CHEFHEART CRAFT LICENSE AGREEMENT

This Craft License Agreement (“Agreement”) is entered into as of [Insert Date] (“Effective Date”) by and between:

Marble Media, Inc. dba ChefHeart, a [State of Incorporation] corporation with a principal place of business at [Insert Address] (“Licensor”),
and
[Licensee Name], a [Entity Type and State of Incorporation or Residency] with a principal place of business at [Insert Address] (“Licensee”).

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1. GRANT OF LICENSE

Licensor grants Licensee an **exclusive** license to use the ChefHeart brand name, trademarks, brand assets, proprietary spice blends, packaging materials, and associated marketing elements ("Licensed Materials") solely in connection with a spice retail and production business operated at Licensee’s own physical location(s). The territory of the license will be outlined in an addendum to this license agreement, based on the city(s) or town(s) agreed upon by licensor and licensee.

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2. LICENSEE OBLIGATIONS

Licensee agrees to:

2.1 Operate under its own legal business entity with all required local, state, and federal business licenses, permits, and commercial insurance.

2.2 Maintain product quality and food safety standards that align with industry best practices and all applicable regulations.

2.3 Use ChefHeart-provided brand elements (including stickers, pogs, and packaging) **only** on products made using ChefHeart ingredients or on formulations explicitly approved in writing by Licensor.

2.4 Not misrepresent the business as a franchise of ChefHeart, nor imply a franchisor-franchisee relationship.

2.5 Not sublicense, assign, or transfer any rights under this Agreement without prior written approval from Licensor.

2.6 Maintain a physical location for production and/ or retail space

2.7 Take responsibility for their own employees.

2.8 Maintain B&O Insurance coverage/

2b. Master License Model (Early Adopter Incentive)

To accelerate growth and reward early adopters, Chef Heart offers the opportunity for select licensees to become **Master Licensees** within their designated territory.

A Master Licensee enjoys:

- **Revenue Participation**: 25% share of all license fees paid by subsequent licensees in their territory.
- **Royalty Override**: An ongoing 2–5% override on royalties or commissions from sub-licensees.
- **Leadership Role**: Responsibility for recruiting new operators, providing local training, and supporting brand standards within their area.

Incentives & Benefits:

- Creates a strong **first-mover advantage** for the initial licensee.
- Provides an ongoing **passive income stream** linked to territory growth.
- Encourages local partners to actively promote and support expansion.

Safeguards:

- Performance requirements (e.g., minimum development benchmarks).
- Corporate retains oversight to ensure quality and consistency across all locations.

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3. LICENSOR OBLIGATIONS

Licensor agrees to:

3.1 Provide startup equipment, raw ingredient supply, and digital templates necessary for branding, packaging, and production setup.

3.2 Maintain consistent availability of core ingredients, packaging materials, and branded resources to support Licensee's ongoing operations.

3.3 Provide onboarding support, operational training, and access to future product innovations, including seasonal or limited-time blends.

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4. FEES & EQUIPMENT OWNERSHIP

4.1 **Startup License Fee**: Licensee shall pay a **non-refundable startup license fee of $100,000 for production facility and $200,000** for retail/ production facility, upon execution of this Agreement.

4.2 **Equipment Ownership**: All equipment provided by Licensor at startup becomes the **sole property of the Licensee** upon delivery.

4.3 **Ongoing Fees**: There is an **ongoing software and support fee of $1,000 each month that will be redacted from commissions. There are no royalty or support fees** beyond initial product and material purchases at wholesale rates.

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5. COMPENSATION STRUCTURE

Retail Sales:
5.2 Licensee shall receive 40% commission on all merchandise sold through the POS system, whether it's in-store or at events.

Wholesale Sales:
5.3 Licensee shall receive **20% commission** on all wholesale items sold to grocers, retailers, or event merchandisers.

Production:
5.4 All production jars will receive 20% of retail price.

5.5 All production ½ gallon or 1 gallon bags will receive 20% of retail price.

5.6 ChefHeart shall remit monthly commission payments on or before the **10th day of each calendar month**, based on verified merchandise sales from the previous month. Any outstanding service fees, returns, or co-op advertising fees will be deducted from payouts. All payouts will be accompanied by a transaction report.

Channel / Product Type	Item Price (Retail or Wholesale)	Commission %	Commission per Unit
Retail (Storefront Sales)	$10 (2 oz jar)	40%	**$4.00**
	$15 (all other jars)	40%	**$6.00**
POS / Event Sales	$10 (2 oz jar)	40%	**$4.00**
	$15 (all other jars)	40%	**$6.00**
Wholesale / Grocery	$6 (2 oz jar, wholesale)	20%	**$1.20**
	$7 (all other jars, wholesale)	20%	**$1.40**
Production Jars	$10 (2 oz jar)	10%	**$1.00**
	$15 (all other jars)	10%	**$1.50**
Production Bulk Bags	$59 (½ gallon)	20%	**$11.80**
	$79 (1 gallon)	20%	**$15.80**

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6. TERM AND TERMINATION

6.1 **Term**: This Agreement shall remain in effect **indefinitely** unless terminated by either party in accordance with this section.

6.2 **Termination for Cause**: Either party may terminate this Agreement with **thirty (30) days' written notice** if the other party materially breaches the Agreement and fails to cure such breach within the notice period.

6.3 **Effect of Termination**: Upon termination, Licensee shall immediately:

- Cease use of all ChefHeart brand names, marks, packaging, and other Licensed Materials;
- Remove or destroy all marketing or branded items referencing ChefHeart; and
- Discontinue sale of any ChefHeart-branded or co-branded products.

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7. Custom Blend SKU Creation and Use

Licensee may create custom spice blends and associated SKUs in Nutrasoft for use within their territory. These custom blends are not Signature Blends and will not be assigned barcodes or added to the Shopify POS system unless explicitly approved by Licensor. Such SKUs may be used for manual in-store sales and remain available for internal reproduction by the Licensee.

8. POS Inclusion Policy

A custom blend will only be added to the Shopify POS system following a second confirmed order and submission by Licensee to Licensor. Upon approval, the blend will be barcoded, cataloged, and synced to the retail POS system as a custom or Signature product, at Licensor's discretion.

9. MISCELLANEOUS

7.1 **Independent Relationship**: This Agreement does not create a partnership, franchise, agency, or employment relationship. The parties remain independent entities.

7.2 **Governing Law**: This Agreement shall be governed by and construed in accordance with the laws of the State of [Insert State], without regard to conflict-of-law principles.

7.3 **Entire Agreement**: This document constitutes the entire understanding between the parties regarding the subject matter and supersedes all prior agreements, discussions, or representations.

7.4 **Amendments**: Any amendments or modifications must be in writing and signed by both parties.

7.5 **Assignment**: Licensee may not assign or transfer this Agreement or any rights under it without Licensor's prior written consent.

IN WITNESS WHEREOF, the parties have executed this Craft License Agreement as of the Effective Date.

LICENSOR: *Marble Media, Inc. d/b/a ChefHeart*
By: ______________________________
Name:
Title:
Date:

LICENSEE: *[Licensee Name]*
By: ______________________________
Name:
Title:
Date: