



CALLAN METHOD ORGANISATION LIMITED

**STANDARD TERMS AND CONDITIONS
OF TERRITORIAL EXCLUSIVITY**

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Definitions

1 Definitions and interpretation

1.1. The following words and expressions shall, wherever used in these Standard Terms and Conditions of Territorial Exclusivity, have the following meanings:-

“Affiliate” means a company, firm, partnership or individual that controls, is controlled by, or is under common control of CMO or Callan Method Group Limited.

“Business” means the teaching of the English language or any other languages using the Callan Method under the name of, or within the premises of, the School.

“Business Day” means any week day other than a bank holiday or public holiday in England.

“Business Hours” means between 09:00 and 17:30 GMT on a Business Day.

“Callan Accreditation” means the quality control scheme governed by CMO.

“Callan Accreditation Agreement” means the agreement entered into, or to be entered into, between CMO and the School in respect of each Teaching Location of which the Standard Terms and Conditions of Callan Accreditation and these Standard Terms and Conditions of Territorial Exclusivity are a part. Each renewal of a Callan Accreditation Agreement will incorporate the latest version of the Standard Terms and Conditions of Callan Accreditation and the latest version of the Standard Terms and Conditions of Territorial Exclusivity.

“Callan Accreditation Fees” means the fees as defined in the Callan Accreditation Agreement and the Standard Terms and Conditions of Callan Accreditation.

“Callan Accredited School” means a school which has entered into, and keeps current and in effect, a Callan Accreditation Agreement.

“Callan Companies” means Callan Method Organisation Limited, Callan Works Limited, Callan Online Limited, Callan Method Group Limited or any subsidiary company of the aforementioned.

“Callan Logo”



“Callan Materials”	means the “Callan Method Student's Books”, the “Callan Method Teacher's Books” the “Callan for Business Student’s Books”, the “Callan for Business Teacher’s Books”, the “Callan for Kids Student’s Books”, the “Callan for Kids Teacher’s Books”, the “Callan Español Student’s Books”, the “Callan Español Teacher’s Books”, the “Callan Method Teacher’s Guide”, the “Teacher’s Handbook”, Callan eBooks, Demonstration Charts, Wall Charts, Training DVDs, and MP3 downloads and all other books, guides, manuals and materials together with other associated language teaching and study materials written or created by, or on behalf of, Mr. Callan or CMO or CWL in all revisions, editions, updates and replacements thereof and in all languages whether in written, printed, manuscript, tape, compact disc, digital or electronic form and howsoever delivered, for use when teaching or learning languages using the Callan Method all of which are protected by international copyright.
“Callan Method”	means the rigorously structured and highly scripted programme of instruction, originally created and developed by Mr. Callan as a fast and effective system for the teaching of the English language to students who do not have English as their mother tongue (first language) and updated and extended by CMO from time to time.
“Callan Method Organisation Limited”	a company incorporated in the United Kingdom with company number 7247355 with its registered office at 702, The Chandlery, 50 Westminster Bridge Road, London SE1 7QY, United Kingdom.
“Callan Method Teaching Standards”	means the minimum standards for teaching languages using the Callan Method as set out in Appendix 1 of the Standard Terms and Conditions of Callan Accreditation as amended from time to time.
“Callan Name”	means the word Callan or Callana or any similar local language derivation.
“Callan Online Limited”	a company incorporated in the United Kingdom with company number 7886867 with its registered office at 702 The Chandlery, 50 Westminster Bridge Road, London, SE1 7QY, United Kingdom.
“Callan Published Price List”	means the list of the prices, fees and minimum quantities published by CMO from time to time of which any changes thereto will be published at least thirty (30) Business Days in advance of any changes taking effect.
“Callan Shop”	means www.callan.co.uk/book-shop
“Callan Student Practice Area”	means the restricted area of the CMO website which offers interactive learning materials to a Registered Student.
“Callan Style Guide”	means the document issued from time to time by CMO which defines how and where the Callan Name, the Callan Trade Marks, and the term ‘a Callan Accredited School’, together with Callan

identified marketing materials, can be used by the Teaching Location.

“Callan Trade Marks”

means the following Trade Marks:

		
		
		CALLAN
		

and all other trade marks, historic, current and future, owned by CWL and exclusively licensed to CMO and all applications for or registrations of any of such trade marks anywhere in the world in the name of or on behalf of CMO and CWL, including without limitation International Registration 786236 CALLAN.

“Callan Websites”

means the websites, whether they are archived, in development, current and future, that appear on the world wide web and which are owned by, in whole or part, the Callan Companies.

“Callan Works Limited”

a company incorporated in the United Kingdom with company number 07310498 whose registered office is at 702 The Chandlery, 50 Westminster Bridge Road, London, SE1 7QY, United Kingdom.

“CMO”

means Callan Method Organisation Limited.

“CWL”

means Callan Works Limited.

“Commencement Date”

means the date on which the Parties enter into the Callan Accreditation Agreement.

“Force Majeure Event”

means an event, or a series of related events, that is outside the reasonable control of the party affected (including but not limited to power failures, industrial disputes affecting any third party, non-performance by suppliers or contractors, changes to the law (to include the imposition of an export or import restriction), disasters, explosions, fires, floods, riots, terrorist attacks and wars).

“Intellectual Property Rights”	means all intellectual property rights wherever in the world, whether registerable or unregistrable, registered or unregistered, including (but not limited to): any application or right of application for such rights, copyright and related rights, moral rights, database rights, algorithms, software programmes, software source documents, formulae, business and software processes, confidential information, trade secrets, know-how, business names, trade names, trade marks, service marks, passing off rights, unfair competition rights, patents, petty patents, utility models, semi-conductor topography rights and rights in designs, which belong to the Callan Companies.
“School”	means the party detailed in Clause B of the Callan Accreditation Agreement.
“Accreditation Fees”	means the fees payable by the School to CMO set out in the Callan Accreditation Agreement.
“Teaching Location”	means each physical school operated, or to be operated, in the Territory by the School to teach languages using the Callan Method.
“Minimum Quantities”	means the minimum number of Callan Method Student’s Books to be purchased each year by the School as set out in the Callan Accreditation Agreement.
“Mr. Callan”	means the late Robin Keith Terrance Callan formerly of Orchard House, 45-47 Mill Way, Grantchester, Cambridge, CB3 9ND, United Kingdom.
“Parties”	means the Parties as defined in the Callan Accreditation Agreement.
“Registered Student”	means a student who has paid, or who is enrolled with, the School to attend a Callan Method language course.
“Restricted Terms”	means the term “Callan School”, “Callan School London” and “Callan London”.
“Services”	means language teaching services using the Callan Method.
“Standard Terms and Conditions of Callan Accreditation”	means the Standard Terms and Conditions of Callan Accreditation as amended from time to time by CMO and available at www.callan.co.uk .
“Standard Terms and Conditions of Territorial Exclusivity”	means the Standard Terms and Conditions of Territorial Exclusivity as amended from time to time by CMO and available at www.callan.co.uk .

“Termination Date”	means the date the Callan Accreditation Agreement ends.
“Territory”	means the territory and geographical area specified as the Territory and the Extended Territory in the Callan Accreditation Agreement.
“Callan Accreditation Agreement”	means the agreement entered into between the Parties comprising the Standard Terms and Conditions of Territorial Exclusivity and the Standard Terms and Conditions of Accreditation and the Callan Accreditation Agreement. Each renewal of a Callan Accreditation Agreement will incorporate the latest version of the Standard Terms and Conditions of Territorial Exclusivity.
“Year”	means a period of 365 days (or 366 days if there is a 29 th February during the relevant period).

Application

- 1.2. These Standard Terms and Conditions of Territorial Exclusivity apply to the Callan Accreditation Agreement entered into between CMO and the School. They are without prejudice to, and do not amend or change, any specific undertaking or other written agreement which CMO may have entered into with the School in connection with any other particular transaction or service or series of transactions or services.
- 1.3. These Standard Terms and Conditions of Territorial Exclusivity together with the Standard Terms and Conditions of Accreditation and the Callan Accreditation Agreement (when executed) form the legal agreement between the Parties.
- 1.4. In the event of any conflict between these Standard Terms and Conditions of Territorial Exclusivity and the Callan Accreditation Agreement and any other document which forms part of the Callan Accreditation Agreement, the Callan Accreditation Agreement will take precedence. In the event, and only to the extent, of any conflict arising between the Callan Accreditation Agreement and any referenced or attached document other than these Standard Terms and Conditions of Territorial Exclusivity, the Callan Accreditation Agreement will again take precedence.

2 Appointment and exclusivity

- 2.1. CMO grants to the School an exclusive licence to teach languages using the Callan Method in physical schools in the Territory subject always to:
 - 2.1.1. the terms set out in the Callan Accreditation Agreement; and
 - 2.1.2. these Standard Terms and Conditions for Territorial Exclusivity.

3 Obligations of the School

- 3.1. The School undertakes to CMO that they will:
 - 3.1.1. operate and maintain a Teaching Location from each of the places set out in the Callan Accreditation Agreement with the School being able to change, move or substitute the premises of a Teaching Location within the Territory or open another

Teaching Location in the Territory as the needs of the business dictate.

- 3.1.2. use all reasonable endeavours to advertise, market, promote and sell the Callan Method language courses provided by each Teaching Location and only in accordance with the Callan Style Guide.
 - 3.1.3. have the Callan Logo prominently displayed on the inside, and if possible on the outside, of the Teaching Location premises.
- 3.2. The School undertakes to CMO that they will not:
- 3.2.1. teach languages using any other method than the Callan Method except where CMO does not offer an equivalent product or with prior written approval from CMO.
 - 3.2.2. represent to any person that it is an agent of CMO.
 - 3.2.3. pledge or purport to pledge CMO's credit.
 - 3.2.4. commit or purport to commit CMO to any contracts.
 - 3.2.5. otherwise incur any liability or potential liability on behalf of CMO.
 - 3.2.6. use Callan Name in the company name, business name or name of the Teaching Location, unless specifically authorised by CMO to do so.
 - 3.2.7. use the Restricted Terms in all forms of advertising, to include any internet search terms, adverts, ad words or meta tags.
 - 3.2.8. unless otherwise agreed in writing by CMO, work with or engage any third party agents or enrol any students at the Teaching Location from third party agents, who:
 - 3.2.8.1. operate any website with a domain name that includes the Callan Name, the Restricted Terms and the words 'Callan Method' or any translation in any language of the aforementioned.
 - 3.2.8.2. operate any social media account with a username that includes the Callan Name, the Restricted Terms and the word 'Callan Method' or any translation in any language of the aforementioned.
 - 3.2.8.3. breach the Callan Trade Marks in any way.
 - 3.2.8.4. pass themselves off, or attempt to pass themselves off, as Callan School London or act in any way which might cause confusion to a student and lead them to believe they are booking an English language course with Callan School London directly as opposed to through an agent.
 - 3.2.8.5. are conducting their business in a way which, it is reasonable to assume, is having or will have a negative impact on the Callan brand or any of the Callan Companies.

4 Obligations of CMO

- 4.1. CMO will:

- 4.1.1. confer on the School for the duration of the Term within the Territory and for the sole purpose of operating and marketing the Business the exclusive licence to use the Callan Name and Callan Trade Marks as specified within the Callan Style Guide and to purchase the Callan Materials except nothing herein shall confer on the School the right to:
 - 4.1.1.1. print, photocopy, publish or otherwise produce their own copies of the Callan Materials;
 - 4.1.1.2. reproduce or copy, either in whole or in part, the Callan Websites (other than permitted herein);
 - 4.1.1.3. sub-licence the right to use the Callan Trade Marks to any third party whatsoever, including but not limited to any agents of the School.

4.2. CMO will not:

- 4.2.1. grant any other agreement to a third party in the Territory on terms similar to those of the Callan Accreditation Agreement.
- 4.2.2. actively assist, whether directly or indirectly, a third party to provide the Services in the Territory.
- 4.2.3. licence or give any permission to any other person to open or operate a school in the Territory other than those schools already known to CMO as at the date of the Callan Accreditation Agreement and whose details have been provided in advance to the school in writing.
- 4.2.4. directly supply the Services in the Territory.
- 4.2.5. sell or distribute the Callan Materials to any third party for resale in the Territory other than:
 - 4.2.5.1. to those schools/persons whose details have been provided in advance to the school in writing. ; and
 - 4.2.5.2. as set out in the Exclusions in Clause 6 below.

5 Exclusions

- 5.1. The following business and activities are excluded from the Callan Accreditation Agreement. They are reserved for the exclusive ownership and use of CMO who may deal with, use or otherwise treaties with in any way they shall decide:
 - 5.1.1. The delivery of Callan Materials in digital form.
 - 5.1.2. Any business operating an online language teaching school using the Callan Method in the Territory.
 - 5.1.3. Any students originating in the Territory taking online language lessons using the Callan Method where the delivery of the teaching is outside of the Territory.

- 5.1.4. Any students originating in the Territory taking online language lessons using the Callan Method.
- 5.1.5. Any Registered Student (as differentiated from a business or school) of any school within the Territory who is purchasing directly from CMO for their personal use using the school's own unique CMO customer number .
- 5.1.6. The supply of Callan Materials to those companies or persons CMO has appointed to provide distribution services of the Callan Materials who are based in the Territory and who distribute the Callan Materials outside the Territory (as well as to the School in the Territory).

6 Trade Mark licence

- 6.1. Otherwise than provided in the Callan Accreditation Agreement, CMO grants to the School an exclusive licence to use the Callan Trade Marks in the Territory during the solely in connection with the Business provided that the use conforms to other terms of the Callan Accreditation Agreement, the Callan Accreditation Agreement and the Callan Style Guide as amended from time to time except nothing herein shall restrict, hinder or fetter the use of the Callan Trade Marks by CMO in the operation of its business.
- 6.2. The School will ensure that:
 - 6.2.1. all Callan Materials are marketed and sold under the relevant Callan Trade Marks.
 - 6.2.2. no products or services, other than Callan Method language courses, are marketed or sold under or in relation to any of the Callan Trade Marks without the consent of CMO.
 - 6.2.3. the symbol ® will always be used by them in conjunction with the Callan Trade Marks that are registered in the Territory; and
 - 6.2.4. the symbol ™ will always be used by them in conjunction with the Callan Trade Marks that are not registered in the Territory.
- 6.3. The School acknowledges that all goodwill and other rights in the Callan Trade Marks will exclusively accrue to CMO, and the School will do all such acts and execute all such documents as may be reasonably required by CMO to vest these rights in CMO.
- 6.4. Promptly following receipt of a written request from CMO, the School will:
 - 6.4.1. execute or sign any document that is reasonably necessary to enable CMO to register, record or protect its rights in the Callan Trade Marks in the country in which the Territory is situated; and
 - 6.4.2. provide reasonable assistance to CMO in relation to any application to register a Callan Trade Mark in the country in which the Territory is situated.

7 Protection of the Callan Name, Callan Materials and Callan Trade Mark

- 7.1. The School will immediately notify CMO in writing giving full particulars if any of the following matters comes to its attention:
 - 7.1.1. any actual, suspected or threatened infringement of the Callan Name, Callan Materials

- or Callan Trade Marks;
- 7.1.2. any actual or threatened claim that the Callan Trade Marks or any of the Intellectual Property Rights are invalid;
 - 7.1.3. any actual or threatened opposition to the Callan Trade Marks;
 - 7.1.4. any claim made or threatened that use of the Callan Name or Callan Trade Marks infringes the rights of any third party;
 - 7.1.5. any person applies for, or is granted, a registered trade mark by reason of which that person may be, or has been, granted rights which conflict with any of the rights granted to the School under the Callan Accreditation Agreement.
 - 7.1.6. any other form of attack, charge, or claim to which the Callan Name, Callan Trade Marks and Callan Materials may be subject.
- 7.2. If any third party infringement of the Callan Name, Callan Trade Marks or Callan Materials occurs in the Territory, subject to receiving advice from experienced legal attorneys that infringement proceedings stand a reasonable chance of success, the School may commence proceedings in the Territory and may require CMO to lend its name to such proceedings and provide reasonable assistance, subject to the School giving CMO an indemnity in respect of all costs, damages and expenses that it may incur, including an award of costs against it directly resulting from CMO's involvement in such proceedings. For the avoidance of doubt, CMO will not be liable for, or contribute to, any costs of any such legal action.
- 7.3. The School shall keep CMO informed of the progress of all litigation which is undertaken.
- 7.4. If the School has to register itself as an authorised user of the copyright or trade mark in order to litigate breaches of CMO's Intellectual Property Rights then CMO may, at its sole discretion, appoint the School as its agent solely for the purposes of bringing the litigation.
- 7.5. CMO will:
- 7.5.1. allow the School the exclusive conduct of the proceedings and all related disputes, proceedings, negotiations and settlements; and
 - 7.5.2. not admit liability in connection with the proceedings or settle the proceedings without the prior written consent of the School.
- 7.6. Nothing in these Standard Terms and Conditions of Territorial Exclusivity shall stop, hinder, impede or preclude CMO from taking any legal proceedings it considers necessary to protect the Callan Name, Callan Trade Mark, Callan Materials or any of its other Intellectual Property Rights in the Territory.
- 8 School indemnity
- 8.1. The School hereby indemnifies, and undertakes to keep indemnified, CMO against any losses, damages, claims, obligations, liabilities, costs and expenses (including legal fees and costs and expenses incurred in investigating, preparing, defending or prosecuting any litigation, claim, proceedings or demand) arising out of or in connection with any breach by the School of the Callan Accreditation Agreement.

9 Term

9.1. The Callan Accreditation Agreement will come into force on the Commencement Date, and will continue in force until the Termination Date.

End of document

Callan Method Organisation Limited