distribute it to a bona fide IRC 501(c)(3) charity consistent with the mission and identity of Knights of Columbus and the teachings of the Catholic Church. Corporation acknowledges and agrees that State Council is intended to be a third-party beneficiary under this Paragraph 17, and that State Council shall have the right to enforce the obligations of this Paragraph directly against Corporation.

18. **DISPUTE RESOLUTION**.

18.1 <u>Purpose</u>. The purpose of this section is to prescribe the sole means to present and resolve complaints or disputes between Subordinate Unit and Corporation. Procedures set forth in this section are meant to provide prompt, fair and efficient, opportunities for dispute resolution. This section applies to all claims, actions, disputes and grievances of any kind or nature whatsoever between Subordinate Unit and Corporation. It includes, but is not limited to, claims based on breach of contract, as well as claims based on fraud, misrepresentation, tort or violation of statute.

18.2 <u>Full Force and Effect</u>. In the event that a court or arbitrator of competent jurisdiction deems any party or claim in a dispute not subject to this section, this section shall remain in full force and effect as to any remaining parties or claims involved in such dispute. In the event that Subordinate Unit no longer exists, and there is a dispute under this Agreement, Trustee shall have the right to enter into dispute resolution with Corporation pursuant to Section 18.

18.3 <u>Exclusive Steps</u>. No lawsuit or any other actions may be brought for any claims or disputes covered by this section, except as stated in this Section 18. The following are the sole and exclusive steps and procedures for presenting and resolving claims or disputes:

<u>Step 1</u>. <u>State Deputy</u>. The dispute shall initially be presented for resolution to the State Deputy of the jurisdiction in which Subordinate Unit is located.

<u>Step 2</u>. <u>Mediation</u>. If Step 1 does not result in a mutually satisfactory resolution, either party has the right to have the matter mediated in accordance with the mediation rules of the American Arbitration Association under its Commercial Mediation Rules (unless another neutral organization is agreed upon by the parties).

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<u>Step 3.</u> <u>Arbitration</u>. If Step 2 does not result in a mutually satisfactory resolution, the matter will be resolved by binding arbitration, before a single arbitrator, administered by and in accordance with the rules as prescribed by the American Arbitration Association under its Commercial Arbitration Rules (unless another neutral organization is mutually agreed upon). The decision of the arbitrator shall be made in writing and shall be final and binding, subject only to the right to appeal such decision as provided in the American Arbitration Association Appellate Arbitration Rules and applicable law. Judgment on the arbitration award may be entered in any court having jurisdiction. The exclusive venue for the arbitration shall be the city in which Subordinate Unit is located. The proceedings shall be stenographically recorded and may be recorded by video or digital image if the parties mutually agree thereto. Every reasonable effort shall be made to complete Step 1 within 60 days of the date the notice of dispute is received by all parties; Step 2 within an additional 90 days; and Step 3 within an additional 120 days.

18.4 <u>Administrative Costs</u>. The administrative costs of the mediation and/or arbitration (including fees and expenses of mediators or arbitrators, and reasonable and necessary stenographic or other recording fees) shall be paid equally by the parties. Each party shall bear its own attorneys' fees, expert fees, and discovery costs, unless otherwise awarded by the arbitrator.

18.5 <u>Damages</u>. Except as expressly limited in this paragraph, the parties to a dispute may be awarded any and all damages or other relief allowed for the claim in dispute by applicable federal or state law, including attorneys' fees and expenses if such attorneys' fees and expenses are deemed appropriate under applicable law. In the event that any arbitrator or court of competent jurisdiction deems any portion of this section to be unenforceable or otherwise void under applicable law, the remaining portions of this section shall remain in full force and effect.

19. MISCELLANEOUS.

19.1 <u>Separate And Distinct Entities</u>. Subordinate Unit, Corporation, and Knights of Columbus are all separate and distinct entities. Corporation recognizes and acknowledges that (a) Subordinate Unit and Knights of Columbus are separate and distinct entities, (b) Subordinate Unit is signing this Agreement only for itself, and (c) Knights of Columbus (i) is not a party to this Agreement and (ii) is not responsible for any of Subordinate Unit obligations hereunder or any other liabilities arising from Subordinate Unit's use of Premises.

19.2 <u>Compliance With Laws</u>. Parties will at all times comply with all federal, state, and local laws, statutes, ordinances, and regulations.

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19.3 <u>Notices</u>. All notices shall be in writing and delivered by certified mail, by hand or by a reputable overnight carrier to the address of Subordinate Unit or Corporation set forth above.

19.4 <u>Survival</u>. Upon termination, for any reason, or expiration of this Terms of Use, the rights and obligations of the parties will immediately cease except that Sections 7 (Corporation Indemnification), 10 (Trademarks and Service Marks), 16.3 (Legacy Payments Upon Termination), and 18 (Dispute Resolution) shall survive expiration or termination of this Agreement.

19.5 <u>Representations and Warranties. Corporation</u>. Corporation warrants and represents that: (a) it is duly formed and in good standing in the state of its formation; (b) it has full power and authority to enter into this Agreement; and (c) this Agreement is being signed by an authorized representative of Corporation.

19.6 <u>Representations and Warranties.</u> Subordinate Unit. Subordinate Unit warrants and represents that: (a) it has full power and authority to enter into this Agreement; and (b) this Agreement is being signed by an authorized representative of Subordinate Unit.

19.7 <u>Severability</u>. If any part of this Agreement is contrary to, prohibited by or deemed invalid under applicable law or regulations, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder of this Agreement shall not be invalid and shall be given full force and effect so far as possible.

19.8 <u>Entire Agreement</u>. This Agreement (which includes all exhibits, attachments, schedules and other documents which have been incorporated by reference) constitutes the entire agreement and understanding, and supersedes any previous agreements, between the parties hereto with respect to the subject matter hereof and its terms, and may not be changed or amended except by an instrument in writing agreed to by the parties.



Schedule 1

ADDENDUM TO EVENT RENTAL AGREEMENT

Renter: _____

Event Rental Date: _____

Facility Address: _____

Purpose/Description of Event:

KNIGHTS OF COLUMBUS TRADEMARKS AND SERVICE MARKS.

Renter may only identify the location of the event by using the address of the Facility as set forth above. <u>Renter shall not use or display registered and unregistered trademarks and</u> <u>service marks of Knights of Columbus</u>, including, without limitation, its name, logos, and emblems (collectively "Marks"), in any way, including, but not limited to, in the promotion of the Renter's event or on any website and/or in social media.

<u>MISREPRESENTATION</u>. Renter attests, represents and warrants that it has, at all times, honestly and accurately described its intended purpose and use of Corporation's Facility for the event to a duly authorized representative of Corporation and as set out above. If Renter engages in any dishonesty, misrepresentation, deception, or misleading conduct in connection with its rental of Corporation's Facility, or fails to comply with any of the terms herein, **Corporation may terminate this Agreement at any time without prior notice and retain Renter's security deposit**. The rights, powers and remedies of Corporation. Failure by Corporation to exercise any of its rights, powers and remedies hereunder, or its delay to do so, does not constitute a waiver.

For the purposes of the Rental Agreement and this Addendum, "Renter" includes the undersigned Renter as well as its employees, agents, invitees or any other person who may be at Corporation's Facility for the purposes of the Event. If there is any inconsistency between the provisions of this Addendum and the Rental Agreement, the terms in this Addendum will govern.

RENTER:

Name of Corporation	Name of Renter
By:	
Signature	Signature
Name:	Name:
Printed	Printed
Title:	
Date:	Date:

Schedule 2

Guidelines for Display of Trademarks and Service Marks by Subordinate Units

Subordinate Units using facilities owned and operated by Corporations are permitted to display the registered and unregistered trademarks and service marks of Knights of Columbus, including, without limitation, the name and mark "KNIGHTS OF COLUMBUS," "K of C," and the "K of C DESIGN EMBLEM" (collectively "Marks") outside and inside of such facilities in accordance with the following guidelines:

DISPLAY MUST INCLUDE NAME, NUMBER, LOCATION, AND MEETING TIMES.

Every instance of the display of the Marks of the Knights of Columbus must also display the following: The Subordinate Unit's **name**, if any; The Subordinate Unit's **number**; and The **geographical location** of the subordinate unit. The day(s) of the month on which the Subordinate Unit holds its regular meetings.

EXAMPLES

Knights of Columbus Father Michael J. McGivney Council 12345 Springfield, Missouri Meets On First and Third Thursdays

Christopher Columbus Assembly 1234 Plano, Texas Meets On Third Thursdays

DISPLAY MUST STATE NAME OF LEGAL OWNER OF PREMISES.

Signage in a visibly conspicuous location and in close proximity to each display of the Order's emblem shall identify the legal owner of the Corporation facilities being used by the Subordinate Unit.

Additionally, if the Home Corporation operates a bar and holds a liquor license, the Home Corporation must display such signage in close proximity to the display of the Home Corporation's liquor license to clarify that the Home Corporation maintains the liquor license, not the Subordinate Unit.

EXAMPLE: Premises Owned And Operated By Columbia Club, Inc.

HOME CORPORATION PROHIBITED FROM USING KNIGHTS OF COLUMBUS MARKS TO PROMOTE RENTALS OF CORPORATION'S FACILITIES.

Home Corporations are not authorized to use the Marks of the Knights of Columbus. If a Home Corporation rents out its facilities, the Home Corporation should develop its own original brand name and logo to market and conduct its commercial business rentals that do not in any way use the Marks of the Knights of Columbus.

EXAMPLE:

Columbian Hall Rental Enterprises 123 Main Street, Springfield, Missouri