

REGULATION FOR OBTAINING THE LICENSE OF USE OF SÃO PAULO BRAND FILED BY SÃO PAULO TURISMO S.A. - SPTURIS

CHAPTER I Object

Article 1. This regulation aims to establish rules for obtaining the license of use in commercial products, of the São Paulo brand, whose application was filed by São Paulo Turismo S.A. - SPTuris before INPI – *Instituto Nacional da Propriedade Industrial* [Industrial Property National Institute], according to proceedings no. 904258041, 904258017, and 904257991.

Paragraph 1. Shall be entitled to obtain the license of use any business segment which is compliant with the purposes set forth herein.

Paragraph 2. São Paulo brand may be used in the following product segments: clothing and footwear, office, souvenirs, leisure, and literature and brochures.

Paragraph 3. It is under the sole discretion of SPTuris the decision on the São Paulo brand application in segments not mentioned herein.

Article 2. For the purposes of this Regulation, the following terms shall be considered as:

- I. Clothing and Footwear: e.g., T-shirts and sandals;
- II. Office: e.g., notebooks, pencils, pens, pen drives, notepads;
- III. Souvenirs: e.g., keychain, cups, umbrellas, bags (ecobags), refrigerator magnets and bottoms;
- IV. Leisure: e.g., building blocks, puzzles, board games;
- V. Literature and brochures: e.g., calendars, organizers, maps, postal cards, posters and specific publishing, such as: arts books, photograph books, pastime and comic books.

CHAPTER II Conditions for obtaining the License of Use

Article 3. The companies defined in the paragraph 1 of the Article 1 herein shall be entitled to apply for the license of use of the São Paulo brand, unless those which:

- I – have been declared ineligible by Public Power act;
- II – are prohibited to bid or contract with the Direct and Indirect Public Administration of the City of São Paulo;
- III – are in regime of judicial recovery or bankruptcy.

Article 4. The companies interested in obtaining the license of use of São Paulo brand must submit to the Diretoria de Turismo e Entretenimento – DTE [Tourism and Entertainment Department] of SPTuris, headquartered at Avenida Olavo

Fontoura, 1209, Portão 35 - Sede Administrativa, the following documents in original or certified counterparts:

I – Letter stating the interest in obtaining the license of use of São Paulo brand, with the specifications of use intended for the brand, as well as information on the products intended to be produced and the places where they are intended to be sold;

II – Constitutive Act, Company Enrollment, Bylaw or Articles of Incorporation updated and duly registered before the relevant Board of Trade or Notary Public, with the evidence by the officers in exercise;

III – Evidence of the enrollment before the Corporate Taxpayer's Roll (CNPJ), in accordance with Normative Instruction RFB no. 1.183/11;

IV – Evidence of Conformity before the Service Guarantee Fund (FGTS);

V – Evidence of fiscal conformity before the Social Security (INSS), consisting of the Clearance or Liability Certificate with Clearance Effects of Debts issued by the Federal Revenue Bureau of Brazil;

VI – Evidence of fiscal conformity before the National Treasury, upon submittal of joint certificate issued by Secretariat of Federal Revenue (SRF) and National Treasury General Attorney's Office (PGFN), concerning the taxes administered by SRF;

VII – Evidence of enrollment before the State and/or Municipal Taxpayer's Roll relevant to the business segment;

VIII – Evidence of fiscal conformity before the State and/or Municipal Treasury, depending on the business segment;

IX – Clearance certificate of bankruptcy and concordat/judicial recovery issued by the legal entity's headquarters distributor.

X – Evidence of inexistence of defaulted debts before the Labor Justice, consisting of the Clearance or Liability Certificate with Clearance Effects of Labor Debts (CNDT), under the terms of the title VII-A of the Consolidation of Labor Laws – CLT;

XI – Statement that the company does neither employ people aged less than 18 (eighteen years old) for night-time, dangerous or insalubrious work, nor people aged less than 16 (sixteen) years old for any kind of work, unless, if under the condition of apprentice, as from 14 (fourteen) years old, according to the model of Attachment I;

XII – Declaration that the company has not been declared ineligible by the Public Power and is not prohibited to bid and contract with the Public Administration of the City of São Paulo, according to model of Attachment I;

XIII – Statement of knowledge and agreement with the Regulation for Obtaining the License of Use of São Paulo brand filed by São Paulo Turismo S.A., according to the model of Attachment I;

XIV – Statement assuming the obligation to comply with the rules established by INMETRO – National Institute of Metrology, Quality, and Technology, according to the model of Attachment II;

XV – Statement assuming the obligation to comply with the Consumer Defense Code and related legislation, according to model of Attachment III;

XVI – Statement of responsibility for the appointment of email for correspondence purposes, according to the model of Attachment IV;

Paragraph 1. Those interested in the São Paulo brand licensing may contact SPTuris through marcasp@spturis.com for further clarifications.

Paragraph 2. Once the documents are received, DTE shall request the relevant Sector at SPTuris to open the administrative proceeding, in which all the documents received shall be gathered.

Paragraph 3. Afterwards, DTE will analyze the brand usage feasibility in the manner intended by the interested company, so that, if it determines the infeasibility of the intended use, infeasibility shall be stated in writing with duly justified reasons, being DTE responsible for communicating such infeasibility to the interested company.

Paragraph 4. Being feasible the intended use by the interested company, DTE shall verify if all the documents foreseen herein have been submitted, as well as if the documents are within the validity term. If there is an irregularity, DTE shall communicate it to the interested company for correction, stipulating a deadline for that. Once the irregularities are corrected, DTE shall resume the proceeding or shall file it, if they are not corrected.

Paragraph 5. Following the analysis of the submitted documents, DTE shall forward the proceeding to the Legal Management in order to elaborate a licensing agreement, according to model of Attachment V.

CHAPTER III LICENSING AGREEMENT

Article 5. The license for use of São Paulo brand shall be granted in a non-onerous character, for a determined term, with no exclusivity, being formalized by contractual instrument, according to the model of Attachment V.

Paragraph 1. The effective term shall be of 12 (twelve) months being able to be extended at SPTuris criteria, by means of respective amendment term, for successive periods, superior or inferior, upon prior evaluation by SPTuris of the legal and convenience conditions and opportunity for that. At the end of the effective term, the licensee is prohibited to use the brand, manufacture products with the São Paulo brand, and to sell all the products it still has, and it is obliged to remove them from the market.

Paragraph 2. Any changes in the agreement shall be made in writing by means of the respective amendment term.

CHAPTER IV

PROCEDURES FOR PRODUCTION

Article 6. The result of every stage of the product development shall be submitted for formal and written approval by SPTuris, accompanied by any package, advertisement or point of sale material, catalog, brochure, website material, etc., being the licensee from now aware that the effective production of the product will be authorized only after the formal and written authorization from SPTuris.

Article 7. The licensee company must consider, in its development schedule, at least, 10 (ten) business days for each process stage, submitting the result of each stage for formal and written approval by SPTuring in the following stages:

I – Design: preliminary study or final art. In the case of preliminary study, the final art shall be submitted to SPTuris before proceeding with the next stage. All the designs shall be submitted for analysis by SPTuris through e-mail: marcasp@spturis.com.

II – Samples of pre-production: once the design is approved, the licensee company, BEFORE starting the production, shall submit a sample of the product. For confection articles, this stage would be the presentation of a virtual sample.

III – Final Samples: Once the pre-production sample is approved by SPTuris, the licensee company may start the production, being required to submit to SPTuris samples of the final product from the first production run.

First Paragraph. SPTuris shall forward the comments on the submittals through e-mail, being the licensee company responsible for activating its email software in order to receive the electronic correspondence from SPTuris.

Second Paragraph. After receiving the approval to proceed with the next design stage, the licensee company shall forward a virtual sample of pre-production to the e-mail marcasp@spturis.com.

Third Paragraph. Physical product samples, whether pre-production or final, shall be submitted to:

São Paulo Turismo S.A.
Avenida Olavo Fontoura, 1209 – Portão 35 – Parque Anhembi
Santana – São Paulo – SP – CEP [zip code]: 02012-021
Diretoria de Turismo e Entretenimento
Att: **Equipe Marca São Paulo [São Paulo Brand Team]**

Fourth Paragraph. The non-approval by SPTuris at each product development stage hinders the advancement of the licensee company to the next stage.

Fifth Paragraph. Product approval is an exclusive and unilateral act of SPTuris, so that the licensee has no right for indemnification upon the hypothesis of non-approval.

Sixth Paragraph. It is from now is understood that, until obtaining the approval from SPTuris, licensee has mere expectation of the use of São Paulo brand, once the brand use is constrained to the product approval by SPTurins, under the terms herein.

Seventh Paragraph. Seventh Paragraph. Licensee may use the layouts contained in the Attachment VI – São Paulo Brand Products, created by SPTuris, being, however, understood that said layouts are property of SPTuris; thus, the licensee has no rights on them.

CHAPTER V COMPENSATION AND ACCOUNTABILITY REPORTS

Article 8. License of use of the São Paulo brand shall be granted in a non-onerous character, in accordance with the licensing term, being at sole discretion of SPTuris the change of the agreement to onerous, after obtaining the effective registry of trademarks before INPI.

Article 9. Licensee undertakes to provide monthly accountability reports on the manufactured products, sold products, existing stocks, and point of sale of the products with the São Paulo brand, accompanied by the respective fiscal documents for the quantity evidence.

Article 10. The licensee shall deliver to SPTuris 05 (five) pieces of each product manufactured with the São Paulo brand for filling and use of Licensor.

CHAPTER VI GENERAL CONDITIONS

Article 11. This license of use shall be given in a non-exclusive character, granting SPTuris with the right of freely licensing São Paulo brand, at its sole discretion, being even able to assign its registry or application thereof.

First Paragraph. Licensee shall not be entitled to any indemnification or claim, upon the hypothesis of SPTuris licenses the use of São Paulo brand to other companies.

Second Paragraph. Licensee is prohibited to sublicense the brand, assign, transfer, promise assign or transfer, pledge or in any manner charge, in whole or in part, in favor of third parties, its rights arising out of the agreement of use of São Paulo brand.

Article 12. The licensee company shall be entitled to sell the products with the São Paulo brand only for the end consumer, being prohibited to sell them for the wholesale marketing for resale.

Article 13. Licensee is prohibited to use the São Paulo brand associated – implicitly or explicitly – to:

- I) any other brands, whether of the licensee or of third parties;
- II) polemic issues;
- III) religious themes;
- IV) political or party- related themes;
- V) smoking;

VI) alcoholic beverages;

VII) pornography;

VIII) messages transmitting – explicitly or implicitly – offenses of racial or religious nature;

IX) messages that – implicitly or explicitly – offend the legislation in force, the moral, and the good manners;

X) messages that may give rise to improper behaviors;

XI) messages that may harm the image of SPTuris, of the City Hall of São Paulo and the São Paulo brand.

First Paragraph. The prohibition set forth in the item I does not apply to the indicative marks of quality standard, provided that it is previously approved, expressly and in writing, by **SPTURIS**.

Second Paragraph. Breach of this article shall result in the application of the fine of R\$ 4,396.00 (four thousand , three hundred and ninety-six reais) and consequent agreement termination.

Article 14. SPTuris shall provide Licensee with all the guidelines needed for the proper São Paulo brand use and identification, being the licensee committed to comply with them.

Article 15. It is responsibility of Licensee:

I – Respect the decisions of SPTuris;

II – Fully comply with this regulation;

III – Maintain its enrollment updated before the Equipe de Marcas da Diretoria de Ações Estratégicas of SPTuris;

IV – Specify to SPTuris the business segment in which the São Paulo brand products are to be inserted;

V – Deliver to SPTuris 05 (five) pieces of each product manufactured with the São Paulo brand for filling and use of Licensor.

Article 16. Licensee is the sole, integral and exclusive responsible for any payments payable to its respective employees and workers, whether related to obligations foreseen by labor, welfare, or any other legislation, as well as the payment of fees payable for service providers which have been contracted by it.

Article 17. Licensee is liable for the damages it causes (by itself, its employees or representatives or subcontracted) to SPTuris or third- parties.

CHAPTER VII INSPECTION

Article 18. SPTuris is entitled to control the specifications, nature and quality of the products with the São Paulo brand manufactured and sold by the licensee company.

First Paragraph. The licensee company shall accept the inspection to be carried out by SPTuris, being committed to cooperate with said inspection and to comply with all the directions provided to it.

Second Paragraph. Inspection comprehends the possibility of SPTuris performs periodic inspections, whether at the point of sale, stock or manufacturing, previously scheduled or not, being the licensee required to present all the document requested, to provide licensed products samples for analysis, as well as to receive the inspection team of SPTuris, regardless of prior schedule.

Third Paragraph. SPTuris may subcontract the inspection function.

CHAPTER VII BRAND'S PROTECTION AND DEFENSE

Article 19. Brand's protection and defense actions shall be performed exclusively by SPTuris.

Sole Paragraph. The licensee company shall cooperate with SPTuris in the brand's protection and defense, promptly informing SPTuris about any improper use of the brand, according to its knowledge, even if it is mere presumption, so that SPTuris may verify the occurrence or not of such violations.

Article 20. Licensee company shall cooperate with SPTuris to prove the São Paulo brand use, in case of request for brand obsolescence due to lack of use.

Article 21. Licensee company shall not register or try to register São Paulo brand or any other brand which graphically looks like it before any institution, body, environment, electronic mean, whether public or private, national or international.

CHAPTER VIII AGREEMENT TERMINATION AND PENALTIES

Article 22. The licensing agreement may be unilaterally terminated, regardless of the judicial summons, in case of serious contractual breach, and the guilty party shall pay the termination fine of R\$ 4,396.00 (four thousand and three hundred and ninety-six reais), corresponding to the fixation of losses and damages, being the innocent party, further, entitled to claim for supplemental indemnification if damages higher than the termination fine hereby stipulated are verified.

Sole Paragraph. Serious contractual breach by the licensee is constituted by, but not limited to, the following acts:

l) sublicensing of São Paulo brand;

- II) application of São Paulo brand in a different manner to that approved by SPTuris;
- III) use of São Paulo brand without authorization from SPTuris;
- IV) association of São Paulo brand to other brands and products not authorized by SPTuris;
- V) repeated failure to comply with this regulation and the agreement.

Article 23. In case of dissolution or unilateral termination of the agreement, the licensee is prohibited to manufacture products with the São Paulo brand, and to sell all the products it still has, and it is obliged to remove them from the market.

Article 24. If SPTuris does not obtain the definitive registry of São Paulo brand, the license of use agreement shall be terminated by operation of law, being the licensee required to stop manufacturing and selling of the products object hereof, as well as remove them from the market.

Article 25. Failure by the licensee to comply with this regulation, as well as with any other conditions set forth in the brand licensing agreement, which do not have specific penalty foreseen, shall imply in the fine of R\$ 880.00 (eight hundred and eighty reais), whose amount shall be doubled in case of reoccurrence and shall terminate the agreement due to serious breach under the terms of article 22 hereof.

CHAPTER IX FINAL DISPOSITIONS

Article 26. São Paulo Turismo S.A. may at any time repeal, change, complement, of even nullify this Regulation.

Article 27. Neglectful cases shall be decided by Diretoria de Ações Estratégicas - DTE of São Paulo Turismo S.A..

Article 28. This regulation enters in force as from the date of its publication, following approval by the Management of São Paulo Turismo S.A.



ATTACHMENT I – MODEL OF STATEMENT

LEGAL ENTITY'S NAME:

CNPJ:

ADDRESS:

CITY/STATE:

TELEPHONE:

FAX:

E-MAIL:

STATEMENT

(NAME OF THE COMPANY), enrolled at CNPJ no. ____, herein represented by its legal representative, Mr(s). __, bearer of the ID Card no. __ and CPF no. __, does hereby **STATE** under the penalty of perjury that:

I. Does neither employ people aged less than eighteen years old for night-time, dangerous or insalubrious work, nor people aged less than sixteen years old;

Exception: employs people aged fourteen years old or older under the condition of apprentice (___).

(Note: in **affirmative** case, check the exception above)

II. Has not been declared ineligible by Public Power act and is not prohibited to bid or contract with the Public Administration of the City of São Paulo;

III. Knows and agrees with the Regulation for Obtaining the License of Use of São Paulo Brand filed by São Paulo Turismo S.A.

Place and date

Signature

Name and identification of the legal representative



ATTACHMENT II – MODEL OF STATEMENT OF RESPONSIBILITY - INMETRO

LEGAL ENTITY'S NAME:

CNPJ:

ADDRESS:

CITY/STATE:

TELEPHONE:

FAX:

E-MAIL:

STATEMENT

(NAME OF THE COMPANY), enrolled at CNPJ no. ____, herein represented by its legal representative, Mr(s). ____, bearer of the ID Card no. __ and CPF no. __, undertakers to comply with the rules established by INMETRO – National Institute of Metrology, Quality and Technology, as well as to – whenever required – perform the registration of the products and materials produced with the São Paulo brand before above-mentioned body.

Place and date

Signature

Name and identification of the legal representative



ATTACHMENT III – MODEL OF STATEMENT OF RESPONSIBILITY - CONSUMER DEFENSE CODE

LEGAL ENTITY'S NAME:

CNPJ:

ADDRESS:

CITY/STATE:

TELEPHONE:

FAX:

E-MAIL:

STATEMENT

(NAME OF THE COMPANY), enrolled at CNPJ no. ____, herein represented by its legal representative, Mr(s). __, bearer of the ID Card no. __ and CPF no. __, undertakers to comply with the Consumer Defense Code and related legislation, for purposes of commercial exploration of the products and materials produced with the São Paulo brand.

Place and date

Signature

Name and identification of the legal representative



ATTACHMENT IV – MODEL OF STATEMENT OF RESPONSIBILITY FOR THE APPOINTMENT OF E-MAIL FOR CORRESPONDENCE PURPOSES

LEGAL ENTITY'S NAME:

CNPJ:

ADDRESS:

CITY/STATE:

TELEPHONE:

FAX:

E-MAIL:

STATEMENT

(NAME OF THE COMPANY), enrolled at CNPJ no. ____, herein represented by its legal representative, Mr(s). __, bearer of the ID Card no. __ and CPF no. __, does hereby state, for the due purposes of presentation to São Paulo Turismo S.A. – Diretoria de Turismo e Entretenimento, that authorizes the receipt of mails, emails, summons, notifications, correspondence, informative, that is, all the communication through the e-mail listed below:

- Responsible Person's name:
- Electronic Mail Address (email):
- Telephone:

And further states:

I) full responsibility for the information contained herein, being aware that any amendment in the above-mentioned agreement is under its full responsibility;

II) that the non-receipt of communications issued by São Paulo Turismo S.A., due to the lack of data update, change or wrong indication of electronic address, is under its full responsibility;

III) is aware that all and any change of information shall be carried out by completing a new statement, being changes made by phone, e-mails, fax or mail (direct mail) not accepted.

Place and date

Signature

Name and identification of the legal representative



ATTACHMENT V – MODEL OF AGREEMENT



ATTACHMENT VI – SÃO PAULO BRAND PRODUCTS