



## RCGA Handicap System Licensing Agreement

**THIS AGREEMENT** made between the **ROYAL CANADIAN GOLF ASSOCIATION** (hereinafter referred to as "the Licensor"), a corporation incorporated under the laws of the Province of Ontario and having a principal office at 1333 Dorval Drive, Ste. 1, Oakville, ON L6M 4X7., and **Golfsoft Software** (hereinafter referred to as "the Licensee"), a company incorporated under the laws of ON and having a principal office or place of business at Box 841, 25 Huron St, Deep River, ON, K0J1P0;

**WHEREAS** the Licensor owns a system for, *inter alia*, the calculation of handicaps to enable golfers of differing abilities to compete on an equitable basis, which system the Licensor has developed through the expenditure of time, skill, effort and money (hereinafter the "RCGA HANDICAP SYSTEM");

**AND WHEREAS**, aspects of the RCGA HANDICAP SYSTEM include, but are not limited to: (i) a method of course rating which is carried out personally by representatives of the Licensor in respect of each of the member golf courses of its member golf associations (hereinafter the "RCGA Member Clubs"); (ii) a tabulation procedure which is carried out by RCGA Member Clubs and/or member golfers thereof (the latter hereinafter referred to as "Member Golfers") whereby golf scores of Member Golfers are tabulated; (iii) a calculation method which is performed by RCGA Member Clubs whereby calculations are performed upon the tabulated golf scores to return the Member Golfers' respective RCGA HANDICAP FACTOR<sup>®</sup> for subsequent use by said Member Golfers in the calculation of handicaps; (iv) a procedure whereby the Licensor supervises the performance of the aforementioned tabulation procedure and calculation method to ensure that same are performed in accordance with the standards prescribed by the Licensor; and (v) certain trademarks and service marks owned by the United States Golf Association (the "USGA") and the Licensor which are used in conjunction with the aforementioned tabulation and calculation methods (all of which collectively referred to as the "Proprietary Materials");

**AND WHEREAS**, the Licensee has created a software package for computers to facilitate the use of the RCGA Handicap System by RCGA Member Clubs and Member Golfers, which software incorporates, uses and/or embodies the Proprietary Materials or aspects of the Proprietary Materials (hereinafter the "Software");

**AND WHEREAS**, the Licensee is desirous of acquiring a license to use the Proprietary Materials sufficient to permit the sale, offering for sale, distribution and advertising of the Software to RCGA Member Clubs in good standing, and, in relation to the Software, an acknowledgment and certification from the Licensor that the tabulation procedure and/or calculation method performed thereby is in accordance with the specifications and standards prescribed by the Licensor;

**NOW THEREFORE** this Agreement witnesseth that in consideration of the mutual covenants and agreements herein contained the parties hereto do hereby covenant and agree with each other as follows:

### PAYMENT

1. The Licensor shall be paid the sum of ONE THOUSAND FIVE HUNDRED SEVENTY FIVE DOLLARS (\$1575 includes GST) in Canadian currency by the Licensee.

## TERM

2. The term of this Agreement shall commence on the date hereof, and shall expire at midnight on **December 31, 2010**, unless earlier terminated in accordance with the provisions of this Agreement.

## CERTIFICATION

3. Licensor hereby certifies that it has inspected the Licensee's Software and that the Software meets the standards prescribed by the Licensor pursuant to the RCGA HANDICAP SYSTEM. Such certification is valid throughout the term of this Agreement, only.

## LICENSE

4. Licensor hereby grants to Licensee a non-exclusive right and license throughout Canada, during the term of this Agreement, to use the Proprietary Materials, provided that the form, nature and manner of such use shall be limited, expressly, to the sale, offering for sale, distribution and advertising of the Software to RCGA Member Clubs in good standing. Licensor additionally grants to Licensee a non-exclusive right and license throughout Canada, during the term of this Agreement, in connection with the sale, offering for sale, distribution and advertising of the Software only, to indicate that the Software is certified by the Licensor and meets the standards prescribed by the RCGA HANDICAP SYSTEM. Provided, that any and all packaging, instructional, promotional and/or advertising materials, whether in the nature of printed or electronic publications, which make reference to the trademarks "RCGA" and/or "RCGA HANDICAP SYSTEM" shall also indicate by appropriate markings thereon that these trademarks are owned by Licensor and are used under license from Licensor. In all such cases the Licensee shall also display the symbol ® or "™" (as designated by Licensor) beside any or all authorized occurrences or uses of these trademarks. Such publications shall be submitted to Licensor for approval prior to publication, distribution or sale, and Licensor reserves an absolute right of refusal with respect to such approval.
5. The Licensee agrees that it will not use the Proprietary Materials (including but not limited to the RCGA HANDICAP SYSTEM, the proprietary mathematical handicap formula, and the terms "RCGA", "RCGA Handicap Factor", "Handicap Factor", "Factor", "RCGA Handicap Factor (N)", "Handicap System", "Slope", "Slope System", "Slope Rating", "Handicap Differential", "RCGA Course Rating", "RCGA Slope Rating", "Course Handicap", "Home Course Handicap", "Bogey Rating", "ESC", "Short Course Handicap", "RCGA Short Course Rating" and "RCGA Course Rating System") within, or in conjunction with, software products offered or sold by the Licensee to non-member clubs or non-members of the RCGA. The Licensee acknowledges that certain terms used in the RCGA HANDICAP SYSTEM are the trademarks and service marks of the USGA which has generously given the RCGA permission to use them. The Licensee further acknowledges that the Licensor, as owner of the trademark "RCGA" and licensee of the USGA's well-established trademarks and service marks, has the sole right within Canada to authorize the use of those marks by others.
6. The Licensee agrees that it will not advertise, market or otherwise represent that any of its software products offered or sold to non-member clubs or non-members of the Licensor are in any way approved by the Licensor, used under license from the Licensor, or otherwise produce official RCGA Handicap Factors. The Licensee also agrees that it will not provide the RCGA Course and Slope Rating database to non-member clubs or non-members of the Licensor.

## REPORTING

7. In conjunction with the execution and delivery of this Agreement to the Licensor, the Licensee shall deliver a list of all RCGA Member Clubs which have purchased the Software from the Licensee (including earlier versions of the Software) under any prior license of the Proprietary Materials. The Licensee also agrees that it shall provide the Licensor with a list of all new RCGA Member Clubs who purchase the Software during the term of this Agreement, as and when those sales of the Software are made, or as otherwise requested by the Licensor. The Licensee also agrees to provide the

Licensors with the handicap roster of all member clubs using handicap software provided by the Licensee. The club handicap rosters must be extracted from the Licensee software on June 1, 2010 and submitted to the Licensor by June 15, 2010.

#### **NO OTHER RIGHTS**

8. The License hereby granted constitutes the only right of Licensee in respect of the use of the Proprietary Materials and shall terminate forthwith upon the termination of this Agreement. In no event shall the Licensee use the Proprietary Material, including but not limited to the RCGA HANDICAP SYSTEM and/or any of the trademarks of the Licensor or the USGA in any manner otherwise than as expressly permitted herein during the term of this Agreement, or in any manner whatsoever following its termination.

#### **ACKNOWLEDGEMENT AND MODIFICATION**

9. During the term of this Agreement, Licensee agrees to incorporate within the Software, on the main screen and member logon screens, the "RCGA Certified Handicap Software" trademark, a copy of which will be forwarded along with guidelines for the usage of this trademark. The Licensee may also incorporate this logo on any Software packaging, promotional material or printed score records, subject to pre-approval by the RCGA.

#### **TERMINATION**

10. Except as otherwise specifically provided for in this Agreement, in the event of a breach of this Agreement by either party hereto, the other party, at its option may terminate this Agreement as follows. The defaulting party shall be notified in writing of the breach complained of and of the complaining party's election to terminate, and the termination shall become effective upon the expiration of thirty (30) days after the date of such notice, unless such default shall have been remedied during such thirty (30) day period. If the default is remedied, this Agreement shall continue in full force and affect as if no notice of termination had been given, however, such breach may nonetheless give rise to damages.

#### **GOVERNING LAW**

This Agreement shall be construed and interpreted in accordance with the laws of the Province of Ontario, Canada, and the parties hereby expressly attorn to the Courts of said Province.

#### **SEVERABILITY**

11. If any covenant or obligation in this Agreement is, to any extent, invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each covenant and obligation of this Agreement shall be separately valid and enforceable to the fullest extent of the law.

#### **NON-ASSIGNABILITY**

12. This Agreement may not be assigned by either party hereto.

#### **NO WAIVER**

13. No waiver by Licensor, express or implied, of any breach of any term, condition, or obligation of this Agreement by Licensee shall be construed as a waiver of any subsequent breach of that term, condition or obligation, or of any other term, condition or obligation of the Agreement of the same or different nature.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement which shall become binding as of the latest date written below.

**SIGNED, SEALED AND DELIVERED**  
in the presence of

\_\_\_\_\_  
*(Witness)*

**SIGNED, SEALED AND DELIVERED**  
in the presence of

\_\_\_\_\_  
*(Witness)*

**ROYAL CANADIAN GOLF  
ASSOCIATION**

Per: \_\_\_\_\_  
Title: Executive Director/CEO

I have authority to bind the  
Corporation

\_\_\_\_\_  
*(Date)*

**Golfsoft Software**

Per: \_\_\_\_\_  
Title: \_\_\_\_\_

I have authority to bind the  
Corporation

*(Date)* \_\_\_\_\_