

**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. 73-2018**

**Authorizing EDA as Agent for Discovery Square Trademark Licensing  
on Behalf of DMCC**

The following Resolution was offered by Paul Williams, seconded by James R. Campbell.

**BACKGROUND RECITALS**

A. The Destination Medical Center Development Plan (the "Plan") presented a 16-block sub-district known as Discovery Square (the "Sub-District") as a focal point to expand research, technology, and related businesses and to foster the continued growth of the bio-medical and bio-technology community.

B. The Destination Medical Center Corporation ("DMCC") applied for federal registration of and owns the rights to the trademark known as DISCOVERY SQUARE (the "Licensed Mark"). The DMCC, the City of Rochester, Minnesota (the "City"), and the Destination Medical Center Economic Development Agency ("EDA") have worked cooperatively and expended funds and other resources to develop and market the Sub-District and to create value in the Licensed Mark. Third parties doing business in the Sub-District may desire to be licensed to use the Licensed Mark for private business purposes.

C. The DMCC wishes to ensure the quality of the Licensed Mark, and to protect against any potential infringements or unauthorized uses. The DMCC and the EDA entered the Agreement for Destination Medical Center Services dated February 1, 2014 (the "Services Agreement"). The DMCC previously granted the EDA an oral license to use the Licensed Mark to perform its marketing duties under the Services Agreement and now wishes to reduce this oral agreement to writing. The DMCC wishes to authorize the EDA, as its authorized agent ("Agent"), to grant and monitor license rights to the Licensed Mark and to provide quality control, all as Work performed under the Services Agreement and as otherwise directed from time to time by the DMCC.

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation Board of Directors that the EDA is hereby granted a royalty-free, non-exclusive right, license and privilege with no right of sublicense, retroactive to May 31, 2017, to use the Licensed Mark to perform the Work as defined under and subject to the terms and conditions of the Services Agreement, and consistent with the Development Plan. The DMCC remains the sole owner of the Licensed Mark and retains the right to control the nature and quality of the services provided.

**BE IT FURTHER RESOLVED**, that the EDA is hereby designated as the Agent of the DMCC to grant to worthy applicants ("Third Party Licensees") by written agreement ("License Agreement") a non-exclusive, right, license and privilege to use the Licensed Mark consistent with the Development Plan and the Services Agreement. Such uses may include, without limitation, use of the Licensed Mark as part of a building name for any buildings located within the Sub-

District (with internal and external signage and directories for said buildings); use in print and digital marketing materials distributed to current and prospective tenants for said building; and use in online materials that describe said building and the other tenants of the building. A License Agreement may be executed only by the Executive Director or Chair of the Board of Directors of EDA after written approval by the Board of Directors of the EDA, and a License Agreement may include a fee payable by a Third Party Licensee to the EDA, as further provided below.

**BE IT FURTHER RESOLVED**, that as the Agent, the Board of Directors of the EDA may propose reasonable and appropriate annual fees for use of the Licensed Mark for review and approval by the DMCC. The EDA may not charge any fee to the City or any other public entity for use of the Licensed Mark. Unless otherwise directed by the DMCC, the fees shall be used by EDA to defray the cost of quality control, enforcement, review and approvals and other administrative time dedicated to the Licensed Mark, as well as the further development and marketing of the Sub-District, and other sub-districts identified in the Development Plan. The EDA shall provide regular updates to the DMCC, at least annually, as to the Work performed relating to the Licensed Mark, the Third Party Licensees, enforcement efforts and brand integrity, and the receipt and use of all fees received from Third Party Licensees of the Licensed Mark.

**BE IT FURTHER RESOLVED**, that as the Agent, the EDA shall safeguard and enforce the Licensed Mark against potential infringements or unauthorized users, and the DMCC shall assist with such efforts as reasonably needed. The EDA shall maintain federal registrations for the Licensed Mark consistent with the current use of the Licensed Mark. The EDA, as Agent, is hereby designated for the execution of documents required by the United States Patent and Trademark Office in connection with the registration and maintenance of the Licensed Mark (the "Trademark Documents"). Such Trademark Documents may include, without limitation, requests for extensions of time to file a Statement of Use, Statements of Use, Declarations of Use, Declarations of Incontestability, and Applications for Renewal. Only the Executive Director or Chair of the Board of Directors of the EDA may execute the Trademark Documents.

**BE IT FURTHER RESOLVED**, that the EDA shall, both on its own behalf and, as the Agent, require any Third Party Licensee to recognize and acknowledge by License Agreement that: (1) the Licensed Mark and all rights and goodwill pertaining thereto belong exclusively to DMCC, that all rights resulting from licensee's use of the Licensed Mark inure to the benefit of DMCC, and that upon termination of the License Agreement, all rights in the Licensed Mark shall remain the property of DMCC; (2) it will in no way represent that it has any right, title or interest in the Licensed Mark other than those expressly granted hereunder or under the Agreement; (3) it will not use or attempt to register in any country or jurisdiction, (a) any mark comprising or containing the Licensed Mark, (b) any translations or other language versions of the Licensed Mark, or (c) any other trademark, trade name, domain name, internet keyword, social networking identifier, or other designation similar in whole or in part to the Licensed Mark or to any other trademark of the DMCC or the EDA; and (4) it will not challenge the DMCC's rights in, or the validity or scope of, the Licensed Mark, or any application or registration therefor, or the EDA's rights as the Agent, to enforce the Agreement.

**BE IT FURTHER RESOLVED**, that as the Agent, the EDA may establish reasonable use guidelines for the Licensed Mark, including a requirement that, except for signage and building directory listings, the most prominent use a licensee makes of the Licensed Mark must contain a

trademark notice that states that "DISCOVERY SQUARE is a trademark owned by Destination Medical Center Corporation and used under license" and that as a licensee EDA must follow such guidelines.


**BE IT FURTHER RESOLVED**, that this license and appointment as the Agent shall be valid for the duration of the Services Agreement, subject to further direction from time to time by written resolution of the DMCC. This resolution shall take effect upon the adoption by the EDA Board of Directors of a resolution acknowledging and accepting the terms and conditions of this resolution.

The question was on the adoption of the Resolution and there were 8 YEAS and 0 NAYS, as follows:

**BOARD OF DIRECTORS**  
Destination Medical Center Corporation

|                      | <u>YEA</u> | <u>NAY</u> | <u>OTHER</u> |
|----------------------|------------|------------|--------------|
| Dana L. Bailey       | <u>X</u>   | _____      | _____        |
| James V. Bier        | <u>X</u>   | _____      | _____        |
| Ardell F. Brede      | <u>X</u>   | _____      | _____        |
| James R. Campbell    | <u>X</u>   | _____      | _____        |
| Michael E. Dougherty | <u>X</u>   | _____      | _____        |
| Mark Hickey          | <u>X</u>   | _____      | _____        |
| R.T. Rybak           | <u>X</u>   | _____      | _____        |
| Paul D. Williams     | <u>X</u>   | _____      | _____        |

RESOLUTION ADOPTED on September 25, 2018.

ATTEST:   
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 R.T. Rybak, Chair  
 Destination Medical Center Corporation