

**ROYAL OAK SOCIAL DISTRICT**  
**OPERATING AGREEMENT**

This Operating Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by and between the CITY OF ROYAL OAK, a Michigan Municipal Corporation with offices at 203 South Troy Street, Royal Oak, Michigan 48067 (the "Licensor") and \_\_\_\_\_, \_\_\_\_\_, Royal Oak, Michigan 48067 (the "Licensee").

The Licensor hereby licenses and permits the Licensee to participate and operate in the Royal Oak Social District, subject to the following conditions:

1. The Licensee will display the rules sign attached as Exhibit A, which is incorporated into this Agreement by reference, at or near the entrance to the establishment indicated above. The rules sign will be provided by the Licensor.
2. The Licensee shall use only beverage containers that shall not be made of glass and shall not have a liquid capacity over 16 ounces as approved by the Licensor.
3. The Licensee shall prominently display its business logo, trade name or some other mark that is unique to the Licensee and readily identifiable as unique to the Licensee, and the approved social district logo as provided by the Licensor, on each beverage container approved by the Licensor.
4. The Licensee shall provide a copy of its business logo, trade name or other mark that is unique to the Licensee as part of its application for approval, attached as Exhibit B, which is incorporated into this Agreement by reference.
5. The Licensee shall write with a permanent marker the date and time on each beverage container when sold and/or provided to a customer.
6. The Licensee shall sell or provide a social district beverage only during the days and times established by the Licensor.
7. The Licensee shall not allow alcohol liquor purchased from another licensee to be brought onto its licensed premises.
8. The Licensee shall not sell alcoholic liquor in the commons area. Sidewalk cafes approved and licensed by the Licensor are not considered part of the commons area.
9. The Licensee shall not add to or modify materials provided by the Licensor without prior approval from the Licensor.

10. The Licensee shall not sell or provide alcohol beverages for consumption in the commons area should the Licenser approve a special event that includes the sale of alcoholic beverages.
11. To the extent permitted by law, the Licensee agrees to indemnify, defend and hold harmless the Licenser, including it's elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and their board members, employees and volunteers, from any and all claims, demands and rights of action of every name, nature and description, whether arising under state or Federal statutes, or at common law, for injury or alleged injury to persons whether employees of the Licenser, or agents or employees of the Licensee, or to third parties, and for damage or alleged damage to property regardless of to whom it may belong or in whose custody it may be, arising through, on account of, or out of the License herein granted, no matter how caused, whether by the negligence of the Licenser, its agents, employees or otherwise. The Licensee agrees that in case a claim is made, or a suit is instituted against the Licenser for such loss, injury or damage, the Licensee will, upon notice from the Licenser, settle, adjust or defend the same at its sole cost and expense, without expense to the Licenser, and will pay any judgment rendered therein, including any court costs.
12. As a condition precedent to this License, the Licenser shall be added as a named insured to Licensee's general liability insurance policy. The Licensee shall carry insurance coverage in the amount of one million dollars (\$1,000,000.00) for general liability. Umbrella coverage in the amount of one million dollars (\$1,000,000.00) may also be used if the general liability coverage is less than one million dollars (\$1,000,000.00). Furthermore, the Licensee agrees to reimburse the Licenser for any deductible costs or claims expenses arising from any claims or suits filed against the City.
12. The Licensee shall provide the Licenser with a Certificate of Insurance for the license period, attached as Exhibit C. The additional insured on the certificate of insurance must read as follows:

"City of Royal Oak, and including all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and their board members, employees and volunteers."
13. The cancellation notice on the certificate of insurance must read as follows:

"Should any of the above-described policies be cancelled before the expiration date thereof, notice of cancellation will be provided to the Certificate Holder in accordance with the provisions of the policy."

- IN WITNESS WHEREOF, the Licensors and the Licensee, by and through their duly authorized representatives, have executed this Operating Agreement as of the day and year first above written.



Approved as to form:

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Nicolas J. Grochowski  
City Attorney