

THE STATE OF TEXAS §  
COUNTY OF HARRIS §

**LICENSE AGREEMENT  
THEATER DISTRICT**

THIS **LICENSE AGREEMENT** ("Agreement") is made by and between the **CITY OF HOUSTON, TEXAS** (the "City"), a home rule city of the State of Texas whose address is to the attention of the Director of its Convention and Entertainment Facilities Department (the "Director"), 510 Preston St., Houston, Texas 77002, or such other person as may be designated by the Director and [Licensee Name] ("Licensee"), whose address is

[Address]  
[City, State & Zip]

**1. License.** The City hereby grants and the Licensee hereby accepts a license to use and to occupy that portion of the [Facility Name] (the "Facility"), "AS IS", described as [Portion of Facility] and including any Ancillary Space (the "Premises") from [Start Time & Date] until [End Time & Date] (the "License Period"), as more particularly described as follows:

Date	Function	Time	License Fee
Total License Fee			

**2. Event.** The Licensee represents and warrants that it will use the Premises for the following function or activity: [Event Name] (the "Event"), more particularly described by Licensee [as follows: Event description] [in the attached Exhibit "1"]. The Licensee shall not change the function or activity described herein without a written amendment to this Agreement signed by the Director and the Licensee.

**3. License Fee Payment.** The Licensee shall pay the City [Payment Amount #1] toward the License Fee on or before [Payment Date #1]. Licensee shall pay the balance of [Payment Amount #1] on or before [Payment Date #2]. If payment is not received within the time period stated herein, then the Director, in his or her sole discretion, may assess a ten percent (10%) late charge or terminate this Agreement as provided herein. If an instrument given for payment for an amount due under this Agreement is dishonored, then the Director, without foregoing any other available remedy, shall assess and the Licensee shall pay a charge of twenty-five dollars (\$25.00). The Licensee shall not occupy any part of the Premises unless the License Fee has been paid in full and the Licensee has provided the insurance certificate described in this Agreement.

**4. Maintenance Surcharge.** If the Premises includes any portion of the Brown Theater or Cullen Theater, then the Licensee shall pay directly to the Wortham Theater Center Operating Company (the "WCOC") a surcharge equal to twenty percent (20%) of the License Fee for use of the Brown Theater or Cullen Theater for the maintenance of backstage equipment (the "Maintenance Surcharge"). Accordingly, Licensee shall pay WCOC [WCOC Payment Amount] on or before [WCOC Payment Date].

**5. Deposit.** The Licensee shall post a Deposit (the "Deposit") in the amount of [Deposit Amount] with the City on or before [Payment Date #2]. All fees, charges and expenses described in this Agreement other than the License Fee, including but not limited to the Ticket Surcharge, shall first be deducted from the Deposit and the remainder, if any, itemized on the Invoice. Neither the amount of nor failure to collect the Deposit shall constitute a limitation on the liability of the Licensee or a waiver of the right of the City to recover from the Licensee under this Agreement.

**6. Ticket Surcharge.** If the Premises includes the Brown Theater or Cullen Theater, then, in addition to the License Fee, the City shall impose and Licensee shall pay a surcharge equal to one dollar (\$1.00) on each Ticket sold for any Event (the "Ticket Surcharge") to which an admission fee of any amount is imposed.

If the Premises includes Jones Hall, then, in addition to the License Fee, the City shall impose and Licensee shall pay a surcharge equal to one dollar and fifty cents (\$1.50) on each Ticket sold for any Event (the "Ticket Surcharge") to which an admission fee of any amount is imposed.

The Ticket Surcharge is subject to sales tax, payment of which is the sole responsibility of the Licensee. Licensee agrees to comply with the Ticketed Events procedures in the Exhibit "A" Terms & Conditions.

**7. Invoice.** Within thirty (30) days after the last day of the License Period, the City shall issue an accounting statement to the Licensee itemizing all charges and/or credits (the "Invoice"). The Licensee shall pay the City any amount due within thirty (30) days following the issuance of the Invoice.

**8. Equipment.** The License Fee does not include rental charges for front-of-house equipment such as tables, chairs, risers, lecterns, podiums, or portable dance floors. Use of front-of-house equipment is at the option and additional expense of the Licensee.

The Licensee may use as much of the following back-of-house equipment as is available, as the Licensee deems necessary for the Event: Stage, lighting, microphones, house sound system, spotlights and normal stage decoration. The Licensee acknowledges and agrees that the Licensee, its employees, entertainers, agents and contractors shall abide by any instructions, requests or conditions imposed by the Facility Manager in connection with the use of such equipment.

**9. Insurance. THE LICENSEE SHALL, AT ITS SOLE COST AND EXPENSE, PROCURE AND MAINTAIN THROUGH THE DURATION OF THE LICENSE PERIOD THE FOLLOWING MINIMUM INSURANCE COVERAGES:**

- I. **COMMERCIAL GENERAL LIABILITY INSURANCE AGAINST CLAIMS FOR BODILY INJURY OR DEATH AND PROPERTY DAMAGE OCCURRING IN OR UPON OR RESULTING FROM THE PREMISES, SUCH INSURANCE TO AFFORD IMMEDIATE PROTECTION TO THE LIMITS OF NOT LESS THAN \$500,000 PER OCCURRENCE, AND \$1,000,000 AGGREGATE AND SUCH INSURANCE SHALL INCLUDE (a) ADVERTISING INJURY AND (b) PERSONAL INJURY;**
- II. **WORKERS' COMPENSATION (STATUTORY AMOUNT) AND;**
- III. **EMPLOYER'S LIABILITY - \$500,000 BODILY INJURY FOR EACH ACCIDENT; DISEASE LIMITS OF \$1,000,000 PER POLICY AND \$500,000 PER EMPLOYEE.**

**ALL POLICIES SHALL CONTAIN AN ENDORSEMENT WAIVING ANY CLAIM OR RIGHT OF SUBROGATION AGAINST THE CITY. THE CITY SHALL BE NAMED AS AN ADDITIONAL INSURED ON ALL POLICIES, EXCEPT WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY, WITHOUT ANY RESTRICTIVE MODIFICATIONS. IF THE PREMISES INCLUDES THE BROWN THEATER OR CULLEN THEATER, THEN THE WCOC SHALL ALSO BE NAMED AS AN ADDITIONAL INSURED ON ALL POLICIES, EXCEPT WORKERS' COMPENSATION, WITHOUT ANY RESTRICTIVE MODIFICATIONS.**

**THE LICENSEE SHALL GIVE WRITTEN NOTICE TO THE DIRECTOR AT LEAST THIRTY (30) DAYS PRIOR TO CANCELLATION, MATERIAL ALTERATION OR NON-RENEWAL OF ANY SUCH INSURANCE.**

**THE ISSUER OF ANY POLICY SHALL HAVE A CERTIFICATE OF AUTHORITY TO TRANSACT INSURANCE BUSINESS IN THE STATE OF TEXAS AND HAVE A BEST'S RATING OF AT LEAST B+ AND A BEST'S FINANCIAL SIZE CATEGORY OF CLASS IV OR BETTER, ACCORDING TO THE MOST RECENT EDITION OF BEST'S KEY RATING GUIDE, PROPERTY-CASUALTY UNITED STATES.**

THE LICENSEE SHALL MAINTAIN WITH RESPECT TO EACH SUCH POLICY OR AGREEMENT EVIDENCING SUCH INSURANCE WITH SUCH ENDORSEMENT AS MAY BE REASONABLY REQUIRED BY THE DIRECTOR AND SHALL DELIVER TO THE DIRECTOR A CERTIFICATE WITH RESPECT TO SUCH INSURANCE IN A FORM REASONABLY SATISFACTORY TO THE DIRECTOR ON OR BEFORE [Insurance Due Date].

NEITHER THE ISSUANCE OF ANY INSURANCE POLICY REQUIRED UNDER THIS AGREEMENT NOR THE MINIMUM LIMITS SPECIFIED ABOVE SHALL BE DEEMED TO LIMIT OR RESTRICT IN ANY WAY THE LIABILITY OF THE LICENSEE ARISING UNDER OR OUT OF THIS AGREEMENT. THE LICENSEE SHALL BE LIABLE FOR ANY LOSS, DAMAGE OR LIABILITY SUFFERED OR INCURRED BY THE CITY AS THE RESULT OF THE FAILURE OF THE LICENSEE TO MAINTAIN OR CAUSE TO BE MAINTAINED THE TYPES OR AMOUNTS OF INSURANCE REQUIRED TO BE MAINTAINED BY THE LICENSEE UNDER THE TERMS OF THIS AGREEMENT.

THE LICENSEE SHALL REQUIRE ALL OF ITS CONTRACTORS EXHIBITORS AND AGENTS TO COMMERCIAL GENERAL LIABILITY INSURANCE NAMING THE CITY AS AN ADDITIONAL INSURED AND AFFORDING IMMEDIATE PROTECTION TO THE LIMITS OF NOT LESS THAN \$500,000 PER OCCURRENCE AND CARRY WORKERS' COMPENSATION BEFORE ALLOWING SUCH PERSONS TO ENTER THE FACILITY. ALL POLICIES SHALL CONTAIN AN ENDORSEMENT WAIVING ANY CLAIM OR RIGHT OF SUBROGATION AGAINST THE CITY.

**10. Catering/Food and Beverage.**

The Licensee acknowledges that the City is under contract with a third-party food and beverage provider (the "Preferred Caterer") that is the exclusive provider of alcoholic beverages and the preferred provider of catering services at the Facility. An entity other than the Preferred Caterer may provide catering services at the Facility; provided, however, that such entity shall pay a per-person fee based on the type of function directly to the Preferred Caterer no later than thirty (30) days prior to the first day of the License Period, to be imposed as follows: Breakfast \$2.50; lunch \$5.00; receptions \$7.50; dinner \$10.00.

**11. Special Provisions.** The following special provisions shall be included in this Agreement, if applicable: [Intentionally omitted]

**12. Terms and Conditions.** The Terms and Conditions attached hereto as Exhibit "A" are made a part hereof for all purposes.

**13. Rules and Regulations.** The Rules and Regulations are attached hereto as Exhibit "B" and made a part hereof for all purposes.

**14. Definitions.** All terms defined herein shall have the same meaning in the Terms and Conditions and Rules and Regulations. All terms capitalized herein, but not defined herein, shall have the meaning assigned to such terms in the Terms and Conditions or Rules and Regulations.

**15. Rejection of the Licensee's Offer.** The execution and delivery of this Agreement to the City constitutes an offer by the Licensee that the City may reject at any time prior to the execution of this Agreement by the City. The Director, on behalf of the City, may reject such offer by depositing written notice to such effect in the United States mail, postage prepaid, addressed to the Licensee.

**16. Authority to Sign.** The signer of the Agreement hereby represents and warrants that he or she has full authority to execute this Agreement and bind the Licensee.

**17. Entire Agreement.** This Agreement, the Terms and Conditions, and the Rules and Regulations, constitute the entire agreement between the City and the Licensee. No prior written or contemporaneous oral promises or representations shall be binding upon the City. The Agreement shall not be amended or changed except by written amendment signed by the City and the Licensee. In the event of a conflict between this Agreement, the Terms and Conditions, and the Rules and Regulations the following order shall control:

- I. Agreement
- II. Terms and Conditions
- III. Rules and Regulations

All copies of the signed Agreement must be received in the Convention and Entertainment Facilities Department office no later than [Payment Date #1], or the License Period dates are subject to being released at the sole discretion of the Director. This Agreement shall be effective on the date of countersignature by the Director.

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**SAMPLE**

**18. Signatures.** The Licensee and City have executed this Agreement in multiple copies, each of which is an original.

[Licensee Name], "Licensee"

\_\_\_\_\_  
By: [Name], [Title]

\_\_\_\_\_  
Date

CITY OF HOUSTON, TEXAS, "City"

\_\_\_\_\_  
By: Dawn Ullrich, Director,  
Convention and Entertainment Facilities  
Department

\_\_\_\_\_  
Countersignature Date

**FORM APPROVED BY CITY LEGAL DEPARTMENT**

**SAMPLE**

**EXHIBIT "A"**  
**TERMS AND CONDITIONS**  
**THEATER DISTRICT**

**1. Definitions.** All terms defined herein shall have the same meaning in the License Agreement and Rules and Regulations. All terms capitalized herein, but not defined herein, shall have the meaning assigned to such terms in the License Agreement or Rules and Regulations.

**2. Condition of the Premises.**

(a) The City makes no warranty or representation to the Licensee of any kind, express or implied, regarding the suitability of the Facility, or any portion thereof, as built, for any aspect of the use the Licensee expects or intends to make of the Facility, including the Premises. The Premises is offered by the City and accepted by the Licensee in its current condition, on an **"AS IS"** basis. Licensee agrees that it has examined the Premises and is satisfied with the condition, fitness and order thereof. Commencement of the use of the Premises shall be conclusive that the Premises were in good repair and in satisfactory condition, fitness and order when such use commenced. **THE LICENSEE FURTHER AGREES THAT THE PREMISES SHALL BE DELIVERED BY THE CITY TO THE LICENSEE "AS IS", "WHERE IS" AND "WITH ANY AND ALL FAULTS" AND WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY OR FITNESS FOR THE USE THEREOF FOR ANY PARTICULAR PURPOSE.**

(b) Upon reasonable notice, either party shall be entitled to request a mutual inspection of the Premises before and/or after the License Period, together with an inspection report signed both by the Licensee or his agent and the Director or his or her designee.

(c) At the end of the License Period, the Premises shall be vacated and surrendered up to the City in the same condition found before the commencement of the License Period, excepting damage due to ordinary wear and tear, the elements, Force Majeure, or any other cause not occasioned by a negligent or intentional act or failure to act of the Licensee or an agent, employee, contractor or invitee of the Licensee. The Licensee shall promptly pay the cost of repairing damage or injury to the Premises, including its fixtures and furnishings.

(d) Should Licensee fail to vacate and surrender the Premises at the end of the License Period, Licensee shall pay to the City as liquidated damages and not as a penalty (both parties hereto agreeing that damages from such a holding over are difficult to ascertain) for each day or portion thereof during which all or part the Premises are not vacated and surrendered an amount equal to 150% of the license fee listed on the then-current rate sheet for use and occupancy for that portion of the Premises that has not been vacated and surrendered. Further, the City may remove and store all goods and chattels at the sole expense of the Licensee and may dispose of any such property if, after the expiration of five calendar days, the Licensee has failed to remove the property from the possession of the City. The City shall not be liable to the Licensee on account of so removing, storing, or disposing of any property as provided by this Section and Licensee shall save and hold City harmless from any liability from another licensee who is prevented from occupying their licensed portion of the Facility due to the holding over of the Licensee.

**3. Utilities.**

(a) The License Fee includes normal, reasonable utilities for general house lighting, heating and air conditioning during the License Period; provided, however, that, reduced light and comfort levels may be maintained during non-event periods at the discretion of the Facility Manager, as energy conservation is a primary concern to the City.

(b) No interruption or malfunction of any utility services shall constitute an eviction or disturbance of the use and possession of the Premises by the Licensee or breach by the City of any of its obligations hereunder or render the City liable for damages or entitle the Licensee to be relieved from any of its obligations hereunder. In the event of any such interruption of any such services, the City shall only be obligated to use reasonable diligence to restore such service.

**4. Release.** THE LICENSEE AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

**5. Indemnification.** THE LICENSEE AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, BY REASON OF COPYRIGHT INFRINGEMENT, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY, SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- I. THE LICENSEE'S AND/OR ITS AGENTS', SERVANTS', EMPLOYEES', CONTRACTORS', SUBCONTRACTORS', PATRONS', GUESTS', LICENSEES', OR INVITEES' OR OF ANY OTHER PERSON ENTERING UPON THE PREMISES WITH THE EXPRESSED OR IMPLIED INVITATION OR PERMISSION OF THE LICENSEE, (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "LICENSEE") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- II. THE CITY'S AND THE LICENSEE'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER THE LICENSEE IS IMMUNE FROM LIABILITY OR NOT; AND
- III. THE CITY'S AND THE LICENSEE'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER THE LICENSEE IS IMMUNE FROM LIABILITY OR NOT.

THE LICENSEE SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. THE LICENSEE'S INDEMNIFICATION IS LIMITED TO \$500,000 PER OCCURRENCE. THE LICENSEE SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

IF THE PREMISES LICENSED UNDER THIS AGREEMENT INCLUDES ANY PORTION OF THE BROWN THEATER OR CULLEN THEATER, THEN THE LICENSEE SHALL RELEASE AND INDEMNIFY THE WCOC IN SUBSTANTIALLY THE SAME FORM AS ABOVE.

THE LICENSEE SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EFFECT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

**6. Indemnification Procedures.**

(a) Notice of Claims. If the City or the Licensee receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within thirty (30) calendar days. The notice must include the following:

- I. A description of the indemnification event in reasonable detail,
- II. The basis on which indemnification may be due, and
- III. The anticipated amount of the indemnified loss.

This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the thirty (30) calendar day period, it does not waive any right to indemnification except to the extent that the Licensee is prejudiced, suffers loss, or incurs expense because of the delay.

(b) Defense of Claims

- (i) Assumption of Defense. The Licensee may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. The Licensee shall then control the defense and any negotiations to settle the claim. Within ten (10) calendar days after receiving written notice of the indemnification request, the Licensee must advise the City as to whether or not it will defend the claim. If the Licensee does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.
- (ii) Continued Participation. If the Licensee elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. The Licensee may settle the claim without the consent or agreement of the City, unless it (1) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (2) would require the City to pay amounts that the Licensee does not fund in full, (3) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

**7. Copyright Law Compliance.**

(a) The Licensee warrants that no music, artistic works, or other property protected by copyright will be performed, produced, exhibited or used, nor will the name of any entity protected by trademark be reproduced, exhibited or used during the License Period, unless duly licensed or authorized by the copyright or trademark owners or their representatives. The Licensee covenants to strictly comply with all laws respecting copyright and trademarks and warrants that it will not infringe on any related statutory, common law, or other rights of any person or entity during the License Period. The Licensee is solely responsible for remitting payment to the appropriate agencies for the use of any copyrighted materials.

(b) Licensee shall not advertise, promote, or conduct a live musical performance at the Facility through the use of a false, deceptive, or misleading affiliation, connection, or association between a performing musical artist or group and the original recording artist or group in violation of Tex. Bus. & Comm. Code §17.902.

**8. Ticketed Events.** Licensee shall adhere to the following rules governing Tickets:

(a) The term "Ticket" includes all forms of entry control utilized to impose a fee of any sort for admission to an Event at the Brown Theater, Cullen Theater, or Jones Hall.

(b) Licensee may reserve complimentary Tickets for its own use or the use of its designees, but no more than two hundred (200) per Event. The surcharge will not be imposed on complimentary Tickets.

(c) All tickets must be printed through an authorized ticketing agency and a copy of the ticket manifest shall be provided to the Event Manager.

(d) Licensee is required to use serially numbered tickets to ensure an accurate accounting of ticket sales and calculation of ticket surcharge. In the case of computerized ticketing, an auditing report will suffice.

(e) The City will be given access to box office records, ticket receipts, and all other documents reasonably required to verify the Licensee's accounting of the surcharge. The Licensee shall permit the City or the designated entity to audit the Licensee's records related to its ticket sales up to one year after the Event.

(f) At the theaters, payment received from non-resident companies shall be accompanied by a box office statement (if any), and shall be made in cash or by check made payable to the designated entity at the time the box office closes or ticket sales cease for that performance. Multiple performances of the same production may be settled on a weekly basis or at the final performance at the option of the Facility Manager.

(g) Designated box office space is available during the License Period at no additional charge. Use of designated box office space outside the License Period, if available, may be provided at a rate of fifty dollars (\$50.00) per day.

(h) If an Event is canceled, the surcharge shall be refundable to the Licensee, who shall immediately refund the surcharge to Ticket purchasers.

(i) General admission seating is strictly prohibited unless approved in advance and in writing by the Facility Manager.

(j) Festival seating and standing room only ticketing are not permitted under any circumstances.

#### **9. American with Disabilities Act (“ADA”).**

(a) Until all other seats have been sold, Tickets for wheelchair locations and companion seating shall only be sold to persons requesting such seats due to a disability; provided, however, that one orchestra-level wheelchair location and one adjacent companion seat shall be withheld from sale for emergency or last-minute use by a disabled patron and accompanying person.

(b) Wheelchairs shall not be placed in aisles under any circumstances.

(c) The Licensee acknowledges and agrees that it is solely responsible for non-permanent accessibility requirements under the Americans with Disabilities Act (ADA), including, but not limited to, temporary seating accessibility, sign language interpreters, and other auxiliary aids.

**(d) THE LICENSEE SHALL NOT MOVE OR INTERFERE IN ANY WAY WITH ACCESSIBILITY TO ADA FACILITIES (INCLUDING, BUT NOT LIMITED TO, WHEELCHAIR SEATING). THE LICENSEE SHALL INDEMNIFY THE CITY FOR ANY AND ALL CLAIMS AND LIABILITIES ARISING OUT OF SATISFACTION OF SAME REQUIREMENTS BY THE LICENSEE.**

#### **10. Use and Preparation of the Premises.**

(a) The Licensee shall not use the Premises or permit any part of the Facility to be used for any purpose other than the Event and shall not permit its use for lodging, in conflict with any law, ordinance, rule or regulation of any governmental authority, in any manner which would violate the provisions of insurance coverage on or related to the Facility, or increase the rate of insurance, in any manner which constitutes waste or nuisance, or in any manner which causes or threatens to cause damage or injury to the Facility or alteration to all or any portion of the Facility.

(b) Approval by the Facility Manager of the Licensee's personnel, labor, equipment or material shall constitute a license authorizing the Licensee to permit such to enter the Facility; however, the continued effectiveness of such license is conditioned upon Licensee's personnel and labor working in accord with and not interfering with the personnel and labor of the City and is further conditioned upon the Licensee's compliance with the terms and provisions of this Agreement. Accordingly, if at any time the Licensee's personnel or labor shall cause discord or interfere with another event or shall violate the terms and provisions of this Agreement, then the license to allow such labor, personnel, materials and equipment in the Facility may be withdrawn by the Facility Manager and Licensee shall cause all such personnel, labor, material and equipment to which the Facility Manager objects to be removed from the Facility.

(c) Exclusive Services. Notwithstanding anything else contained herein to the contrary, the City reserves the right to establish exclusive services with third-party providers for use or occupancy of the Facility, including, but not limited to ushering and ticket services and the Licensee shall, at its sole costs and expense, pay for all charges incurred for such exclusive services; provided, however, that the City shall give the Licensee notice in writing at least sixty (60) days prior to the first day of the License Period.

#### **11. Sharing of Facility and Services at Wortham Theater Center.**

(a) If the Premises includes any portion of the Wortham Theater Center, then the Licensee acknowledges that the Facility may or will be used for the installation, holding or presentation and removal of other events and activities. The Licensee further acknowledges that, in order for the Facility to operate as

efficiently as practicable, it may be necessary to schedule or share certain Facility services and equipment including, but not limited to, entrances, exits, truck ramps, receiving areas, marshaling areas, storage areas, passenger and freight elevators, lobbies, parking lots, and concession areas. The Licensee agrees to work cooperatively with other licensees at the Facility, including their employees, agents, and contractors, but, in the event of a conflict, the Facility Manager shall have final authority to establish the schedules for the use and availability of such services and equipment and to determine when, and the extent to which, the sharing of any such services and equipment is necessary or desirable. In no event shall Licensee enter or use any area, part, or service of the Facility, other than the Premises, without first obtaining the consent of the Facility Manager and approval other than ingress or egress to Fish Plaza or the Grand Foyer in the case of Wortham Theater Center.

(b) The Licensee acknowledges and agrees that if the sound or vibration generated by the Event adversely affects another event in the Wortham Theater Center, as determined by the Facility Manager in his or her sole discretion, then the Licensee shall promptly make any sound, volume or other adjustments deemed necessary to resolve the interference by the Facility Manager in his or her sole discretion.

**12. Announcements and Advertisements.** The City reserves and retains the right to use and may use the sound system for announcements and may display advertisements in the Facility in any manner, which in the conclusive opinion of the Director is desirable or appropriate, provided that such announcements, advertisements and use do not substantially disrupt or interfere with the Event.

**13. Ancillary Rights.** The City reserves and retains to itself and its assignees, licensees and designees the privilege of using such parts of the Facility as in its opinion, which shall be conclusive, are necessary for or to the operation of the City and of its concessionaires.

**14. Right of Entry.** The City, its officers, directors, servants, employees, agents, concessionaires and their servants, employees and agents, shall at all times have free access to the Facility and shall have the right at any time to enter any portion of the Premises or the Facility for any purpose whatsoever.

**15. Right of Removal.** The City reserves the right to control all individuals in the Premises and Facility, including, but not limited to, any employee, agent, contractor, or invitee of the Licensee. The Director may remove from the Premises any such individual and reserves the right to eject any objectionable individual from the Premises and the Facility and the Licensee hereby waives any and all claims for damages against City on account thereof.

**16. Force Majeure.**

(a) The term "Force Majeure" shall include, but not be limited to, acts of God, acts of the public enemy, war, blockades, insurrections, riots, epidemics in the City, landslides, lightning, earthquakes, fires, storms, floods, washouts, tornadoes, hurricanes, arrests and restraints of governments and people, explosions, and other occurrences or conditions of like nature. The term does not include any changes in general economic conditions such as inflation, interest rates, economic downturn or other factors of general application; or an event that merely makes performance more difficult, impractical, or expensive.

(b) Either party may terminate this Agreement or suspend its obligations hereunder due to Force Majeure to the extent that such occurrence is beyond the reasonable control of the party whose performance is affected on such affected party's giving notice and full particulars to the other party of such Force Majeure as soon as practicable, but no later than seven (7) days after the occurrence of the cause relied upon.

(c) If Force Majeure causes the License Period to be terminated in whole or in part, then the Licensee shall owe the City a portion of the License Fee based on the time period, if any, during which the Licensee had reasonable commercial use of the Premises; provided, however, that any such portion over and above that amount previously paid by the Licensee shall be refunded.

(d) The License Period shall not be extended in the event of Force Majeure without a written amendment to this Agreement signed by the City and the Licensee and the City shall not be obligated to license the Premises or any part of the Facility in substitution for the Force Majeure period.

**17. Default.**

(a) The Licensee shall be in default under this Agreement if any of the following occur:

1. The Licensee fails to observe any term of this Agreement, including, but not limited to payment of any amount due hereunder or the furnishing of documentation evidencing insurance coverage.
2. The Licensee does not use and occupy the Premises for the purpose described in this Agreement.
3. The Licensee assigns this Agreement, in whole or in part, without the prior written consent of the Director.
4. The Licensee declares bankruptcy or ceases doing business.

(b) If the Licensee is in default, then the City shall have the right, without further notice, to invoke any or all of the following remedies:

1. Terminate this Agreement and revoke the License granted hereunder.
2. Enter and take exclusive possession of the Premises and remove all persons and property.
3. Institute legal proceedings against the Licensee to recover any amount due under this Agreement and any damages sustained by the City.
4. Retain the portion of the License Fee and Deposit prepaid by the Licensee as liquidated damages and not as a penalty (both parties hereto agreeing that damages from such a default are difficult to ascertain and that such amount is a reasonable forecast of just compensation for the harm to the City resulting from such default by the Licensee).
5. Deduct from the Deposit any fee, charge, or expense incurred by the Licensee up to and including the date of termination and demand any remainder be paid with the Invoice.
6. Exercise any and all rights available at law or in equity.

**18. Cancellation by the Licensee.**

(a) If the Licensee cancels this Agreement or some portion of the License Period prior to the commencement of the License Period, then the Licensee shall owe the City a portion of the License Fee as provided herein.

(b) The Licensee and the City agree that cancellation of this Agreement or some portion of the License Period will cause damages to the City and that the actual damages from the harm are difficult to estimate accurately. Therefore, in lieu of the remedies listed under Section 17(b), the Licensee and the City agree that the Licensee shall be liable for and shall pay to the City an amount, as calculated below, as liquidated damages and that such amount is a reasonable forecast of just compensation for the harm to the City resulting from such cancellation by the Licensee.

In the following formula, "X" shall represent the number of calendar days from the date the City received notice of cancellation from the Licensee to the first day of the License Period and "Y" shall represent the percentage of the License Fee owed to the City by the Licensee:

- If "X" equals 366 or more calendar days, then "Y" equals 50%;
- If "X" equals 365 to 181 calendar days, then "Y" equals 75%;
- If "X" equals 180 to 0 calendar days, then "Y" equals 100%;

(c) The City is authorized to retain all or a portion of the License Fee and Deposit to reimburse the City the sum owed pursuant to this Section and the Licensee shall pay the balance of such sum owed to the

City, if any, within thirty (30) days of issuance of written notice; provided, however, that any such portion over and above the amount of liquidated damages previously paid by the Licensee shall be refunded.

**19. Construction.** The City will notify the Licensee in writing of any material construction or remodeling planned to take place in or adjacent to the Premises during or sixty (60) days' prior to the commencement of the License Period (routine maintenance and upkeep excepted) and will use commercially reasonable efforts to minimize any material interference with or disruption of the Event due to such construction or renovation.

**20. Laws, Permits, and Licenses.**

(a) The Licensee shall strictly comply with all applicable laws, rules and regulations including applicable provisions of the City's Code of Ordinances, as may be amended from time to time. This Agreement shall be construed in accordance with the laws of the State of Texas and is to be performed in Harris County, Texas.

(b) The Licensee shall comply with and acquire any and all applicable federal, state and/or municipal permits or licenses required for the Event and shall pay all taxes of whatever nature becoming due by reason of its use of the Facility.

**21. Notices.** All notices to either party to the Agreement must be in writing and must be delivered by hand, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

**22. Survival.** Notwithstanding the acceptance of the License Fee by the City and the expiration of the License Period, the Licensee shall remain obligated to the City under all clauses of this Agreement that expressly or by implication survive such acceptance and the expiration of the License Period, including but not limited to the indemnification provisions in the Agreement.

**23. Assignment and Sublicensing.** The Licensee shall not assign this Agreement in whole or in part, nor sublicense any portion of the Premises without the prior written consent of the Director.

**24. Enforcement.** The City Attorney or his or her designee shall have the right to enforce all legal rights and obligations under this Agreement without further authorization. The Licensee shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining compliance by the Licensee with this Agreement, with the exception of those documents made confidential by federal or state law or regulation.

**25. Non-Waiver.** Failure of the City to insist upon strict performance of any of the terms and conditions in this Agreement or failure or delay to exercise any rights or remedies provided in this Agreement or by law, or failure of the City to notify the Licensee properly in the event of default, or the acceptance of late payment or other performance shall not release the Licensee from any or all of its obligations under this Agreement, and shall not be deemed a waiver of any right of the City to insist on strict performance hereof or any of its rights or remedies as to prior or subsequent default hereunder.

**26. Multiple Parties.** If more than one licensee is named under this Agreement, then the obligation of each licensee shall be joint and several.

**27. Severability.** If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.