



## IGA Sign Face(s) Lease Agreement FAQ'S

### ***What is the purpose of the IGA Sign Face(s) Lease Agreement?***

The purpose of the IGA Sign Face(s) Lease Agreement Program is to control the use of IGA trademarks, limiting their use to active members of the IGA Alliance in good standing.

Retailers and wholesaler members of the IGA Alliance are granted the right to use IGA's trademarks (principally the "IGA Red Oval", but including other graphics and logos such as "Hometown Proud" and "Tablerite") to identify their business so long as they are a member of the Alliance. IGA USA has as one of its significant responsibilities the management of IGA's trademarks. This management includes ensuring that its trademarks are used properly by its members and that non-members and former members do not use or continue to use any IGA trademarks. The owner of a trademark must actively manage the use of their trademark to maintain rights to own the mark.

### ***If IGA's purpose is to control the use of IGA trademarks, why is this a "lease" program?***

This lease agreement is an effective, low-cost way for IGA to own the trademarks, and in the event it becomes necessary, to remove IGA trademarks when they are used without a valid license. While a lease is a financing instrument, this agreement also establishes IGA ownership and control of IGA trademarks.

### ***Why is there no exchange of money in the transaction? How was the value of the sign face determined to be \$500?***

The assigned cost of the sign face(s) and the one-time rental payment to lease the sign face(s) were intentionally set to be identical to eliminate the need to exchange any money between IGA, owner of the sign face(s), and the Retailer (Licensee) or wholesaler (Member). The \$500 value assigned for each sign face is reasonable and establishes a valid Sign Face(s) Lease Agreement.

***Who actually pays for the sign?***

The actual cost for the sign box; face(s); wiring; design and installation; permits; sales, property or other taxes; etc., is paid by the Retailer (Licensee) or wholesaler (Member). The IGA Sign Face(s) Lease Agreement requires the retailer or the wholesaler to purchase the sign face(s) on behalf of IGA. An amount of \$500 is the assumed cost of each sign face and the one time rental payment for the sign face.

***What if a store has more than one IGA sign face?***

One Sign Face(s) Lease Agreement is required per IGA store and will provide the needed trademark control for all uses of the trademark(s) at that location. A description of each external sign face is to be detailed in Exhibit A.

***Why are there two different agreements?***

Under the by-laws of the IGA Alliance, use of IGA trademarks is limited to two different groups, 1) Retailers (Licensees), and 2) Wholesalers (Members). The purpose of both forms of the Sign Lease Agreement is identical, but the specific language is unique to each group and thus, two different agreements are needed for IGA to perform its duties to protect IGA trademarks.

***Which agreement should be used?***

If the wholesaler purchases the sign, the document titled "Sign Face(s) Lease Agreement with Member" should be used. If the retailer purchases the sign the document that should be completed is the one titled "Sign Face(s) Lease Agreement with Store Owner".

***Are all IGA stores required to participate in the Sign Face(s) Lease Agreement Program?***

Yes. By a vote of the IGA USA Board of Directors, it was established that the IGA Sign Face(s) Lease Agreement Program must be used by all Licensees and Members of IGA to remain in good standing.

***What happens when a store changes ownership or is no longer IGA?***

To be in good standing, a valid IGA Sign Face(s) Lease Agreement must be in place for each IGA store. If the retailer or wholesaler who is a party to the IGA Sign Face(s) Lease Agreement leaves, their replacement or the remaining party must immediately sign a new IGA Sign Face(s) Lease Agreement.

***When does the agreement need to be signed?***

Effective September 1, 2008, all Retailer License Applications must be accompanied by an executed IGA Sign Face(s) Lease Agreement to be considered for approval.

***What do I need to include with the signed lease agreement?***

The Licensee or Member must execute two copies of the correct form of the IGA Sign Face(s) Lease Agreement to IGA. IGA will counter-sign and return one agreement to the appropriate entity.