



ROYALTY LICENSE AGREEMENT

This Agreement is made this _____ of _____, 20____ by and between _____ (“Licensee”), a _____ corporation whose address is _____ and International Digital Enterprise Alliance, Inc., (hereafter “IDEAlliance”) a nonstock, nonprofit Virginia corporation described in section 501(c)(6) of the Internal Revenue Code, whose address is 1600 Duke Street, Suite 420, Alexandria, VA 22314-3421.

Witnesseth:

Whereas, IDEAlliance owns all copyright, trademark and other intellectual property rights in and to Mail.dat and Mail.XML which are specification standards essential for effective communications throughout the mail supply chain including *PostalOne!*[®], (“Specification Standards”); and,

Whereas, Licensee desires to obtain the right to use the Specification Standards (as limited herein) pursuant to the option selected in Exhibit One in connection with either the distribution of Licensee’s own software products, the performance of Licensee’s services or both;

Now, therefore, the parties covenant and agree as follows:

1. Term of License.

A. This Agreement shall commence on _____ and shall end at midnight on _____ for a 12-month period. At the end of this initial term, this Agreement shall automatically renew for subsequent periods of the same length as this initial term unless either party gives the other written notice of termination at least thirty (30) days prior to the expiration of the then-current term. If Licensee fails to provide written notice of termination at least 30 days prior to expiration of the then-current term, Licensee shall be responsible for payment of the License fees of the automatic renewal term.

B. IDEAlliance shall have the right to terminate this Agreement if Licensee shall be in breach of any material term or condition. Upon expiration of this Agreement or receipt of notice of termination, Licensee immediately shall cease and desist all uses of the Specification Standards and of IDEAlliance’s marks, including, but not limited to, “IDEAlliance,” “Mail.dat,” and “Mail.XML” (“IDEAlliance’s Marks”).

2. Licensing Options/Fees; No Membership in IDEAlliance; Participation in Working Groups

A. Contingent upon Licensee's compliance with the terms of this Agreement, IDEAlliance grants to Licensee a license to use the Specification Standards and IDEAlliance's Marks associated therewith in connection with the Licensee's selection of one of the four (4) options set forth in Exhibit One and Licensee agrees to pay the associated fee set forth in Exhibit One within sixty (60) days after the date of this Agreement in accordance with the terms set forth herein. If this Agreement extends beyond one (1) year, then subsequent payments of the associated fee set forth in Exhibit One shall be due on or before the anniversary date(s) of the first payment for the duration of the Agreement. IDEAlliance reserves the right upon thirty (30) days notice prior to the expiration of the then-current term of this Agreement to notify Licensee of any change in the fee schedule set forth in Exhibit One.

B. Such license is a non-exclusive, non-transferable, revocable license to incorporate the Specification Standards as an integral feature into Licensee's software products and/or services that have application only in the mail supply chain, market the Specification Standard as a component of Licensee's software products and/or services to its customers and distribute its software products and/or perform its services with the Specification Standards.

C. Licensee acknowledges that this Agreement shall not result in Licensee becoming a member of IDEAlliance. Membership in IDEAlliance is governed by separate rules and requirements as established by IDEAlliance at its sole discretion.

D. By virtue of this Agreement, Licensee may participate in IDEAlliance's Mail.dat and Mail.XML specification working groups pursuant to the same terms and conditions to which other participants in such working groups are subject.

3. Use of Specification Standards/IDEAlliance's Marks

A. Licensee shall not use the Specification Standards or any of IDEAlliance's Marks in any manner which reflects adversely on the Specification Standards or IDEAlliance's Marks or which disparages IDEAlliance.

B. Licensee recognizes and acknowledges that the Specification Standards and IDEAlliance's Marks and all rights, title and interests therein and all good will pertaining thereto belong exclusively to IDEAlliance. Licensee shall not during the term of this Agreement, upon termination, or thereafter, attack or challenge IDEAlliance's title or rights in and to the Specification Standards or IDEAlliance's Marks.

C. Licensee shall provide samples of proposed and current uses of the Specification Standards and of IDEAlliance's Marks to IDEAlliance, as reasonably requested from time to time by IDEAlliance. IDEAlliance in its sole discretion retains the right to reject and veto any proposed or current use of the Specification Standards and of IDEAlliance's Marks which are inconsistent with the terms of this Agreement in order to ensure such proposed or current use is in accord with IDEAlliance's standards, values, and principles.

D. Licensee's every use of the Specification Standards and of IDEAlliance's Marks shall inure to the benefit of IDEAlliance as sole owner of all copyright, trademark, service mark, and all other intellectual property rights thereto, and Licensee shall not at any time acquire any rights in the Specification Standards or in IDEAlliance's Marks by virtue of any use it may make of them.

4. **Trade Mark Usage**

A. **Notice of Registered Marks.** Whenever Licensee shall use "Mail.dat" and/or "IDEAlliance" in connection with Licensee's promotional and marketing materials or on any website of Licensee, Licensee shall print immediately adjacent to "Mail.dat" and/or "IDEAlliance" notice of mark registration with the U.S. Patent & Trademark Office ("®") and, further, include at the end of any print or electronic document in which these marks are used, a separate notice that "Mail.dat" and/or "IDEAlliance," [is a/are] registered trademark(s) of the International Digital Enterprise Alliance, Inc. Such notices are not required to be set forth in connection with any internal correspondence or presentations among officers or employees of Licensee or in regard to private communications between Licensee and its potential or existing customers.

B. **Notice of Common Law Mark.** Whenever Licensee shall use "Mail.XML," in connection with Licensee's promotional and marketing materials or on any website of Licensee, Licensee shall print immediately adjacent to "Mail.XML" an appropriate notice of trademark ("™") and, further, include at the end of any print or electronic document in which this mark is used, a separate notice that International Digital Enterprise Alliance, Inc. owns this mark. Such notice is not required to be set forth in connection with any internal correspondence or presentations among officers or employees of Licensee or in regard to private communications between Licensee and its potential or existing customers.

5. **No Services by Licensor.** IDEAlliance is not required to provide endorsements nor any administrative, marketing, promotional, or any other types of services in connection with this Agreement. All royalties hereunder are owed to IDEAlliance strictly by reason of the license of the Specification Standards, as provided herein. Any services referred to herein explicitly or by implication shall be performed by the Licensee at its sole expense.

6. **Miscellaneous.**

A. The laws of the Commonwealth of Virginia shall govern this Agreement.

B. In the event of a dispute arising hereunder, the parties stipulate that it shall be resolved by arbitration conducted in accord with the rules of the American Arbitration Association and shall be held in Alexandria, Virginia.

C. Nothing herein contained shall be construed to place the parties in the relationship of partners, joint venturers or principal-agent. Licensee shall have no power to obligate or bind IDEAlliance in any manner whatsoever and *vice versa*. The parties are independent contractors, standing solely in the relationship of licensor and licensee.

D. This Agreement may not be assigned by Licensee.

E. None of the terms of this Agreement may be waived or modified except by an express agreement in writing signed by both parties. There are no representations, promises, warranties, covenants, or undertakings other than those contained in this Agreement. This Agreement represents the entire understanding of the parties and cancels, terminates, and supersedes any prior agreement or understanding relating to the subject matter hereof between Licensee and Licensor. The failure of either party hereto to enforce, or the delay by either party in enforcing, any of its rights under this Agreement shall not be deemed a continuing waiver or a modification thereof. This Agreement shall not be binding on either party until signed on its behalf by its president or designated officer.

F. This Agreement is deemed to have been drafted mutually by and for both parties. If there is any ambiguity herein, it shall be deemed the product of both parties mutually, for purposes of construing this Agreement. Moreover, it is the mutual intent of the parties to create a royalty within the meaning of Internal Revenue Code section 512(b)(2) and this Agreement shall be construed in light of this intent.

| | |
|--------------|---|
| [Company] | International Digital Enterprise Alliance, Inc. |
| By: _____ | By: _____ |
| Name: _____ | Name: David J. Steinhardt |
| Title: _____ | Title: President & CEO |
| Date: _____ | Date: _____ |

To complete agreement, choose licensing options on next page

SAVE PDF AND EMAIL TO Registrar@idealliance.org

**EXHIBIT ONE
LICENSING OPTIONS**

Please select one of the following four (4) licensing options

_____ **A. Tier One Usage** – Specification Originator/Modifier: Principally develops and licenses user access to software that creates an originating Mail.dat and/or Mail.XML file/message set, i.e., one that is constructed using detailed information and postal sorting results not derived from existing Mail.dat/Mail.XML files, and openly advertises Mail.dat/Mail.XML support as a benefit. Tier One Usage applies to a licensee who also: 1) develops and licenses user access to software that modifies the content or enhances the structure of existing Mail.dat and/or Mail.XML file/message sets and openly advertises Mail.dat/Mail.XML editing capabilities as a benefit; and/or 2) offers services dependent upon or substantially enhanced by Mail.dat/Mail.XML files and either requires Mail.dat files or Mail.XML to perform the service or offers a tangible advantage *via* the specification. Selection of this tier permits the licensee to participate and contribute to the development and editing of the Mail.dat/Mail.XML specifications in the future. Selection of this tier also permits the Licensee to use the Specifications as described in Sections B, C and D below.

IDEAlliance Member: \$2,500

Nonmember: \$4,000

_____ **B. Tier Two Usage** – Specification Modifier: Principally develops and licenses user access to software that modifies the content or enhances the structure of existing Mail.dat and/or Mail.XML file/message sets and openly advertises Mail.dat/Mail.XML editing capabilities as a benefit. Tier Two Usage applies to a licensee who also offers services dependent upon or substantially enhanced by Mail.dat/Mail.XML files and either requires Mail.dat files or Mail.XML to perform the service or offers a tangible advantage *via* the specification. Selection of this tier permits the licensee to participate and contribute to the development and editing of the Mail.dat/Mail.XML specifications in the future. Selection of this tier also permits the Licensee to use the Specifications as described in Sections C and D below.

IDEAlliance Member: \$1,500

Nonmember: \$3,000

_____ **C. Tier Three Usage** – Specification Dependent: Offers services dependent upon or substantially enhanced by Mail.dat/Mail.XML files and either requires Mail.dat files or Mail.XML to perform the service or offers a tangible advantage *via* the specification. Selection of this tier permits the licensee to participate and contribute to the development and editing of the Mail.dat/Mail.XML specifications in the future. Selection of this tier also permits the Licensee to use the Specifications as described in Section D below.

IDEAlliance Member: \$850

Nonmember: \$1,500

_____ **D. Tier Four Usage** – \$400/year – Specification User License Code: Purchased an IDEAlliance User License Code to uniquely identify Licensee's site and to participate and contribute to the development and editing of the Mail.dat/Mail.XML specifications in the future.

IDEAlliance Member: \$400

NonMember: \$400