

LOCAL BRANDING CANNING AGREEMENT

This Agreement is effective July 23, 2024 by and between Brau Brothers Brewing Company, LLC, a Minnesota limited liability corporation with its principle place of business at 1010 E Southview Dr, Marshall, MN 56258 (“Brau Brothers”), and City of Marshall’s municipal liquor store, Tall Grass Liquor (“Tall Grass”), with its principle place of business at 1410 Boyer Dr, Marshall, MN 56258 (“Tall Grass”), collectively referred to as “the Parties”.

RECITALS

WHEREAS, Tall Grass is the municipal liquor store of the City of Marshall and purchases beer from Brau Brothers as part of their normal course of business in acquiring inventory to offer to Tall Grass customers; and

WHEREAS, Brau Brothers is a local brewery in the City of Marshall; and

WHEREAS, Brau Brothers desires to further the feeling of community in the City of Marshall by branding beer brewed from June 2024 to August 2024 in cans and packaging branded with images unique to the City of Marshall (“local brands”) to be sold at Tall Grass with end product referred to as “locally branded beer”; and

WHEREAS, both parties agree the local branding would further the feeling of community in the City of Marshall, particularly with the Sounds of Summer event.

NOW THEREFORE in consideration of the promises and the agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Quantity. As part of its normal course of acquiring inventory and incorporating the ordering process in place between the parties, Tall Grass agrees to purchase from Brau Brothers a total of two-hundred (200) cases of each of the following types brewed by Brau Brothers and canned with the local branding as identified below:

- a. Type 1 – Cultivate - Pale Ale
- b. Type 2 – Brew 1872 - Amber Ale
- c. Type 3 – Jiminey Jumper Juicy Apple
- d. Type 4 – Mustang Golden Ale

2. Consideration. The parties agrees that the City will pay Brau Brothers its previously negotiated rate for the two-hundred cases of each of the four types of locally branded beer, with this rate reflected in the prices. In exchange for the promise to purchase those specific quantities, Brau Brothers will not separately charge the City for any costs associated with brewing, canning, packaging or delivery of the locally branded beer to Tall Grass.

3. Copyright. The City agrees to provide Brau Brothers with the images to be used on the cans for the locally branded beer. Other than the image provided to Brau Brothers from the State of Minnesota, acting through its Board of Trustees of the Minnesota State Colleges and Universities, on behalf of Southwest Minnesota State University (hereinafter "MINNESOTA STATE"), the City has received permission to use images not owned by the City. Brau Brothers and Minnesota State may have a separate agreement related to the brand representing Minnesota State.

4. Trademark. The City acknowledges Brau Brothers' exclusive right, title and interest in the Brau Brothers' Trademarks. Brau Brothers grants to City a non-exclusive right and license to use the Brau Brothers' Trademarks on labels and packaging materials approved by Brau Brothers in the locally branded beer during the term of this Agreement, and for no other purpose.

5. Indemnification.

a. Copyright. The City agrees to indemnify and hold harmless Brau Brothers for infraction of copyright laws, invasion of privacy or any other improper or illegal use that may arise from reproduction of the Image.

b. Other claims. Brau Brothers shall pay and indemnify and hold the City and its agents harmless from and against all claims, damages, losses, costs, expenses, and liabilities of every kind (including attorneys' fees) arising out of the Brau Brothers' product canned, or the breach or alleged breach of this Agreement.

6. Alteration of Image and Credit. Image may be cropped to suit design and layout, but must not be altered, colorized or drawn upon without a letter of permission in addition to this Agreement. With respect to credit for the image provided by Minnesota State, the parties agree that Brau Brothers will comply with the terms of the agreement between Brau Brothers and Minnesota State regarding images.

7. Notice. Any notice required or permitted to be given under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be addressed to the appropriate Party at the address specified in this agreement or such other address as may be specified by such Party in writing and shall be deemed to have been given for all purposes (a) when received, if hand-delivered or sent by a reputable international courier service, or (b) five (5) Business Days after mailing, if mailed by first class certified or registered airmail, postage prepaid, return receipt requested.

8. Termination. Either party may terminate this Agreement for convenience by providing written notice to the other party at least sixty (60) days prior to the date of termination for convenience. Upon termination, the City will be responsible for paying Brau Brothers only for product brewed, canned and delivered to the City by the date of receiving the notice of termination.

9. Waiver. No failure or delay on the part of the City or Brau Brothers to exercise any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy under this Agreement.

10. Amendment. No amendment, modification or waiver of any provision of this Agreement shall be effective unless the same shall be in writing signed by the City and Brau Brothers.

11. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each complete set of which, when so executed and delivered by all parties, shall be an original, but all such counterparts shall together constitute one and the same instrument. Facsimile or electronic signatures on this Agreement shall be as effective and binding as original signatures.

12. Governing Law. This Termination shall be governed by and construed in accordance with the laws of the State of Minnesota.

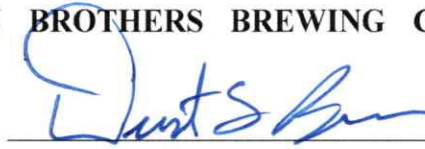
13. Entire Agreement. This Agreement constitutes the entire, complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter hereof and supersedes and cancels any prior agreements, term sheets, understandings, covenants, promises, assurances, course of dealing or performance, representations, warranties, or communications, whether oral or written, between the parties hereto.

14. Data Practices. Parties recognize that the Minnesota Data Practices Act applies to the relationship between the Parties. Brau Brothers will identify, as confidential, any trademarks or other information it considers confidential, and provide notification of such to City. City will take reasonable efforts to treat the identification as such but not to the extent doing so violated Chapter 13 of the Minnesota Statutes.

IN WITNESS WHEREOF, the City and Brau Brothers have caused this Local Branding Canning Agreement to be executed as of the date and year first written above.

**BRAU BROTHERS BREWING COMPANY
LLC**

By: _____



Its: _____

TITLE Pres/CEO

CITY OF MARSHALL, MINNESOTA

By: _____

Robert Byrnes

Its: _____

Mayor

By: _____

Steven Anderson

Its: _____

City Clerk