

**3.3.6 Release of Claims.** At Starbucks option, Licensee executes a written release of all claims relating to or arising out of the Existing Starbucks Store existing as of the effective date of such release.

**3.4 Permitted Operation After Expiration of Store Term.** If Starbucks allows Licensee to continue operating any Starbucks Store after the end of its Store Term without entering into a successor master licensing agreement or extension to this Agreement, then that continued operation shall be considered a temporary extension of that Store Term. Starbucks may discontinue any such extension at any time and for any reason upon written notice to Licensee, and in that event, the discontinuation will be considered a non-renewal of that Store Term and not a termination.

**3.5 Term of Agreement.** Subject to the termination rights of the parties as set forth in Article 18 below, this Agreement shall expire upon the termination or expiration of the Store Terms for all Starbucks Stores governed by this Agreement.

**3.6 Documentation of Renewed Store Term.** Starbucks shall document the renewal of the Store Term of any renewed Starbucks Store by amending Exhibit A to this Agreement to reflect the new expiration date of the Store Term of that Starbucks Store.

**ARTICLE 4**  
**INTENTIONALLY DELETED; NUMBERING RESERVED**

**ARTICLE 5**  
**LICENSE FEES AND RECURRING PAYMENTS**

**5.1 License Fee.** In consideration of the rights and obligations granted herein, <sup>NMU</sup> Licensee shall pay Starbucks a fee in the amount of thirty thousand dollars (\$30,000) per Starbucks Store (the "License Fee") for the new Store Term of the Starbucks Store. Licensee shall pay the License Fee no later than August 15, 2014. The License Fee is fully earned and nonrefundable upon payment. Licensee acknowledges and agrees that the License Fee relates solely to the right to operate a Starbucks Store, and does not apply towards any other rights or services relating to this Agreement.

**5.2 Royalty.** Licensee shall pay Starbucks a monthly royalty (the "Royalty") equal to seven percent (7%) of the Gross Revenue from each Starbucks Store.

**5.3 Advertising Fee.** Licensee shall pay Starbucks a monthly advertising fee (the "Advertising Fee") equal to one percent (1%) of the Gross Revenue from each Starbucks Store.

**5.4 Local Marketing.** Licensee shall independently expend on a quarterly basis an amount not less than one percent (1%) of the prior quarter's Gross Revenue of each Starbucks Store for local or regional advertising or promotions. Upon Starbucks request, Licensee shall submit to Starbucks a written accounting of such advertising expenditures by the thirtieth (30th) day following the end of each quarter. Licensee's local and regional advertising shall be subject to the approval requirements of Article 10 below.

**5.5 Design and Development Fees.** Starbucks reserves the right to charge fees in connection with Starbucks (or its designee's) work on the design and development for

construction or refurbishment of each Starbucks Store. If Starbucks exercises this right, then Licensee shall pay those fees no later than the initiation of the design or development work.

**5.6 Training Fees.** Starbucks reserves the right to charge fees in connection with any training provided to Licensee's Employees relating to the opening or operation of a Starbucks Store. If Starbucks exercises this right, then Licensee shall pay those fees no later than the initiation of that training.

**5.7 Payment of Regularly Recurring Fees.** No later than the twenty-fifth (25<sup>th</sup>) day of each Fiscal Month, Licensee shall pay the Royalty and Advertising Fee relating to the Gross Revenue in the prior Fiscal Month, and Licensee shall concurrently submit to Starbucks a statement of Gross Revenue for that prior Fiscal Month (unless Licensee has previously submitted such statement). Licensee shall pay all Royalties and Advertising Fees by means and in a manner reasonably designated by Starbucks, which, for example, may be by wire transfer or cashier's check.

**5.7.1 Late Fee.** If Licensee does not pay any Royalty or Advertising Fee within five (5) days following receipt of notice from Starbucks that such payment is overdue, then Licensee shall also pay Starbucks a late fee in the amount of twenty-five dollars (\$25) per day until all outstanding balances are paid.

**5.7.2 Estimated Royalties and Advertising Fees.** If Licensee does not pay any Royalty or Advertising Fee when due, then Starbucks may estimate reasonably the unpaid amount and invoice Licensee, which invoice shall constitute notice of default to Licensee for failure to pay amounts when due (without limitation to any prior issued notice of default). In addition, Starbucks may withhold any unpaid amount from any funds then owed to Licensee, and may transfer any such amount from any Licensee account to which Starbucks has access. These remedies are non-exclusive and do not limit Starbucks exercise of other remedies provided under this Agreement or by applicable law.

**5.8 Payment of Other Invoices.** Without limitation to Section 5.7, unless otherwise stated therein or otherwise provided for under this Agreement, Licensee shall pay all invoices for products, supplies, services, fees, and expenses issued by Starbucks within thirty (30) days from the date of issuance. Licensee shall pay all invoices by means and in the manner reasonably designated by Starbucks, which, for example, may be by wire transfer or cashier's check. Starbucks may require future payment for products, supplies, or services by COD (cash on delivery) if Licensee fails to make any payment when due.

## **ARTICLE 6 LOCATION, DESIGN, CONSTRUCTION, MAINTENANCE, AND REFURBISHMENT**

**6.1 Defined Locations.** Starbucks grants Licensee the right to relocate the Starbucks Store and to construct and open the Starbucks Store in the location identified or agreed upon as of the Effective Date of this Agreement upon the following provisions: In addition, the parties acknowledge that the Existing Starbucks Store located at the Learning Resource Center on campus will continue to operate in its current location through October 31, 2014; at which