

GOTRIBE, INC.
LICENSE AGREEMENT

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EXHIBITS

EXHIBIT A	LICENSE INFORMATION
EXHIBIT B	ENTITY INFORMATION DISCLOSURE
EXHIBIT C	GUARANTEE OF LICENSE AGREEMENT

GOTRIBE, INC.
LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the “**Agreement**”) is made and entered into as of _____ (the “**Effective Date**”), by and between **GOTRIBE, INC.**, a California corporation (“**Licensor**”), on the one hand, and the individuals or Entity identified as “**Licensee**” in **Exhibit A**, on the other hand, who are individually referred to as a “**Party**”, and collectively referred to as the “**Parties**”, with reference to the following facts:

A. Licensor and its affiliates have, as the result of the expenditure of time, skill, effort and money, developed the “**GoTribe System**” for the establishment and operation of fitness studios (“**GoTribe Studios**”) that offer personal and group physical fitness and nutrition training programs under the trade name and service mark “**GoTribe**” and other related trademarks, service marks, logos and commercial symbols (collectively, the “**GoTribe Marks**”).

B. Licensee desires to obtain a license to operate one GoTribe Studio (the “**GoTribe Studio**”) under the GoTribe Marks in strict accordance with the GoTribe System and the standards and specifications established by Licensor, and Licensor is willing to grant Licensee a license in accordance with the terms of this Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **DEFINITIONS.**

Capitalized terms not defined elsewhere in this Agreement shall have the following meanings:

“**Abandon**” means (i) Licensee’s failure, at any time, to keep the GoTribe Studio open and operating for business for a period of five (5) consecutive days, except as provided in the GoTribe Manuals; (ii) Licensee’s failure to keep the GoTribe Studio open and operating for any period after which it is not unreasonable under the facts and circumstances for Licensor to conclude that Licensee does not intend to continue to operate the GoTribe Studio, unless the failure to operate is due to Force Majeure (subject to Licensee’s continuing compliance with this Agreement); (iii) Licensee’s inability to continue operation of the GoTribe Studio at the Licensed Location; or (iv) a closure of the GoTribe Studio required by Applicable Law.

“**Affiliate**” or “**Affiliates**” mean any Person or Entity that controls, is controlled by, or is under common control with, a Party to this Agreement. Control of a Person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person or Entity whether by contract or otherwise.

“**Applicable Law**” means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority with jurisdiction over the operation of the GoTribe Studio that are in effect on or after the Effective Date, as they may be amended from time to time.

“**Assignment**” means (i) the offer, sale, or negotiations for the sale of any rights under this Agreement to any third party; (ii) the direct or indirect sale, assignment, transfer, pledge, donation, encumbrance, by operation of law or otherwise, of any interest in this Agreement or the right to use the GoTribe System or the GoTribe Marks to any third party; (iii) the death or incapacity of any Owner owning fifty percent (50%) or more of the Equity or voting power of Licensee; (iv) the offer or sale of securities of Licensee pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum; (v) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of more than fifty percent (50%) in the aggregate, whether in one or more transactions, of the Equity or voting power of Licensee, by operation of law or otherwise or any other events or transactions which, directly or

indirectly, effectively changes control of Licensee; (vi) the issuance of any securities by Licensee which itself or in combination with any other transactions results in the Owners, as constituted on the Effective Date, owning less than fifty percent (50%) of the outstanding Equity or voting power of Licensee; and (vi) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of Licensee, however effected.

“Co-Branding” means the operation of an independent business, product line or operating system owned or licensed by another Entity (not Licensor) that is featured or incorporated within the GoTribe Studio or is adjacent to the GoTribe Studio and operated in a manner likely to cause the public to perceive it is related to the GoTribe Studio. An example would be an independent retail store or counter installed within the GoTribe Studio.

“Competitive Business” means any business involving any athletic or fitness center, health club, gymnasium, exercise or aerobics facility offering health and fitness training to the public through access to classes, training personnel and/or fitness equipment and any business that looks like, copies, imitates, or operates with similar trade dress or décor to a GoTribe Studio.

“Constituents” means past, present and future Affiliates, parents, subsidiaries, divisions, partners, members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents, managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing.

“Crisis Management Event” means any event that occurs at or about the GoTribe Studio that has or may cause harm or injury to members or employees, including, without limitation, contamination, sabotage, contagious diseases, natural disasters, terrorist acts, shootings or any other circumstance which may damage the GoTribe System, the GoTribe Marks, or the image or reputation of Licensor and its Affiliates.

“Default” means any breach of, or failure to comply with, any of the terms or conditions of an agreement.

“Designated GoTribe Portal” means Licensor’s online portal or portals that provide information, resources and support to GoTribe Licensees and their GoTribe Studios.

“Entity” means any limited liability company, partnership, trust, association, corporation or other entity which is not an individual.

“Equity” means capital stock, membership interests, partnership rights or other equity ownership interests of an Entity.

“Expiration Date” means the seventh anniversary of the Opening Date.

“Force Majeure” means any event that (i) was reasonably unforeseeable as of the Effective Date; (ii) is beyond the reasonable control, directly or indirectly, of a Party; (iii) could not reasonably have been prevented or avoided by that Party with the exercise of reasonable efforts and due diligence; (iv) does not result from the fault or negligence of that Party or its agents, employees or contractors; and (v) causes performance by that Party to be delayed, in whole or in part, or unable to partially or wholly perform its obligations under this Agreement. Neither an act or failure to act by a Governmental Authority, nor the performance, non-performance or exercise of rights under any agreement with Licensee by any lender, landlord, contractor, or other Person, or Licensee’s financial inability to perform or Licensee’s insolvency, shall be an event of Force

Majeure under this Agreement, except to the extent that such act, failure to act, performance, non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure.

“Licensed Location” means the site of the GoTribe Studio located at the address set forth in Exhibit A.

“General Manager” means an individual, acceptable to Licensor, who is responsible for overseeing the operation of the GoTribe Studio in the absence of the Principal Owner.

“General Release” means the form of general release prescribed by Licensor of any and all known and unknown obligations, liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, against Licensor and its Constituents. A General Release will cover future consequences of acts, omissions events and circumstances predating the date of the General Release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the General Release is executed.

“Good Standing” means Licensee is in substantial compliance with the material requirements of this Agreement, the GoTribe Manuals and all other agreements then in effect between Licensor, or its Affiliates, and Licensee, and has substantially cured each curable Default for which Licensor has issued a Notice of Default to Licensee within the time periods set forth in Article 16. Licensee shall not be in Good Standing if any Default by Licensee is not capable of being cured.

“GoTribe Application” means the software provided to Licensee by Licensor to offer the GoTribe fitness and training programs on Apple iOS and Android OS devices, all upgrades to the Application that may be created and implemented by Licensor from time to time and all software and documentation which enable Licensee to use the Application.

“GoTribe Authorized Services” means the personal and group physical fitness and nutrition training programs and other related services authorized by Licensor for sale at GoTribe Studios and any like services now existing or developed in the future.

“GoTribe Equipment” means all specialized fitness equipment required by Licensor for use at the GoTribe Studio, and any like or additional equipment now existing or developed in the future.

“GoTribe Manuals” means Licensor’s operations manuals, which may consist of one or more manuals, and any other written directives related to the GoTribe System, as they may be amended, issued and revised from time to time.

“GoTribe Studio Monthly Revenue” means all revenue derived from sales of any nature or kind whatsoever from the GoTribe Studio, whether evidenced by cash, services, property, barter, or other means of exchange, including, without limitation, (i) membership fees, initiation fees, enrollment fees, processing fees, paid-in-full dues, renewal fees, corporate/third party payor fees, monthly dues and any fees or revenue generated and derived during any presales of memberships; (ii) fees and charges for optional services; (iii) fees charged to non-members using GoTribe Authorized Services; (iv) payments such as, rent or license fees made to Licensee by contractors related to the contractors’ performance of GoTribe Authorized Services at the GoTribe Studio; and (v) all proceeds from the sale of coupons, gift certificates or vouchers. **“GoTribe Studio Monthly Revenue”** shall exclude the amount of bona fide refunds paid to members and the amount of any sales or use taxes actually paid to any Governmental Authority by Licensee and the retail price of any coupons, gift certificates and vouchers when they are redeemed.

“GoTribe System” means Licensor’s operating methods and business practices related to GoTribe Studios, the relationship between Licensor and its Licensees, interior and exterior GoTribe Studio design, other items of trade dress, specifications for equipment, fixtures and uniforms and defined service offerings, Licensor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs and Licensor’s website, all as Licensor may modify the same from time to time.

“GoTribe Trade Secrets” means proprietary and confidential information, including, the GoTribe Confidential Information, pricing, specifications, procedures, policies, concepts, systems, know-how, plans, software, strategies and methods and techniques of operating a GoTribe Studio and selling GoTribe Authorized Services, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that Licensee can show was already lawfully in Licensee’s possession before receipt from Licensor.

“Governmental Authority” means all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

“Grand Opening Marketing Expenditure” means the \$1,500 that Licensee must spend for a promotional campaign for the grand opening of the GoTribe Studio.

“Initial Licensee Fee” means the initial fee that Licensee must pay Licensor for the right to operate the GoTribe Studio under this Agreement in the amount set forth in **Exhibit A**.

“Initial Term” means the seven (7) year period commencing on the Effective Date and ending on the Expiration Date.

“Lease” shall mean any agreement, however denominated, that allows Licensee to occupy the Licensed Location owned by a landlord, including any lease, sublease, concession agreement, license and similar arrangement between Licensee and a landlord.

“Local Marketing Expenditures” means the monthly expenditures that Licensor may require Licensee to spend each calendar month with unrelated vendors for local promotion and marketing of the GoTribe Studio. Licensor shall have the right to implement and adjust the amount of the Local Marketing Expenditure at any time and from time to time during the Initial Term upon ninety (90) days’ prior written notice from Licensor to Licensee, to an amount not to exceed two percent (2%) of GoTribe Studio Monthly Revenue.

“Losses and Expenses” means and includes compensatory, exemplary, or punitive damages, fines and penalties, attorneys’ fees, experts’ fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, compensation for damages to a Party’s reputation and goodwill, and all other costs associated with any of the foregoing Losses and Expenses.

“Marketing Fund” means the fund that Licensor may elect to establish to promote the GoTribe Marks and all GoTribe Studios upon ninety (90) days’ prior written notice from Licensor to Licensee.

“Marketing Fund Fees” means the fees that Licensor may require Licensee to pay to the Marketing Fund that Licensor may elect to establish to promote the GoTribe Marks and all GoTribe Studios. Licensor shall have the right to adjust the amount of the Marketing Fund Fees at any time and from time to time during the Initial Term upon ninety (90) days’ prior written notice from Licensor to Licensee, to an amount not to exceed two percent (2%) of GoTribe Studio Monthly Revenue.

"NACHA" means the National Automated Clearing House Association, an organization that establishes the standards and rules followed by financial institutions for transferring payments.

"Non-Traditional Venues" means a broad variety of atypical sites, including, without limitation, a site or location within a captive market site, another primary business or in conjunction with other businesses or at institutional settings such as entertainment venues, recreational facilities, airports, train stations, travel plazas, toll road facilities and other transportation terminals, medical and other types of institutional facilities, and sites in retail locations and casinos.

"Notice of Default" means a written notice from one Party to another Party demanding the cure of a Default and demanding that the defaulting Party provide evidence of the cure to the other Party, if the Default is curable.

"Open", "Opened" and "Opening" mean that Licensee has received written authorization from Licensor and all applicable Governmental Authorities to commence business operations at a GoTribe Studio and has actually begun to offer GoTribe Authorized Services for sale to the public from the GoTribe Studio.

"Opening Date" means the day that (i) Licensee receives written authorization from Licensor and all applicable Governmental Authorities to commence business operations at the GoTribe Studio; and (ii) Licensee actually begins to offer GoTribe Authorized Services for sale to the public from the GoTribe Studio, whichever occurs last, which shall be no later than the thirty (30) days after the expiration date of the Sublease Term set forth in **Exhibit A**.

"Owner" means each of the individuals listed in **Exhibit B** and each future direct or indirect shareholder, member, general or limited partner, trustee, or other Equity owner of Licensee. If Licensee is an Entity, each Owner and each Owner's spouse shall jointly and severally guarantee Licensee's payment and performance of its obligations under this Agreement under a Guarantee in the form of **Exhibit C**.

"Payment Network" means Visa, MasterCard and any credit or debit card network issuing credit or debit cards and/or their duly authorized entities, agents or affiliates.

"Payment Processors" means all credit card, debit card and/or ACH processors whose services Licensor may require Licensee to utilize, as well as payment gateway service providers.

"Payment Rules" means the operating rules and regulations of Payment Processors and any applicable Payment Network, as in effect from time to time.

"Person" means any natural person or Entity.

"Post-Opening Additional Initial Training Fee" means the \$7,500 fee that Licensee shall pay Licensor for each trainee if Licensee requests Licensor to provide its Initial Training Program for new or replacement supervisory or managerial personnel of Licensee following the Opening Date of the GoTribe Studio.

"Post-Opening Additional Training Fees" means the \$100 per hour fee Licensee shall pay Licensor for Additional Training Programs provided by Licensor for each of Licensor's representatives who provides the Additional Training Programs.

"Pre-Opening Additional Initial Training Fee" means the \$100 per hour fee Licensee shall pay Licensor for each additional trainee if Licensee requests Licensor to provide its Initial Training Program to more than two (2) trainees selected by Licensee prior to the Opening Date of the GoTribe Studio.

"Principal Owner" means the individual designated by Licensee in Exhibit B, and accepted by Licensor, to serve as the primary operator of the GoTribe Studio, to serve as the authorized representative of Licensee, who shall have at least a fifty percent (50%) interest in the Equity of Licensee, who shall act as Licensee's representative in all matters with Licensor, as Licensee's liaison with Licensor and the Owners, who shall have the authority to act on behalf of Licensee without the participation of any other Owner.

"Renewal Fee" means the \$5,000 fee that Licensee must pay Licensor to extend the Initial Term for the Renewal Term.

"Renewal Term" means for one seven (7) year period.

"Renewal Term Expiration Date" means the seventh anniversary of the commencement date of the Renewal Term.

"Restricted Persons" means Licensee, and each of the Owners and their Affiliates, and the respective officers, directors, shareholders, managers, members and Affiliates of each of them, and the spouses of each of the foregoing who are individuals.

"Royalty Fees" means the percentage of GoTribe Studio Monthly Revenue that Licensee shall pay Licensor each month during the Term in the amount set forth on Exhibit A.

"Term" means, as the context of this Agreement indicates, the Initial Term unless this Agreement is extended for the Renewal Term, in which case **"Term"** shall mean both the Initial Term and the Renewal Term.

"Then-Current" means, as the context of this Agreement indicates, (i) the form of agreement then-currently provided by Licensor to similarly situated prospective GoTribe Licensees which may contain terms and conditions that are materially different from this Agreement, or if not then being so provided, then a form of agreement selected by Licensor in its discretion which previously has been delivered to and executed by a GoTribe Licensee or area developer of Licensor; (ii) the fees then-currently charged by Licensor for services provided by Licensor or its Affiliates; (iii) the then-current qualifications or financial conditions required by Licensor for GoTribe Licensees; or (iv) then-current appearance, design standards and equipment specifications applicable to the GoTribe Studio.

"Transfer Fee" means the \$7,500 fee that Licensee must pay Licensor as a condition precedent to an Assignment of this Agreement in addition to Licensor's out of pocket costs associated with the Assignment, including reasonable attorneys' fees.

"Website" means an interactive electronic document contained in a network of computers linked by communication software that refers to the GoTribe Studio, the GoTribe Marks, Licensor or the GoTribe System, and includes Internet and World Wide Web home pages.

2. GRANT.

2.1 Grant. Licensor hereby awards Licensee, and Licensee hereby accepts, the right, license and obligation, during the Initial Term, to use and display the GoTribe Marks, the GoTribe Application and the GoTribe System to continually operate one (1) GoTribe Studio upon the terms and subject to the provisions of this Agreement and all ancillary documents binding the Parties. Except as otherwise provided in Section 5.1, the GoTribe Studio shall be located at the Licensed Location. Licensee shall utilize the Licensed Location only for the operation of the GoTribe Studio. Licensee shall not subcontract, sublicense, sublease, share, divide or partition this

Agreement or enter into any agreement with any third party providing for the right to operate the GoTribe Studio or to use the GoTribe Marks or the GoTribe System and nothing in this Agreement will be construed as granting Licensee the right to do so.

2.2 **Protected Area.** Except as provided in Section 2.3, during the Initial Term, and provided that Licensee is not in Default under this Agreement or any other agreement between Licensor or its Affiliates and Licensee, Licensor shall not own, operate, sell or issue a license for any other GoTribe Studio that will be located within the “**Protected Area**” set forth in Exhibit A. The license granted to Licensee under this Agreement is nonexclusive, and except as provided in this Section 2.2, Licensee shall have no territorial or protective rights.

2.3 **Rights Reserved by Licensor.** Licensor and its Affiliates reserve all other rights with respect to the GoTribe System, the GoTribe Marks and GoTribe Studios, including the exclusive right, in their discretion, directly or indirectly, without granting Licensee any rights in the same, to: (i) develop, own and operate, and to grant licenses to third parties to develop, own and operate, GoTribe Studios outside the Protected Area, without restriction, regardless of their proximity to the Protected Area; (ii) develop, own and operate, and to grant licenses to third parties to develop, own and operate any other business, other than a Competitive Business, under marks and systems different from the GoTribe Marks and the GoTribe System within and outside the Protected Area, regardless of their proximity to the Protected Area; (iii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, GoTribe Equipment within and outside the Protected Area, regardless of their proximity to the Protected Area, through the Internet, mail order catalogs, direct mail advertising and through other distribution methods; (iv) market on the Internet and use the GoTribe Marks on the Internet, including all use of Websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media; (v) develop, own or operate and to grant licenses to third parties to develop, own or operate GoTribe Studios at Non-Traditional Venues within and outside of the Protected Area regardless of their proximity to the GoTribe Studio; (vi) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at GoTribe Studios and license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the Licensees or licensees of these businesses) are located or operating; (vii) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at GoTribe Studios, or by another business, even if such business operates or licenses Competitive Businesses; and (viii) engage in all other activities that this Agreement does not expressly prohibit.

3. INITIAL AND RENEWAL TERMS.

3.1 **Initial Term.** The Initial Term shall commence on the Effective Date and shall expire on the Expiration Date, unless sooner terminated as provided in this Agreement. If the Lease for the Licensed Location terminates or expires before the end of the Initial Term and the GoTribe Studio is not relocated in accordance with Section 5.6, this Agreement will terminate on the termination or expiration date of the Lease. If Licensee does not elect to renew the Initial Term under Section 3.2, this Agreement shall expire on the Expiration Date.

3.2 **Renewal Rights.** Subject to the conditions in Section 3.3 at the expiration of the Initial Term, Licensee shall have the right (the “**Renewal Right**”) to enter into Licensor’s Then-Current form of License Agreement (a “**Renewal License Agreement**”) to extend the Initial Term for the Renewal Term. If Licensee desires to exercise the Renewal Right, Licensee shall, not less than six (6) calendar months nor more than twelve (12) calendar months prior to the Expiration Date, notify Licensor in writing (the “**Renewal Notice**”) that Licensee desires to extend the Initial Term for the Renewal Term. If Licensee exercises the Renewal Right, this Agreement shall terminate on the Renewal Term Expiration Date. This Agreement is not otherwise renewable.

3.3 **Renewal Conditions and Procedures.** To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same:

3.3.1 The Initial Term may be extended by Licensee only if all of the following conditions precedent are satisfied prior to the Expiration Date: (i) Licensee shall have fully performed all of its obligations under this Agreement, any Area Development Agreement and all other agreements binding the Parties and shall be in Good Standing on the date of the Renewal Notice, on the date of Licensor's execution of the Renewal License Agreement and on the Expiration Date; (ii) Licensee shall, prior to the commencement date of the Renewal Term, undertake and complete at its expense, the remodeling, renovation, modernization, and refurbishing of the Licensed Location and the GoTribe Studio to comply with Licensor's Then-Current specifications and standards for new GoTribe Studios; (iii) Licensee shall not have committed three (3) or more material Defaults during any eighteen (18) calendar month period during the Initial Term which were subject to notices of Default issued by Licensor, whether or not the Defaults were cured; (iv) Licensee shall have presented evidence satisfactory to Licensor that Licensee has the right to remain in possession of the Licensed Location for the duration of the Renewal Term; (v) Licensee shall, prior to the commencement date of the Renewal Term, comply with Licensor's Then-Current qualification and training requirements; (vi) Licensee shall continue to comply with the terms and conditions of this Agreement; (vii) Licensee shall have satisfied Licensor's Then-Current qualifications and training requirements; (viii) Licensee shall have executed and delivered to Licensor a General Release; (ix) if Licensee is an Entity, each Owner and each Owner's spouse of Licensee shall have executed and delivered to Licensor a personal Guarantee, in a form then satisfactory to Licensor, jointly and severally guaranteeing Licensee's performance of its obligations under the Renewal License Agreement; (x) Licensee shall have paid Licensor a Renewal Fee when Licensee delivers the Renewal Notice to Licensor; and (xi) Licensee shall have executed the Renewal License Agreement and delivered it to Licensor.

3.3.2 Following the expiration of any waiting periods required by Applicable Law and the execution copies of the Renewal License Agreement, Licensee shall execute the Renewal License Agreement and return the copies to Licensor. If Licensee has exercised the Renewal Right in accordance with Section 3.2 and satisfied all of the conditions in this Section 3.3, Licensor shall execute the Renewal License Agreement. If Licensee fails to perform any of the acts, or deliver any of the notices required under this Article 3 in a timely fashion, the failure to do so shall be deemed an election by Licensee not to exercise the Renewal Right and shall automatically cause the Renewal Right to lapse and expire.

3.4 **Notice Required by Law.** If Applicable Law requires Licensor to give notice to Licensee prior to the expiration of the Initial Term or Renewal Term, as the case may be, this Agreement shall remain in effect on a week-to-week basis until Licensor has given the notice required by Applicable Law. If Licensor is not offering new licenses, is in the process of revising, amending or renewing its form of License Agreement, or is not lawfully able to offer Licensee its Then-Current form of License Agreement, at the time Licensee delivers its Renewal Notice, Licensor may, in its discretion, (i) offer to renew this Agreement upon the same terms set forth in this Agreement for a Renewal Term determined in accordance with Section 3.2; or (ii) offer to extend the Initial Term on a week-to-week basis following the expiration of the Initial Term for as long as it deems necessary or appropriate so that it may lawfully offer its Then-Current form of License Agreement.

4. **FEES.**

4.1 **Initial Licensee Fee.** Licensee shall pay Licensor the Initial Licensee Fee in the amount and in the manner provided in Exhibit A. The Initial Licensee Fee shall be non-refundable, in whole or in part, when paid.

4.2 **GoTribe Studio Monthly Revenue.** Following the Effective Date and for the duration of the Term, Licensor and its affiliates shall have the sole right and obligation to invoice and collect all GoTribe Studio Monthly Revenue due from Licensee's members under their membership agreements or otherwise. Following

Licensors receipt of the GoTribe Studio Monthly Revenue from Licensee's members each calendar month, Licensors shall (i) retain the amount of the monthly installment payments set forth in **Exhibit A** for number of consecutive months that follow the Effective Date as set forth in **Exhibit A** as the Initial Licensee Fee; (ii) calculate the amount of Royalty Fees then due to Licensors under this Agreement; (iii) retain the Royalty Fees from the GoTribe Studio Monthly Revenue; (iv) calculate the amount of any other fees and amounts due to Licensors under this Agreement; (v) retain any other fees and amounts due to Licensors under this Agreement; and (vi) pay the remaining balance of the GoTribe Studio Monthly Revenue to Licensee on the tenth day of each calendar month following the calendar month in which the GoTribe Studio Monthly Revenue was deposited into Licensors bank accounts.

4.2.1 Each monthly payment of amounts due to Licensee under this Section 4.2 shall be accompanied by a statement setting forth the amount of GoTribe Studio Monthly Revenue deposited into Licensors bank accounts during the previous month, the payments made by each member and a calculation of the amounts due to Licensee from Licensors. Licensors shall establish and exclusively maintain and control bank accounts separate from its operating bank accounts into which all funds originated from the GoTribe Studio and the GoTribe Studio's members shall be deposited. Licensee shall be responsible for all fees, charges, cancellations, charge-backs and refunds associated with the GoTribe Studio. Licensors may, in its own discretion, advance funds on behalf of Licensee to cover over-drafts or other expenses. If funds are advanced by Licensors, Licensee shall reimburse Licensors for all advances from future collections of GoTribe Studio Monthly Revenue in subsequent months.

4.2.2 All payments due from Licensors to Licensee under this Section 4.2 shall be based on amounts actually collected by Licensors from the GoTribe Studio's members, not on payments accrued, due, or owing. Licensors shall not be obligated to initiate collection action against any delinquent member. If Licensors becomes legally obligated or decides for any reason to return any portion of GoTribe Studio Monthly Revenue to a member of the GoTribe Studio, Licensors may deduct its portion of the amount to be returned to the member in the same proportion from future collections of GoTribe Studio Monthly Revenue in subsequent months. If, at any time, the amounts actually collected by Licensors in three (3) consecutive months from the GoTribe Studio's members are less than the amount of the monthly payments then due to Licensors, Licensee shall pay Licensors the amount of the shortfall, in full, within ten (10) days after receipt of a written demand by Licensors to do so. Amounts due to Licensors but not paid shall bear interest at a rate not to exceed the maximum rate allowed by Applicable Law until paid in full.

4.2.3 All payments under this Section 4.2 of this Agreement shall immediately and permanently cease after the expiration or termination of this Agreement; however, Licensors shall pay Licensee all amounts which have been earned by, and accrued to, Licensee as of the effective date of expiration or termination of this Agreement after offsetting all sums then due to Licensors by Licensee. Neither the GoTribe Studio's membership nor the GoTribe Studio Monthly Revenue shall be transferred, sold, leased, hypothecated, encumbered or offered as security, without the prior express written consent of Licensors.

4.3 **Application of Funds.** If Licensee shall be delinquent in the payment of any obligation to Licensors under this Agreement, or under any other agreement with Licensors, Licensors shall have the absolute right to apply any payments received from Licensee to any obligation owed, whether under this Agreement or otherwise, notwithstanding any contrary designation by Licensee as to application.

4.4 **Gross-Up Fees.** Licensors may directly deduct from the portion of GoTribe Studio Monthly Revenue due to Licensee the amount of all taxes paid or payable by Licensors to any Governmental Authority on revenue earned or collected by Licensors based upon Licensee's use of Licensors intellectual property or other intangibles or based upon the existence of this Agreement during each of Licensors fiscal years throughout the Term.

5. SUBLEASE TERM, SUBLEASED SPACE, LICENSED LOCATION AND OPENING FOR BUSINESS.

5.1 Sublease Term, Subleased Space and Licensed Location. During the initial five (5) month period following the Effective Date (the “**Sublease Term**”), Licensee shall operate the Licensed Business in an unaffiliated gym in the Protected Area (the “**Subleased Space**”), under a sublease or similar arrangement with the gym owner and/or landlord. Thereafter, the GoTribe Studio shall be located at the Licensed Location. Prior to the expiration of the Sublease Term, Licensee shall locate one or more proposed sites that meet Licensor’s Then-Current standards and specifications. When Licensee identifies a proposed site for the GoTribe Studio, Licensee shall request Licensor to consider and approve the site. Licensor shall approve, reject or request additional information regarding a proposed site within thirty (30) days after Licensor receives all of the information that Licensor requires to evaluate the site. If Licensor accepts a proposed site as a Licensed Location, Licensor shall notify Licensee of its acceptance of the Licensed Location, which shall be subject to the successful negotiation by Licensee of a final Lease for the Licensed Location. Licensee shall not enter into any Lease for a site unless and until Licensor has approved the site of the proposed Licensed Location in writing. Following Licensee’s execution of a Lease for the Licensed Location, the Parties shall complete and execute an addendum to **Exhibit A** to identify the Licensed Location.

5.2 Obligation of Licensee. Licensor may voluntarily (without obligation) assist Licensee in locating an acceptable site for the GoTribe Studio; however, neither Licensor’s assistance, if any, nor Licensor’s acceptance of a GoTribe Studio site, whether initially proposed by Licensee or by Licensor, shall be construed to ensure or guarantee the profitable or successful operation of the GoTribe Studio at any site by Licensee. Licensor’s acceptance of any proposed Lease is based solely on Licensor’s own interests and does not represent any guarantee or endorsement by Licensor of the site or confirmation that the Lease complies with Applicable Law or that the terms of the Lease are favorable to Licensee. Licensor makes no representations or warranties as to the success of a GoTribe Studio at any site or as to any other matter of any kind relating to a site. Licensee may not construe any assistance Licensor may provide, or Licensor’s approval of a site or a Lease, as a guarantee or other assurance that the proposed GoTribe Studio at the site will be successful. Licensee acknowledges and agrees that it is Licensee’s sole responsibility to identify and obtain the Licensed Location for the GoTribe Studio to be developed under this Agreement and Licensor hereby expressly disclaims any responsibility therefor.

5.3 Lease for Licensed Location. Licensee shall not create any obligations in the Lease on Licensor’s behalf or grant the landlord any rights against Licensor, or agree to any term, condition or covenant in the Lease which is inconsistent with any provision of this Agreement. Licensee shall deliver a fully executed copy of the Lease to Licensor in the form and on the terms previously accepted by Licensor, without further request by Licensor.

5.4 Open for Business. Licensor shall make available, at no charge to Licensee, Licensor’s recommended specifications for the décor and layout of a prototype GoTribe Studio and the required fixtures, equipment, furnishings, décor, trade dress and signs. Licensee shall notify Licensor of the anticipated construction completion date and, within a reasonable time after construction is completed Licensor shall have the right, but not the obligation, to conduct a final inspection of the GoTribe Studio. The GoTribe Studio shall Open for business no later than thirty (30) days after the expiration date of the Sublease Term set forth in **Exhibit A**, unless Licensor extends the required Opening Date of the GoTribe Studio in writing. Licensor shall not unreasonably withhold its consent to Licensee’s request for additional time to Open the GoTribe Studio without cause. To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, Licensee shall not Open the GoTribe Studio or offer GoTribe Authorized Services to the public without the express written authorization of Licensor, which authorization may be conditioned upon

Licensee's strict compliance with the specifications of the approved final plans and GoTribe System standards, the completion of the Initial Training Program by the Principal Owner and the General Manager, and Licensee's compliance with staffing and other requirements. Licensee shall Open the GoTribe Studio for business following receipt of a temporary or permanent certificate of occupancy and no more than ten (10) days after receipt of Licensors written authorization to Open. Licensee's failure to open the GoTribe Studio within thirty (30) days after the expiration of the Sublease Term set forth in **Exhibit A** shall be deemed to be material Default under this Agreement. Following the Opening Date, the Parties shall complete and execute an addendum to **Exhibit A** to designate the Opening Date.

5.5 **Relocation of GoTribe Studio.** To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, Licensee may not relocate the GoTribe Studio without Licensors prior written consent. Licensee may only relocate the GoTribe Studio within the Protected Area. If Licensors consents to a relocation, Licensee shall de-identify the former Licensed Location in the manner described in Section 17.1 and shall reimburse and indemnify and hold Licensors harmless from any direct and indirect losses, costs and expenses, including attorneys' fees, arising out of Licensee's failure to do so. If Licensors consents to a relocation of the GoTribe Studio, Licensee shall have twelve (12) calendar months from the date of Licensors approval of the request to relocate to secure the new Licensed Location and to Open the GoTribe Studio at the new Licensed Location. If Licensee fails to secure the new Licensed Location within twelve (12) calendar months from the date of Licensors approval of the request to relocate, Licensors, in its discretion, may extend the time for Licensee to do so; however, Licensors shall then have the right to estimate and bill Licensee, and Licensee shall pay Licensors, Royalty Fees for the time period following the expiration of the twelve (12) calendar month period (a "**Relocation Royalty Fee**") until the GoTribe Studio Opens for business based upon the Royalty Fees Licensee paid Licensors for the GoTribe Studio during the identical period of the last preceding calendar year or, if the GoTribe Studio was not in operation during the identical period of the last preceding calendar year, a Relocation Royalty Fee based upon the average Royalty Fees Licensee paid Licensors during the number of calendar months the original GoTribe Studio was in operation.

6. **OBLIGATIONS OF LICENSOR.**

6.1 **Pre-Opening Initial Training Program.** During the Sublease Term, Licensors shall provide an Initial Training Program in the GoTribe System and methods of operation (the "**Initial Training Program**") on-line, in the Subleased Space and/or at a GoTribe Studio for up to two (2) supervisory or managerial personnel of Licensee selected by Licensee, who must include the Principal Owner and General Manager, at no charge to Licensee. The Initial Training Program will consist of approximately 75 hours of training prior to the Opening Date of the GoTribe Studio and must be completed before the GoTribe Studio Opens for business. Licensors shall determine the contents and manner of conducting the Initial Training Program in its discretion, however, the Initial Training Program will be structured to provide practical training in the implementation and operation of a GoTribe Studio and may include, without limitation, topics such as day to day operations, class instruction, manager/owner training, GoTribe System standards, marketing and sales techniques and administrative reports. The Initial Training Program shall not be provided by Licensors if Licensee or any Affiliate of Licensee owns or operates a GoTribe Studio as of the Effective Date or this Agreement is executed as a Renewal License Agreement.

6.2 **Post-Opening Initial Training Programs.** Following the Opening Date of the GoTribe Studio, Licensors may, at Licensee's request and at Licensors discretion, provide additional Initial Training Programs ("**Post-Opening Initial Training Programs**") for new or replacement supervisory or managerial personnel of Licensee. In addition, Licensee shall pay any transportation costs, food, lodging and similar costs incurred in connection with attendance at the Post-Opening Initial Training Programs.

6.3 **Pre-Opening and Post-Opening On-Site Assistance.** For Licensee's first GoTribe Studio, Licensors will provide on-site training and assistance for approximately two (2) days before and five (5) days after the GoTribe Studio Opens to the public. On-site opening assistance shall not be provided by Licensors if (i) Licensee or any Affiliate of Licensee owns or operates a GoTribe Studio as of the Effective Date; or (ii) this Agreement is executed as a Renewal License Agreement. Licensors shall select the representatives who will provide the on-site training and the length of time that on-site training will be provided. Licensee may be required to pay any transportation costs, food, lodging and similar costs incurred in connection with the attendance of Licensors's representatives at the GoTribe Studio for the pre-opening and post-opening on-site assistance.

6.4 **Optional Post-Opening Additional Training Programs.** In addition, following the Opening Date of the GoTribe Studio, Licensors may, at Licensors's discretion, from time to time, provide additional and remedial training programs ("**Post-Opening Additional Training Programs**"). Attendance by Licensee at Post-Opening Additional Training Programs will be optional.

6.5 **GoTribe Manuals.** Licensors will loan one copy or provide Licensee with access to its current GoTribe Manuals which may include audio, video, compact disks, computer software, other electronic media and/or written materials. At Licensors's option, Licensors may post some or all of the GoTribe Manuals on a restricted Website, intranet, or extranet to which Licensee will have access. The GoTribe Manuals may change from time to time. The GoTribe Manuals are, and at all times shall remain Licensors's sole property and shall promptly be returned to Licensors upon expiration, termination or an Assignment of this Agreement. The GoTribe Manuals contain both mandatory and recommended specifications, standards, procedures, rules and other information pertinent to the GoTribe System and Licensee's obligations under this Agreement. The GoTribe Manuals, as modified by Licensors from time to time, are an integral part of this Agreement and all provisions now or hereafter contained in the GoTribe Manuals or otherwise communicated to Licensee in writing are expressly incorporated into this Agreement by this reference and made a part of this Agreement. Licensors reserves the right to modify the GoTribe Manuals from time to time to reflect changes that it may implement in the mandatory and recommended specifications, standards and operating procedures of the GoTribe System.

6.6 **Post-Opening Consultation.** Licensors may, in its discretion, provide Licensee with limited consultation and advisory services in response to Licensee's inquiries about specific operations and administrative issues that Licensee brings to Licensors's attention. Licensee acknowledges and agrees that the results of Licensee's efforts to operate a GoTribe Studio rests solely with Licensee. Licensors may make recommendations that it deems appropriate to assist Licensee's efforts. However, Licensee alone shall establish all requirements, consistent with the policies of Licensors, regarding (i) employment policies, hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees; (ii) the individuals to whom Licensee will offer and sell GoTribe Authorized Services; and (iii) the suppliers from whom Licensee obtains any products or services used in or at the GoTribe Studio.

6.7 **Post-Opening Inspections.** To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, Licensors shall inspect the GoTribe Studio once each calendar quarter during business hours to examine the GoTribe Studio, to confer with Licensee's supervisory and managerial personnel, inspect and check operations and equipment, and determine whether the GoTribe Studio is being operated in accordance with this Agreement, the GoTribe System and the Manuals.

6.8 **Telephone Services.** Licensors shall provide telephone services for the GoTribe Studio through an 866 telephone number which will be the centralized telephone number provided for all GoTribe licensees.

6.9 **Assignment.** Upon the occurrence of an Assignment, the Proposed Buyer must complete the Initial Training Program as a condition to obtaining Licensors's consent to the Assignment. All costs for the Initial Training Program shall be included in the Transfer Fee payable by Licensee in accordance with Section 14.4.7.

7. OBLIGATIONS OF LICENSEE.

To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same:

7.1 **GoTribe System.** Licensee shall operate the GoTribe Studio in compliance with the terms of the this Agreement and the GoTribe Manuals, shall purchase and use all GoTribe Equipment at the GoTribe Studio and shall offer and sell all GoTribe Authorized Services at the GoTribe Studios. Licensee acknowledges and agrees that Licensee alone shall exercise day-to-day control over all operations, activities and elements of the GoTribe Studio, including over Licensee's employees, and that under no circumstance shall Licensors do so or be deemed to do so. Licensee further acknowledges and agrees that the various requirements, restrictions, prohibitions, specifications and procedures of the GoTribe System that Licensee must comply with under this Agreement, the GoTribe Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Licensors controls any aspect or element of the day-to-day operations of the GoTribe Studio, which Licensee alone controls, but only constitute standards Licensee must adhere to when exercising Licensee's control over the day-to-day operations of the GoTribe Studio consistent with the policies of Licensors. Licensee shall comply with Licensors's standards and shall operate the GoTribe Studio in conformity with the methods, standards, and specifications that Licensors may from time to time prescribe in the GoTribe Manuals or otherwise. Licensee shall comply, at Licensee's expense, with all modifications prescribed by Licensors and shall implement changes to the GoTribe System within the time periods specified by Licensors following Licensee's receipt of notice from Licensors to do so. Licensee shall refrain from deviating from the methods, standards, and specifications without Licensors's prior written consent and from otherwise operating in any manner which reflects adversely on the GoTribe Marks or the GoTribe System. Since every detail of the GoTribe System is essential in order to develop and maintain quality operating standards, to increase the demand for the GoTribe Authorized Services sold by GoTribe Studios under the GoTribe System and to protect the GoTribe Marks and reputation and goodwill, Licensors shall have the right to disapprove, as it believes necessary, any modification of, or addition to, the GoTribe System suggested by Licensee that is reasonably likely to have an adverse material effect on the GoTribe System, the GoTribe Marks or Licensors's reputation or goodwill.

7.2 **Pre-Opening Initial Training Program.** During the Sublease Term, up to two (2) of Licensee's supervisory and managerial personnel shall attend and complete to Licensors's satisfaction the Initial Training Program, who must include the Principal Owner and General Manager, at no charge to Licensee. Licensee may not Open the GoTribe Studio for business at the Licensed Location until the Initial Training Program has been completed to Licensors's satisfaction. If Licensee designates more than two (2) trainees to attend the Initial Training Program, Licensee shall pay Licensors a Pre-Opening Additional Initial Training Fee per day for each additional trainee. In addition, Licensee shall pay all travel, living, compensation, and other expenses, if any, incurred by Licensee for the Principal Owner, General Manager and other supervisory or managerial personnel to attend the Initial Training Program. Licensee acknowledges that because of Licensors's superior skill and knowledge with respect to the training and skill required to manage a GoTribe Studio, Licensors, in its sole discretion, shall determine if Licensee, the Principal Owner, the General Manager and/or other supervisory or managerial personnel have satisfactorily completed the Initial Training Program. If the Principal Owner (i) fails to complete the Initial Training Program within five (5) calendar months after the Effective Date; (ii) does not complete the Initial Training Program to Licensors's satisfaction; (iii) does not, during the Initial Training Program, appear to possess the skills necessary to properly fulfill and discharge the demands and responsibilities required by the GoTribe System or this Agreement; or (iv) is not acceptable to become a Licensee of Licensors for any reason whatsoever, in Licensors's sole and absolute discretion, Licensors may terminate this Agreement upon five (5) days' written notice to Licensee and this Agreement shall thereafter be of no further force or effect. In this event, Licensors shall have the right to retain the Initial License Fee. The Parties acknowledge and agree that the actual damages to be suffered by Licensors in this circumstance are

difficult, if not impossible, to determine, and that, under all the facts and circumstances, this calculation of Licensor's potential damages and retention of the Initial License Fee by Licensor, are a reasonable, good-faith estimate of those damages.

7.3 **Post-Opening Additional Initial Training Programs.** If, following the Opening Date of the GoTribe Studio, Licensee requests Licensor to provide additional Initial Training Programs for new or replacement supervisory or managerial personnel, Licensee shall pay Licensor its Then-Current Post-Opening Additional Initial Training Fee for each trainee to defray Licensor's direct costs to provide the additional Post-Opening Initial Training Programs. Licensee shall pay any transportation costs, food, lodging and similar costs incurred in connection with the attendance of Licensor's representatives and Licensee's supervisory or managerial personnel at the Post-Opening Initial Training Programs.

7.4 **Post-Opening Additional Training Programs.** Following the Opening Date of the GoTribe Studio, Licensee, the Principal Owner and each General Manager and/or other supervisory or managerial personnel may attend Additional Training Programs offered by Licensor. If Licensee elects to do so, Licensee shall pay Licensor its Then-Current Post-Opening Additional Training Fee for each of Licensor's representatives who provides Additional Training Programs to defray Licensor's direct costs to provide the Additional Training Programs. In addition, Licensee shall pay any transportation costs, food, lodging and similar costs incurred in connection with the attendance of Licensor's representatives and Licensee's supervisory or managerial personnel at the Additional Training Programs.

7.5 **Membership Agreements.** Every membership agreement used by Licensee must comply with all of Licensor's requirements as set forth in the Manuals or Licensee shall send Licensor (i) copies of all membership agreements Licensee intends to use at least thirty (30) days before Licensee begins offering memberships; and (ii) copies of any revised membership agreements within ten (10) days after Licensee make any revisions.

7.6 **Licenses and Permits.** Licensee shall secure and maintain in force all required business and other licenses, permits and certificates relating to the operation of the GoTribe Studio and shall operate the GoTribe Studio in full compliance with all Applicable Laws, ordinances and regulations including, without limitation, all licenses, permits and certifications necessary for the operation of the GoTribe Studio. Once the required professional licenses, permits and certificates are obtained, Licensee shall maintain and cause each of its employees to maintain all such professional licenses, permits and certifications throughout the Initial Term. Licensee shall provide Licensor with copies of all business and other licenses, permits and certificates relating to the operation of the GoTribe Studio upon demand by Licensor.

7.7 **Compliance with Applicable Law.** Licensee shall operate the GoTribe Studio as a clean, orderly, legal and respectable place of business in accordance with Licensor's business standards and merchandising policies and shall comply with all Applicable Laws. Licensee shall not cause or allow any part of the GoTribe Equipment, the GoTribe Studio or the Licensed Location to be used for any immoral or illegal purpose. Licensee shall in all dealings with its members, suppliers, and public officials adhere to high standards of honesty, integrity, fair dealing and ethical conduct and refrain from engaging in any action which will cause Licensor to be in violation of any Applicable Law. If Licensee shall receive any notice, report, fine, test results or the like from any applicable department of health (or other similar Governmental Authority), Licensee shall promptly send a copy of the same to Licensor.

7.8 **GoTribe Manuals.** Licensee shall treat all information contained in the GoTribe Manuals as GoTribe Confidential Information and shall use all reasonable efforts to keep the information confidential. Licensee shall not, without Licensor's prior written consent, copy, duplicate, record or otherwise reproduce the GoTribe Manuals, in whole or in part, or otherwise make them available to any Person not required to have access to their contents in order to carry out their employment functions. Licensee shall comply with all mandatory

requirements now or hereafter included in the GoTribe Manuals, and acknowledges and agrees that a Default under any mandatory requirement of the GoTribe Manuals shall constitute a Default under this Agreement and grounds for termination. Licensee shall immediately conform its operations to all revisions in mandatory specifications, standards, operating procedures and rules prescribed by Licensor.

7.9 **Post-Opening Inspections.** Following the Opening Date of the GoTribe Studio, if any inspection of the GoTribe Studio by Licensor indicates any deficiency or unsatisfactory condition at the GoTribe Studio, Licensor will notify Licensee in writing of the deficiencies and Licensee shall promptly correct, remedy or repair the same. If any inspection indicates any deficiency or unsatisfactory condition which requires a re-inspection of the GoTribe Studio within a period of thirty (30) days, Licensee shall pay Licensor, upon demand, the sum of \$500 for each re-inspection of the GoTribe Studio and shall, in addition, reimburse Licensor for its out-of-pocket expenses for the re-inspection, including for transportation costs, food, lodging and similar costs. In addition, if Licensor believes, in its business judgment, that any inspection reveals that material continuing operating deficiencies exist at the GoTribe Studio, Licensee shall permit Licensor to place its managers or other representatives in the GoTribe Studio on a temporary basis to provide Licensee and its supervisorial and managerial employees with Post-Opening Additional Training Programs until the material operating deficiencies are corrected to comply with the requirements of the GoTribe System. If Licensor elects to do so, Licensee shall pay all wages, transportation costs, food, lodging and similar costs incurred by Licensor for its managers' and representatives' attendance at the GoTribe Studio.

7.10 **Computer Hardware and Software; Telephone Number.** Licensee shall purchase, lease or license all computer hardware and software designated by Licensor for the GoTribe Studio at Licensee's expense. During the Initial Term, Licensee shall maintain and update all computer hardware and software as reasonably required by Licensor. Licensee shall use the centralized 866 telephone number as its only telephone number for the GoTribe Studio.

7.11 **Prices.** Subject to Applicable Law, Licensor shall have the right to establish pricing guidelines for GoTribe Authorized Services and, subject to Applicable Law, Licensee shall comply with, and be bound by, prices which may be established by Licensor. Subject to Applicable Law, Licensee shall honor the terms of all promotional or discount programs that Licensor may offer to the public for GoTribe Studios and shall comply with all pricing policies that Licensor may specify, including minimum and maximum price policies, minimum advertised price policies and unilateral price policies. Licensee shall also provide GoTribe Authorized Services designated by Licensor on terms Licensor specifies, including free-of-charge. Licensee shall not issue coupons or discounts of any type for use at the GoTribe Studio except as approved by Licensor in writing, which may be withheld in Licensor's sole and absolute discretion.

7.12 **Oversight and Management.** The Principal Owner shall be responsible for oversight of the day-to-day operations of the GoTribe Studio and shall devote his full time and best efforts solely to operation of the GoTribe Studio operated by Licensee and to no other business activities. The GoTribe Studio shall be under the direct control of a General Manager in the absence of the Principal Owner. Following the Opening Date of the GoTribe Studio, Licensee shall provide comprehensive initial training programs, additional training programs and remedial training programs for its supervisorial and managerial personnel and other employees and shall ensure that the GoTribe Studio is at all times under the direct control of a General Manager and other employees who have been fully trained by Licensee and are solely dedicated to operation of the GoTribe Studio. Each General Manager shall have a skill level, training and experience commensurate with the demands of the position and conform in all respects with Licensor's high standards for quality innovative products and consistent and courteous customer service.

7.13 **Hours.** Subject to Applicable Law, the GoTribe Studio shall be open and operational at least twelve (12) hours per day, seven (7) days per week Licensee shall continually operate the GoTribe Studio throughout the

Initial Term and shall diligently and efficiently exercise its best efforts to achieve the maximum GoTribe Studio Monthly Revenue possible from its Licensed Location.

7.14 **Licensee Employee Policies.** Licensee shall maintain a competent, conscientious, and trained staff and shall take all steps necessary to ensure that its employees preserve good membership relations, render competent, prompt, courteous, and knowledgeable service, and meet the minimum standards that Licensor may establish from time to time in the GoTribe Manuals or otherwise. All employees hired by or working for Licensee shall be the employees of Licensee, and Licensee alone, and shall not, for any purpose, be deemed to be the employees of Licensor or subject to Licensor's direct or indirect control, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any Governmental Authority. Licensee and Licensor will each file their own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation insurance payments with respect to their respective employees and operations. Licensee acknowledges and agrees that Licensor will not have the power to hire or fire Licensee's employees. Licensee expressly agrees, and will never contend otherwise, that Licensor's authority under this Agreement to certify Licensee's supervisory or managerial personnel for qualification to perform certain functions at the GoTribe Studio does not directly or indirectly vest in Licensor the power to hire, fire or control any of Licensee's personnel. Licensee alone shall be solely responsible for all hiring and employment decisions and functions relating to the GoTribe Studio, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision and discipline of employees, regardless of whether Licensee has received advice from Licensor on these subjects or not. Licensee acknowledges and agrees that any guidance Licensee receives from Licensor regarding employment policies should be considered as examples, that Licensee alone is responsible for establishing and implementing its own employment policies, and that Licensee understands that Licensee should do so in consultation with local legal counsel experienced in employment law. Licensee shall immediately defend, reimburse and hold Licensor harmless from any direct or indirect losses, costs and expenses, including attorneys' fees, arising out of any claim made by or for the benefit of any employee of Licensee against Licensor regarding employment decisions and employee functions at the GoTribe Studio, including, without limitation, those related to hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees.

7.15 **Vending or Other Machines.** Except with Licensor's written approval, Licensee shall not cause or permit vending, gaming machines, pay telephones, automatic teller machines, Internet kiosks or any other mechanical or electrical device to be installed or maintained at the GoTribe Studio.

7.16 **Co-Branding.** Licensee may not engage in any co-branding in or in connection with the GoTribe Studio except with Licensor's prior written consent. Licensor may approve any co-branding chain or arrangement in its discretion, and only if Licensor has recognized that co-branding chain as an approved co-brand for operation within GoTribe Studios.

7.17 **Membership Complaints.** Licensee shall respond promptly to each member's inquiry or complaint and resolve all reasonable complaints to the member's satisfaction. At Licensor's request, Licensee shall use and display in the GoTribe Studio during all operating hours member comment cards in the manner specified in the GoTribe Manuals. Licensee shall, from time to time, purchase from Licensor or a GoTribe Approved Supplier, and maintain in the GoTribe Studio, a supply of postage prepaid member comment cards reasonably adequate to meet Licensee's needs.

7.18 **Cooperation.** Licensee shall at all times cooperate with Licensor and other Licensees of Licensor and shall actively participate in any and all sales, public relations, marketing, cooperative marketing and purchasing programs or promotional programs which may be developed and implemented by Licensor which call for the cooperation of Licensee and other Licensees of Licensor. Licensee shall further cooperate in any additional

programs which may be established and designated by Licensor from time to time including participating in coupon programs, the system-wide use of gift cards, and other similar programs for the benefit of the GoTribe System, and shall comply with Licensor's rules and regulations established from time to time in connection herewith. Licensee shall cooperate with Licensor in connection with the test marketing of products and services at the GoTribe Studio and shall comply with Licensor's rules and regulations established from time to time in connection therewith.

7.19 **Adequate Reserves and Working Capital.** Licensee shall, at all times, maintain adequate reserves and working capital sufficient for Licensee to fulfill all of Licensee's obligations under this Agreement and to cover the risks and contingencies of the GoTribe Studio for at least three (3) calendar months.

7.20 **Re-Imaging of GoTribe Studio and Replacement of GoTribe Equipment.** Licensee shall at its own expense (i) make the alterations, additions, or modifications to the GoTribe Studio that Licensor may reasonably require from time to time during the Initial Term to accommodate changes made by Licensor to the GoTribe System,; and (ii) purchase and/or replace all GoTribe Equipment designated by Licensor as required for the GoTribe Studio. Licensee shall have ninety (90) days from receipt of notice from Licensor to make the required alterations, additions, or modifications to the GoTribe Studio and to purchase and/or replace the GoTribe Equipment designated by Licensor as required for the GoTribe Studio.

7.21 **Intranet.** If Licensor establishes a GoTribe Licensee Intranet, Licensee shall have the mere privilege to use the Intranet, subject to Licensee's strict compliance with the standards and specifications, protocols and restrictions that Licensor may establish from time to time in the GoTribe Manuals and otherwise. Licensee acknowledges that, as administrator of the Intranet, Licensor may access and view any communication posted on the Intranet. Licensee further acknowledges that the Intranet facility and all communications that are posted to it will become Licensor's property, free of any claims of privacy or privilege that Licensee or any other Person may assert. Upon receipt of notice from Licensor that Licensor has established an Intranet, Licensee shall establish and continually maintain an electronic connection with the Intranet as specified in the GoTribe Manuals that allows Licensor to send messages to and receive messages from Licensee. If Licensee shall Default under this Agreement or any other agreement with Licensor, Licensor may, in addition to, and without limiting any other rights and remedies available to Licensor, disable or terminate Licensee's access to the Intranet without Licensor having any liability to Licensee.

7.22 **Innovations.** If Licensee develops any new concept, process or improvement in the GoTribe System (an "Innovation"), Licensee shall promptly notify Licensor and provide Licensor with all necessary related information, without compensation. Unless the Parties otherwise agree in writing, any Innovations shall become the sole property of Licensor and Licensor shall be the sole owner of all related intellectual property rights. Licensee hereby assigns to Licensor any rights Licensee may have or acquire in the Innovations, including the right to modify the Innovations, and Licensee waives and/or releases all rights of restraint and moral rights therein and thereto. Licensee shall assist Licensor in obtaining and enforcing the intellectual property rights to any Innovations in any and all countries and further agrees to execute and provide Licensor with all necessary documentation for obtaining and enforcing those rights. Licensee hereby irrevocably designates and appoints Licensor as Licensee's agent and attorney-in-fact to execute and file any the documentation and to do all other lawful acts to further the prosecution and issuance of intellectual property rights related to any Innovations. If the foregoing provisions of this Section 7.22 are found to be invalid or otherwise unenforceable, Licensee hereby grants Licensor a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense to use of the Innovations to the extent the use or sublicense would, absent this Agreement, directly or indirectly infringe Licensee's rights therein.

7.23 **Notifications and Crisis Management Events.** Licensee shall notify Licensor in writing within (i) twenty-four (24) hours, and confirm in writing within two (2) days thereafter, of any investigation or violation,

actual or alleged, of any laws or regulation related to the GoTribe Studio; and (ii) five (5) days of the commencement of any investigation, action, suit, or proceeding or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other Governmental Authority which may adversely affect the operation or financial condition of the GoTribe Studio. Licensee shall immediately inform Licensor's Chief Executive Officer (or as otherwise instructed in the GoTribe Manuals) by telephone of the occurrence of a Crisis Management Event. Licensee shall cooperate fully with Licensor with respect to Licensor's response to a Crisis Management Event.

7.24 **Licensee Conference.** Licensor may hold a Licensee Conference for all GoTribe Licensees each year. The Principal Owner and each General Manager shall attend the Annual Licensee Conference.

7.25 **Credit Cards.** Licensee shall honor all credit, charge, courtesy and cash cards approved by Licensor in writing. To the extent Licensee shall store, process, transmit or otherwise access or possess cardholder data in connection with the sale of GoTribe Authorized Services, Licensee shall maintain the security of cardholder data and adhere to the then-current Payment Card Industry Data Security Standards ("PCI DSS"), currently found at www.pcisecuritystandards.org, for the protection of cardholder data throughout the Initial Term. Licensee shall be and remain responsible for the security of cardholder data in the possession or control of any subcontractors Licensee engages to process credit cards. All subcontractors must be identified to and approved by Licensor in writing prior to sharing cardholder data with the subcontractor. Licensee shall, if requested to do so by Licensor, provide appropriate documentation to Licensor to demonstrate compliance with applicable PCI DSS requirements by Licensee and all identified subcontractors.

7.26 **Gift Cards and Loyalty Programs.** Licensee shall not create or issue any gift certificates or gift cards and shall only sell gift certificates or gift cards that have been issued by Licensor that are accepted at all GoTribe Studios. Licensee shall participate in all gift certificate and/or gift card administration programs that may be designated by Licensor from time to time. Licensee shall honor all coupons, gift certificates, gift cards and other programs or promotions as directed by Licensor. Licensee shall fully participate in all member loyalty or frequent member programs now or in the future adopted or approved by Licensor. Licensee shall not issue coupons or discounts of any type for use at the GoTribe Studio except as approved by Licensor in writing, which may be withheld in Licensor's sole and absolute discretion. In addition, Licensee shall purchase, enroll in or subscribe to, as applicable, all CRM, social media analytics, and online and mobile ordering software or programs as specified by Licensor in the GoTribe Manuals or otherwise in writing. Licensee shall change, purchase or subscribe to the additional programs or software, as applicable, immediately upon notice from Licensor to do so.

7.27 **Music and Music Licensing Fees.** Licensee shall use a computer based, on-demand music provider to play copyrighted music at the GoTribe Studio. Licensee shall play only the music and music selections approved by Licensor as set forth in the Manuals or otherwise in writing. Licensee shall continually maintain the right to play copyrighted music at the GoTribe Studio during business hours. Licensee acknowledges and agrees that Licensee may be required, directly or indirectly, to pay a music licensing fee directly to The American Society of Composers, Authors, and Publishers ("ASCAP"), Broadcast Music, Incorporated ("BMI") or other required performance rights organizations for the right to play copyrighted music at the GoTribe Studio.

7.28 **Data Security Safeguards.** Licensee shall exert Licensee's best efforts to protect its customers against a cyber-event, including, without limitation, a data breach or other identity theft or theft of personal information (collectively, a "Cyber Event"). If a Cyber Event occurs, regardless of whether the Cyber Event affects only the GoTribe Studio, Licensor reserves the right, but shall not have any obligation, to perform and/or control and/or cause its third-party consultants to perform and/or control all aspects of the response to the Cyber Event including, without limitation, the investigation, containment and resolution of the Cyber Event and all

communications within the GoTribe system and with vendors and suppliers, Governmental Authorities and the general public. Licensor's control of the response to a Cyber Event may potentially affect or interrupt operations of the GoTribe Studio, but shall not create any liability for Licensor or additional rights for Licensee, entitle Licensee to damages or relieve Licensee of Licensee's indemnification obligations under Section 18.4. Licensee shall reimburse Licensor for all of Licensor's out-of-pocket costs and expenses incurred in responding to and remedying any Cyber Event caused solely by Licensee or the GoTribe Studio. Licensee shall at all times be compliant with (i) the NACHA ACH Security Framework; (ii) the Payment Rules; (iii) Applicable Law regarding data privacy, data security and security breaches; and (iv) Licensor's security policies and guidelines, all as may be adopted and/or amended from time to time (collectively, "**Data Security Safeguards**"). Licensee shall obtain advice from Licensee's own legal and security consultants to ensure that Licensee operates the GoTribe Studio at all times in full compliance with the Data Security Safeguards.

7.29 **Designated GoTribe Portal.** Licensee shall actively use and monitor Licensor's then current Designated GoTribe Portal in connection with the development and operation of the GoTribe Studio. Licensee shall be deemed to be "actively using and monitoring" the Designated GoTribe Portal if Licensee, the Principal Owner or any other Owner and/or General Manager logs into the Designated GoTribe Portal at least once per week.

8. **FITNESS BENEFIT/CORPORATE WELLNESS PROGRAMS.**

Licensor shall have the right, but not the obligation, from time to time to establish programs in which some or all GoTribe Studios will provide products and services to certain groups of members and prospective members ("Fitness Benefit/Corporate Wellness Programs"). Licensor shall have the right to periodically eliminate and modify existing Fitness Benefit/Corporate Wellness Programs and implement (and, once implemented, eliminate and modify) new Fitness Benefit/Corporate Wellness Programs. During the Initial Term, Licensee shall participate fully in any Fitness Benefit/Corporate Wellness Program that Licensor designates from time to time. Licensee shall provide products and services to all valid members of the Fitness Benefit/Corporate Wellness Program according to the terms of any plan that we establish. Fitness Benefit/Corporate Wellness Programs may require uniform billing terms, central billing by Licensor, and various other practices and formats for Licensee to follow. Licensee may not alter these standard membership terms for, or withhold access to any GoTribe Studio services from, any one or more Fitness Benefit/Corporate Wellness Program participants or otherwise treat any Fitness Benefit/Corporate Wellness Program participant differently from GoTribe Studios' other members, except as Licensor specifies or approves. In addition, Licensee shall participate in and fully support any national or regional advertising and/or marketing programs that Licensor develops to support any Fitness Benefit/Corporate Wellness Program, including, without limitation, those funded by the Marketing Fund. Licensor shall have the right to receive payments from groups representing any Fitness Benefit/Corporate Wellness Program, because of Licensor's establishment of the program or otherwise because of their dealings with Licensee, and to use all such amounts Licensor receives without restriction for any purposes Licensor deems appropriate.

9. **GOTRIBE MARKS.**

Licensor and its Affiliates continue to develop, use and control the use of the GoTribe Marks in order to identify for the public the source of services and products marketed under the GoTribe Marks and the GoTribe System, and to represent the GoTribe System's high standards of quality, appearance and service. To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same:

9.1 **Ownership and Goodwill of GoTribe Marks.** Licensee acknowledges that its right to use the GoTribe Marks is derived solely from this Agreement and is limited to use in operating as Licensee pursuant to and in compliance with this Agreement. Any unauthorized use of the GoTribe Marks by Licensee shall constitute a Default under this Agreement and an infringement of Licensor's rights in and to the GoTribe Marks. Licensee

acknowledges and agrees that as between Licensor and Licensee (i) Licensor owns the GoTribe Marks and the GoTribe System; (ii) Licensee owns no goodwill or rights in the GoTribe Marks or the GoTribe System except for the license granted by this Agreement; and (iii) Licensee's use of the GoTribe Marks and any goodwill established by that use shall inure to the exclusive benefit of Licensor. Licensee agrees not to contest, or assist any other Person to contest, the validity of Licensor's rights and interest in the GoTribe Marks or the GoTribe System either during the Initial Term or after this Agreement terminates or expires.

9.2 **Limitations on Use.** Licensee shall not use any GoTribe Marks (i) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed to Licensee under this Agreement); (ii) in connection with unauthorized services or products; (iii) as part of any domain name or electronic address maintained on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system; or (iv) in any other manner not expressly authorized in writing by Licensor. Licensee shall give all notices of trademark and service mark registration that Licensor specifies and shall use and obtain all fictitious or assumed name registrations required by Licensor or under Applicable Law. Licensee further agrees that no service mark other than the GoTribe Marks specified by Licensor shall be used in marketing, promoting, or operating the GoTribe Studio.

9.3 **Modifications.** Licensor reserves the right to (i) modify or discontinue licensing any of the GoTribe Marks; (ii) add new names, marks, designs, logos or commercial symbols to the GoTribe Marks and require that Licensee use them; and (iii) require that Licensee introduce or observe new practices as part of the GoTribe System in operating the GoTribe Studio. Licensee acknowledges and agrees that the term "**GoTribe Marks**" means the specific names, marks, designs, logos or commercial symbols licensed by Licensor at any given point in time, subject to Licensor's right to impose changes. Licensee shall comply, at Licensee's sole expense, with Licensor's directions regarding changes in the GoTribe Marks and GoTribe System within a reasonable time after written notice from Licensor. Licensor shall have no liability to Licensee for any cost, expense, loss or damage that Licensee incurs in complying with Licensor's directions and conforming to required changes.

9.4 **Defense of GoTribe Marks and GoTribe System.** Licensor shall have the sole right, either alone or with its Affiliates to handle disputes with Licensees and third parties concerning Licensor's or Licensor's Affiliates' ownership of, rights in, or Licensee's use of, the GoTribe Marks or the GoTribe System. Licensee shall immediately notify Licensor in writing if Licensee receives notice, or is informed, of any (i) improper use of any of the GoTribe Marks or elements of the GoTribe System, including misuse by Licensees; (ii) use by any third party of any mark, design, logo or commercial symbol which, in Licensee's judgment, may be confusingly similar to any of the GoTribe Marks; (iii) use by any third party of any business practice which, in Licensee's judgment, unfairly simulates the GoTribe System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Licensee based upon Licensee's use of the GoTribe Marks or the GoTribe System. Licensor and its Affiliates shall have sole discretion to take all action as it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the GoTribe Marks or the GoTribe System. Licensee shall not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Licensor's decisions in handling disputes regarding the GoTribe Marks and the GoTribe System. Licensee shall cooperate fully with Licensor and execute all documents and perform all actions that may, in Licensor's judgment, be necessary, appropriate or advisable in the defense of all claims, suits or demands and to protect and maintain Licensor's rights in the GoTribe Marks and the GoTribe System. Unless it is established that a third party claim asserted against Licensee is based directly upon Licensee's misuse of the GoTribe Marks or the GoTribe System, Licensor agrees to defend Licensee against the third party claim and indemnify Licensee for any losses resulting therefore, provided Licensee has notified Licensor as soon as practical after learning of the claim and fully cooperates in the defense of the action. Because Licensor will defend the third party claim, Licensee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter.

10. **MARKETING.**

To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same:

10.1 **Marketing Fund.** Licensor may, upon ninety (90) days' notice to Licensee, require Licensee to pay up to two percent (2%) of GoTribe Studio Monthly Revenue to the Marketing Fund as a Marketing Fund Fee. If implemented, Licensee shall contribute to the Marketing Fund the amount of Marketing Fund Fees specified by Licensor from time to time. The Marketing Fund shall be administered by Licensor and shall be used to meet the costs of conducting marketing and promotional activities. Licensor retains sole discretion over all marketing and public relations programs and activities financed by the Marketing Fund, including the creative concepts, materials and endorsements used and the geographic market, media placement and allocation. Company-owned and Affiliate owned GoTribe Studios may, but are not required to, contribute to the Marketing Fund. If they do, they may not be required to contribute in the same percentage as Licensee and may stop contributing at any time without notice to Licensee.

10.1.1 The Marketing Fund may be used to pay the costs of preparing and producing associated materials and programs as Licensor determines, including video, audio and written marketing materials employing marketing agencies, sponsorship of sporting, charitable or similar events, administering regional and multi-regional marketing programs including purchasing direct mail and other media marketing, and employing marketing agencies to assist with marketing efforts, supporting public relations, market research and other marketing and promotional activities, campaigns, test marketing, marketing surveys, public relations activities, Website design and development/operation for portal, Internet, Intranet and URL services, social media, technology programs, electronic application design and development, for emails, playlists, business cards and uniforms and for 800, 866 and similar numbers. All expenditures are at the sole discretion of Licensor. Licensor may spend in any calendar year more or less than the total contributions to the Marketing Fund in that calendar year. Licensor may borrow from Licensor or other lenders on behalf of the Marketing Fund to cover deficits of the Marketing Fund or cause the Marketing Fund to invest any surplus for future use by the Marketing Fund. Licensor shall prepare an annual unaudited accounting of the expenditures of the Marketing Fund which will be provided to Licensee upon Licensee's written request.

10.1.2 Licensee acknowledges that the Marketing Fund is intended to maximize general public recognition of and the acceptance of the GoTribe brand for the benefit of the GoTribe System as a whole. Licensor undertakes no obligation, in administering the Marketing Fund, to make expenditures for Licensee that are equivalent or proportionate to its contribution, or to ensure that any particular Licensee benefits directly or pro rata from marketing or promotion conducted with the Marketing Fund.

10.2 **Local Marketing Expenditure.** Licensor may, upon ninety (90) days' notice to Licensee, require Licensee to make Local Marketing Expenditures in an amount up to two percent (2%) of GoTribe Studio Monthly Revenue each month on local marketing and promotion of the GoTribe Studio as required by Licensor. If and when Licensor requires a Local Marketing Expenditure, Licensee shall spend the Local Marketing Expenditure each calendar month on local marketing and promotion of the GoTribe Studio as required and/or approved by Licensor. Licensee shall conduct all local marketing and promotion in accordance with the policies and provisions with respect to format, content, media, geographic coverage and other criteria as are from time to time contained in the GoTribe Manuals, or as otherwise directed by Licensor, and shall not use or publish any marketing material or in any way use or display any of the GoTribe Marks except in accordance with said policies and provisions and with Licensor's prior written approval. Licensee shall submit samples of all marketing and promotional plans and materials to Licensor for Licensor's approval and may only commence use of the materials after they have been approved, in writing, by Licensor. Licensor shall have the right at any

time after Licensee commences use of any materials to prohibit further use, effective upon written notice to Licensee. On January 30 of each calendar year during the Initial Term, Licensee shall provide Licenser with copies of all invoices, statements, canceled checks or other forms of payment that have been issued by Licensee during the preceding calendar year which evidence the expenditure and payment by Licensee of the required Local Marketing Expenditure. If Licensee fails to do so, or fails to spend the required Local Marketing Expenditure during any calendar year, Licensee shall immediately pay the Marketing Fund the difference between the amount that Licensee actually spent on local marketing during the applicable calendar year and the required Local Marketing Expenditure. Expenditures for e-commerce sites or for any Internet-related promotions shall not be included in the calculation of Licensee's minimum Local Marketing Expenditure.

10.3 Cooperative Marketing Programs. Licenser may from time to time establish programs for co-operative marketing ("**Cooperative Marking Programs**") to coordinate advertising, marketing efforts and programs, to serve as a conduit for the collection and expenditure of the contributed funds and to maximize the efficient use of local and/or regional advertising media. If and when Licenser creates a Cooperative Marketing Program for a marketing coverage area (an "**Marketing Coverage Area**") in which the GoTribe Studio is located, Licensee (and, if Licenser or an Affiliate of Licenser owns a GoTribe Studio in the Marketing Coverage Area, then Licenser or such Affiliate of Licenser), shall become a subscriber and member of the Cooperative Marketing Program and shall participate in the Cooperative Marketing Program in the manner prescribed by Licenser. The size and content of a Marketing Coverage Area, when and if established by Licenser, shall be binding upon Licensee, and all other similarly situated GoTribe Licensees and Licenser or an Affiliate of Licenser, if it operates GoTribe Studios in the Marketing Coverage Area. Each participating GoTribe Licensee, as well as Licenser (or its Affiliate), if applicable, shall be entitled to one vote for each GoTribe Studio located within the Marketing Coverage Area that may reasonably be determined by Licenser, but in no event shall any GoTribe Licensee and/or its Affiliates have more than twenty-five percent (25%) of the vote, regardless of the number of GoTribe Studios owned.

10.3.1 Licensee and all other members of the Marketing Coverage Area whose License Agreements require their participation in the Cooperative Marketing Program, shall contribute to the Cooperative Marketing Program the amounts that are determined by fifty percent (50%) or more of the participating GoTribe Studios in the Cooperative Marketing Program (not to exceed two percent (2%) of the GoTribe Studio Monthly Revenue of each participating GoTribe Studio located in the Marketing Coverage Area, subject to Licenser's written approval. Licensee's contribution to the Cooperative Marketing Program shall be credited towards the satisfaction of the local marketing expenditure required by Section 10.2.

10.3.2 Licenser shall administer the Cooperative Marketing Program and shall determine the policies of the Cooperative Marketing Program and the usage of the available funds for media time, production of media materials, radio, television, newspapers or GoTribe Studio level materials such as flyers, or posters, or for any other type of advertising or marketing use. Licenser reserves the right to establish general standards concerning the operation of the Cooperative Marketing Program, advertising agencies retained by the Cooperative Marketing Program, and marketing conducted by the Cooperative Marketing Program. Any disputes (other than pricing) arising among or between Licensee, other GoTribe Licensees, and/or the Cooperative Marketing Program shall be resolved by Licenser, whose decision shall be final and binding on all Parties.

10.5 **Promotional Campaigns.** From time to time, Licensor shall have the right to establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. Licensee shall participate in the promotional campaigns upon the terms and conditions that Licensor may establish. Licensee acknowledges and agrees that participation may require Licensee to purchase point of sale advertising material, posters, flyers, product displays and other promotional materials.

10.7 **Internet.** Licensee shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, Website, domain name, bulletin board, newsgroup or other Internet-related medium or activity) which in any way uses or displays, in whole or part, the GoTribe Marks, or any of them, or any words, symbols or terms confusingly similar thereto without Licensor's prior written consent, and then only in the manner and in accordance with the procedures, policies, standards and specifications that Licensor may establish from time to time. Licensee shall not separately register any domain name or any portion of any domain name containing the GoTribe Marks or participate or market on any Website or other form of electronic media (including, without limitation, through the use of social technology, social media, social networking platforms, video Websites, email marketing sites or other forms of electronic media not yet developed) using the GoTribe Marks without Licensor's prior written consent. Licensee's general conduct on the Internet and in the use of other forms of electronic media is subject to the terms and conditions of this Agreement and all other rules, requirements or policies that Licensor may identify from time to time. Licensor may, at any time after Licensee commences use of any approved electronic media, prohibit further use, effective upon receipt of written notice by Licensee. Licensee shall provide free WiFi service at the GoTribe Studio for use by Licensee's members in compliance with Licensor's requirements for bandwidth included in the GoTribe Manuals or otherwise. Licensor control the WiFi gateway and all emails collected will be Licensor's property, with no restrictions on Licensor's use or distribution of email addresses.

10.8 **Websites.** Licensor shall establish and maintain from time to time, one or more Internet Websites that shall be used to provide information about GoTribe Studios to the public. Licensor has sole discretion and control over the establishment, design and content of the Website. Licensor may, in its discretion, configure the site to accommodate one or more interior pages which Licensor shall dedicate, in whole or in part, to the GoTribe Studio, all at Licensee's expense. Licensor shall have the right, at its sole option, from time to time, to (i) change, revise, or eliminate the design, content and functionality of the Website; (ii) make operational changes to the Website; (iii) change or modify the URL and/or domain name of the Website; (iv) substitute, modify, or rearrange the Website, at Licensor's sole option, including in any manner that Licensor considers necessary or desirable to comply with Applicable Laws, or respond to changes in market conditions or technology and respond to any other circumstances; (v) limit or restrict end-user access (in whole or in part) to the Website; and (vi) disable or terminate the Website without any liability to Licensee.

10.9 **Rights Reserved by Licensor.** Licensee shall not copy, modify, create derivative works of, market, distribute, deliver, rent, lease, sublicense, sell, assign, pledge, transfer or otherwise exploit the GoTribe Application, in any form, or exercise any other right with respect to the GoTribe Application in any manner not expressly granted in this Agreement. Licensee shall not alter, modify or change the GoTribe Application or engage in the translation, adaptation, alteration or similar manipulation of the GoTribe Application. Licensor reserves all rights in and to the GoTribe Application and Licensor's intellectual property not expressly licensed to Licensee under this Agreement.

10.10 **Social Media.** Licensee may market the GoTribe Studio through the use of social technology, social media such as Facebook, Instagram, My-Space, Pinterest and Twitter, social networking platforms or other forms of electronic media not yet developed ("**Social Media Platforms**"). Licensee shall control and administer

such Social Media Platforms; however, Licensor shall have the right to require Licensee to remove content, language and media.

11. CONFIDENTIAL INFORMATION.

11.1 **GoTribe Confidential Information.** Licensee acknowledges and agrees that the GoTribe System and the GoTribe Application are comprised of confidential information that has been developed by Licensor and its Affiliates by the investment of time, skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary, confidential and constitutes trade secrets of Licensor and its Affiliates, and includes, without limitation, tangible and intangible information (whether or not in electronic form) relating to Licensor's business operations, products and services, sources of inventory and equipment, the GoTribe Equipment, membership management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, designs, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, Websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current member and prospective member names and addresses, information regarding credit extensions to members, member service purchasing histories and prices charged to members, member lists and other membership data, information regarding the skills and compensation of employees of Licensor and contractors of Licensor and its Affiliates, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Licensor and other companies, persons or entities, knowledge or know-how concerning the methods of operation of the GoTribe Studio which may be communicated to Licensee, or of which Licensee may be apprised, by virtue of Licensee's operation of the GoTribe Studio under the terms of this Agreement, and any other information or material considered proprietary by Licensor whether or not designated as confidential information by Licensor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Licensor or its affiliates and which is the subject of efforts by Licensor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively, the "**GoTribe Confidential Information**"). GoTribe Confidential Information does not include any information that was in the lawful and unrestricted possession of Licensee prior to its disclosure by Licensor; is or becomes generally available to the public by acts other than those of Licensee after receiving it; has been received lawfully and in good faith by Licensee from a third party who did not derive it from Licensor or Licensee; or is shown by acceptable evidence to have been independently developed by Licensee.

11.2 **Value.** Licensee acknowledges and agrees the GoTribe Confidential Information is not generally known by the public or parties other than Licensor, its Affiliates, GoTribe Licensees and Licensee; derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Licensor or Licensee; and is the subject of efforts by Licensor that are reasonable under the circumstances to maintain the secrecy of the GoTribe Confidential Information, including, without limitation (i) not revealing the GoTribe Confidential Information to unauthorized parties; (ii) requiring GoTribe Licensees to acknowledge and agree in writing that the GoTribe Confidential Information is confidential; (iii) requiring GoTribe Licensees to agree in writing to maintain the confidentiality of the GoTribe Confidential Information; (iv) monitoring electronic access to the GoTribe Confidential Information by the use of passwords and other restrictions so that electronic access to the GoTribe Confidential Information is limited to authorized parties; and (v) requiring GoTribe Licensees to return all GoTribe Confidential Information to Licensor upon the termination or expiration of their GoTribe License Agreements.

11.3 **Maintain Confidentiality.** To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, Licensee shall not, during the Term or thereafter, communicate, divulge, or use for the benefit of anyone else, any information that Licensor considers its GoTribe Trade Secrets and/or GoTribe Confidential Information. Licensee shall divulge GoTribe Confidential Information only to its supervisory or managerial personnel who must have access to it in order to perform their employment responsibilities.

11.4 **Irreparable Injury from Disclosure of GoTribe Confidential Information.** Licensee acknowledges that failure to comply with the requirements of this Section 11 will result in irreparable injury to Licensor for which no adequate remedy at law may be available, and Licensee consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Licensor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to the requirements of this Section 11.

11.5 **Confidentiality Covenants from Individuals Associated with Licensee.** Licensee shall require any supervisory or managerial personnel who may have access to any GoTribe Confidential Information of Licensor to execute covenants that they will maintain the confidentiality of the GoTribe Confidential Information they receive in connection with their association with Licensee. Such covenants shall be in a form satisfactory to Licensor, including, without limitation, specific identification of Licensor as a third-party beneficiary of such covenants with the independent right to enforce them.

12. **ACCOUNTING AND RECORDS.**

12.1 **Reporting.** Licensor shall have the right to monitor GoTribe Studio Monthly Revenue through the GoTribe Application. Licensee will allow Licensor to use the GoTribe Application at times selected by Licensor to retrieve information regarding sales, memberships and operations data. Further: Within thirty (30) days following the end of each calendar quarter during the Initial Term, Licensee shall submit to Licensor financial statements for the preceding calendar quarter, including a balance sheet and profit and loss statement, prepared in the form and manner prescribed by Licensor and in accordance with generally accepted accounting principles, which shall be certified by Licensee to be accurate and complete. Within thirty (30) days following the end of each calendar year during the Initial Term, Licensee shall submit to Licensor an unaudited annual financial statement prepared in accordance with generally accepted accounting principles, and in the form and manner prescribed by Licensor, which shall be certified by Licensee to be accurate and complete. Licensee shall also provide Licensor with copies of signed original sales and use tax forms contemporaneously with their filing with the appropriate Governmental Authority. Licensor reserves the right to require the further information concerning the GoTribe Studio that Licensor may, from time to time, reasonably request.

12.2 **Books and Records; Audits.** Licensee shall maintain an accounting and record keeping system, which shall provide for basic accounting information necessary to prepare financial statements, a general ledger and reports required by this Agreement and the GoTribe Manuals. Licensee shall maintain accurate, adequate and verifiable books and supporting documentation relating to the accounting information. Licensee shall prepare, and keep for not less than three (3) calendar years following the end of each of its fiscal years, adequate books and records showing daily receipts in, at and from the GoTribe Studio, applicable sales tax returns, if any, all pertinent original serially numbered sales slips and cash register records, and the other sales records that may be reasonably required by Licensor in the GoTribe Manuals or otherwise, from time to time, to verify the GoTribe Studio Monthly Revenue reported by Licensee to Licensor, in a form suitable for an audit of Licensee's records by an authorized auditor or agent of Licensor. If any audit or other investigation reveals an under-reporting or under-recording error of three percent (3%) or more, then in addition to the payment of all other sums due to Licensor, the expenses of the audit/inspection shall be borne and paid by Licensee upon demand by

Licensor, which shall include, without limitation, Licensor's travel, lodging and wage expenses and reasonable accounting and legal expenses to conduct the audit/inspection, plus interest at the highest compound rate permitted by Applicable Law, but not to exceed the rate of eighteen percent (18%) per annum.

12.3 **Membership Records.** Licensee shall maintain, in a timely manner, complete, accurate and legible records for all members of the GoTribe Studio and all membership records shall be the property of Licensee. Licensee shall comply with all Applicable Laws and regulations concerning the confidentiality of membership records. With this exception or as required by Applicable Law, all data pertaining to the GoTribe Studio and all data created or collected by Licensee in connection with Licensee's operation of the GoTribe Studio (including, without limitation, data pertaining to or otherwise concerning the GoTribe Studio's members) or otherwise provided by Licensee (including, without limitation, data uploaded to, or downloaded from Licensee's POS System and/or computer system) is GoTribe Confidential Information and Licensor shall have the right to use such data in any manner that Licensor deems appropriate without any compensation to Licensee. Licensee shall provide Licensor with copies and/or originals of such data upon request by Licensor. Licensor hereby licenses use of such data to Licensee during the Term, at no cost, solely for Licensee's use in connection with the GoTribe Studio. Licensee shall maintain the data as secret and confidential throughout the Term and shall not make any of the data available to any unauthorized Person without the prior written consent of Licensor and then only in the manner permitted by Licensor.

13. **INSURANCE.**

13.1 **Licensee's Insurance Obligations.** Licensee shall obtain and maintain throughout the Term the types and amounts of insurance required by Licensor in the GoTribe Manuals and otherwise by Licensor and shall provide Licensor with proof of coverage and Certificates of Insurance upon demand.

13.2 **Required Endorsements and Certificates.** Each policy shall: (i) be written by insurers licensed and admitted to write coverage in the jurisdiction in which the GoTribe Studio is located and with a rating of "A" or better as set forth in the most recent edition of Best's Key Rating Guide; (ii) name Licensor and its Affiliates as additional insureds; and (iii) comply with the requirements prescribed by Licensor at the time the policies are obtained. Licensee and Licensee's insurers shall agree to waive their rights of subrogation against Licensor, and Licensee shall provide evidence of the waiver in accordance with this Section 13.2. Licensee's obligation to obtain and maintain insurance shall not be limited in any way by reason of any insurance which may be maintained by Licensor, nor shall Licensee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 18.4. All public liability and property damage policies shall contain a provision that Licensor and its Affiliates, although named as an additional insured, shall nevertheless be entitled to recover under the policies on any loss occasioned to Licensor, or its Affiliates, partners, shareholders, directors, agents, or employees by reason of the negligence of Licensee or its partners, shareholders, directors, agents, or employees. At least ten (10) days prior to the time any insurance is first required to be carried by Licensee, and thereafter at least thirty (30) days prior to the expiration of any policy, Licensee shall deliver to Licensor Certificates of Insurance evidencing the proper types and minimum amounts of required coverage. All Certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given Licensor in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by the Certificates. Certificates evidencing the insurance required by this Article 13 shall name Licensor, and each of its Affiliates, partners, shareholders, directors, agents, and employees as additional insureds and shall expressly provide that any interest of each shall not be affected by any Default by Licensee of any policy provisions for which the Certificates evidence coverage.

13.3 **Licensor's Right to Secure Insurance on Behalf of Licensee.** Should Licensee, for any reason, fail to procure or maintain the insurance required by this Agreement, as the requirements may be revised from time to time by Licensor in the GoTribe Manuals or otherwise in writing, Licensor shall have the right and authority

(but not the obligation) to immediately procure the insurance and to charge the same to Licensee, which charges, together with Licensor's expenses in so acting, shall be payable by Licensee immediately upon notice. The foregoing remedies shall be in addition to any other remedies Licensor may have.

14. **TRANSFER OF INTEREST.**

14.1 **Transfer by Licensor.** Licensor shall have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any Person or Entity without the consent or approval of Licensee. With respect to any assignment which results in the subsequent performance by the assignee of all of Licensor's obligations under this Agreement, the assignee shall expressly assume and agree to perform the obligations, and shall become solely responsible for all obligations, of Licensor under this Agreement from the date of assignment. Licensor and or its Affiliates may sell their assets, the GoTribe Marks, or the GoTribe System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations, or be acquired by another corporation, and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring all without notice to, or the consent or approval of Licensee.

14.2 **Assignment by Licensee.** Licensee acknowledges and agrees that the rights granted to Licensee under this Agreement are personal and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Licensee and, if Licensee is an Entity, that of the Owners. Accordingly, to protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, Licensee shall not offer, sell, or negotiate the sale of its rights under this Agreement to any third party, either in Licensee's own name or in the name and/or on behalf of Licensor, except as otherwise provided in this Agreement. Licensee acknowledges and agrees that Licensee has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly (i) any interest in this Agreement; or (ii) the right to use the GoTribe System or the GoTribe Marks (an "**Assignment**") without Licensor's prior written consent. Licensor shall not unreasonably withhold its consent to an Assignment if, in Licensor's judgment, Licensee satisfies the conditions to the Assignment identified in this Agreement.

14.2.1 Unless the Parties otherwise agree in writing, Licensee shall not make any Assignment of this Agreement except in conjunction with a concurrent Assignment to the same approved assignee of all GoTribe Studios then owned and operated by Licensee. As a condition to Licensor's consent to an Assignment, the assignee must execute Licensor's Then-Current form of GoTribe License Agreement for each GoTribe Studio sold to the assignee. Further, without Licensor's prior written consent, which may be withheld by Licensor in its discretion (i) Licensee shall not offer for sale or transfer at public or private auction any of the rights of Licensee under this Agreement; and (ii) Licensee shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever. To the extent that the foregoing prohibition may be ineffective under Applicable Law, Licensee shall provide not less than ten (10) days' prior written notice (which notice shall contain the name and address of the secured party and the terms of the pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement.

14.2.2 For purposes of this Agreement, each of the following events is an Assignment subject to the conditions to Assignment identified in this Agreement: (i) the death or incapacity of any Owner; (ii) the offer or sale of securities of Licensee pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum; (iii) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of more than twenty percent (20%) in the aggregate, whether in one or more transactions, of the Equity or voting power of Licensee, by operation of law or otherwise or any other events or transactions which, directly or indirectly, effectively changes control of

Licensee; (iv) the issuance of any securities by Licensee which itself or in combination with any other transactions results in the Owners, as constituted on the Effective Date, owning less than fifty percent (50%) of the outstanding Equity or voting power of Licensee; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of the Licensee, however effected. Licensee shall promptly provide Licensor with written notice (stating the information that Licensor may from time to time require) of each and every transfer, assignment and encumbrance by any Owner of any direct or indirect Equity or voting rights in Licensee, notwithstanding that the same may not constitute an “**Assignment**” as defined under this Article 14.

14.2.3 Neither Licensor’s right of first refusal nor the other conditions of Assignment shall apply to a transfer by Licensee of all of Licensee’s rights under this Agreement to a newly-formed corporation, limited liability company or other business Entity provided all of the Equity or voting interests of the new business Entity are owned by the same Owners (a “**Qualified Assignment**”). Any attempted or purported Assignment which fails to comply with the requirements of this Article 14 shall be null and void and shall constitute a Default under this Agreement.

14.3. **Right of First Refusal**. Except with respect to a “**Qualified Assignment**”, if Licensee or an Owner receive a bona fide written offer (“**Third Party Offer**”) from a third party (the “**Proposed Buyer**”) to purchase or otherwise acquire any interest in Licensee which will result in an Assignment within the meaning of this Agreement, Licensee or the Proposed Buyer shall, within five (5) days after receiving the Third Party Offer and before accepting it, apply to Licensor in writing for Licensor’s consent to the proposed Assignment. To constitute a bona fide written offer, the Third Party Offer must also apply to purchase or otherwise acquire all GoTribe Studios then owned and operated by Licensee, or its Affiliates.

14.3.1 Licensee, or the Proposed Buyer, shall attach to its application for consent to complete the Assignment a copy of the Third Party Offer together with (i) information relating to the proposed transferee’s experience and qualifications; (ii) a copy of the proposed transferee’s current financial statement; and (iii) any other information material to the Third Party Offer, proposed transferee and proposed Assignment or that Licensor requests.

14.3.2 Licensor or its nominee shall have the right, exercisable by written notice (“**Purchase Notice**”) given to Licensee or the Proposed Buyer, within thirty (30) days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Licensee or the Proposed Buyer that it will purchase or acquire the rights, assets, Equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Licensor may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer; and (ii) deduct from the purchase price the amount of all amounts then due and owing from Licensee to Licensor under this Agreement or otherwise.

14.3.3 If Licensor or its nominee elects to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing shall take no later than sixty (60) days following the date that the Purchase Notice was issued by Licensor.

14.3.4 If Licensor does not elect to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing of the sale to the Proposed Buyer shall take no later than ninety (90) days following the date that the Third Party Offer was received by Licensee. If there is any material change in the terms of the Third Party Offer before the closing of the sale, Licensor shall have a right of first refusal to accept the new terms subject to the conditions stated in this Section 14.3.

14.4 **Conditions of Assignment to Third Party**. As a condition to obtaining Licensor’s consent to an

Assignment, all of the following conditions must be satisfied:

14.4.1 The Proposed Buyer must submit a completed application to Licensor and meet Licensor's Then-Current qualifications for new GoTribe Licensees, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation.

14.4.2 Licensee must be in Good Standing on the date consent is requested and until the date of closing of the Assignment.

14.4.3 The sales price of the interest to be conveyed must not be so high, or the terms of the sale so onerous, that, in the judgment of Licensor, the Proposed Buyer will be unlikely to meet the Proposed Buyer's financial and other obligations to Licensor, third party suppliers and creditors following the closing. Licensor shall have no liability to either Licensee or the Proposed Buyer if Licensor approves the Assignment and the Proposed Buyer thereafter experiences financial difficulties.

14.4.4 The Proposed Buyer must sign Licensor's Then-Current form of License Agreement, the terms of which may differ materially from any and all of the terms contained in this Agreement, and which shall supersede this Agreement in all respects, except that the term of the replacement License Agreement shall be the remaining Initial Term. In exchange for signing the Then-Current License Agreement, the Proposed Buyer shall receive the rights provided for in this Agreement. If the Proposed Buyer is an Entity, each owner and each owner's spouse of the Proposed Buyer shall jointly and severally guarantee the Proposed Buyer's performance of its obligations in the Then-Current License Agreement under a Guarantee in the form of Exhibit C. If Licensor is not offering new GoTribe licenses or is not lawfully able to offer Licensor's Then-Current form of License Agreement at the time of an Assignment, Licensor may offer to amend this Agreement, upon terms and conditions that will be established by Licensor and the Proposed Buyer at that time, or may offer to amend the Initial Term on substantially the terms and conditions set forth in this Agreement on a month-to-month basis for as long as Licensor deems necessary or appropriate so that Licensor may subsequently offer and utilize a Then-Current form of License Agreement.

14.4.5 Licensee will remain subject to all obligations stated in this Agreement that expressly, or by implication due to their nature, survive the Assignment, termination or expiration of this Agreement, including, without limitation, the provisions prohibiting competition, non-interference and non-disclosure of GoTribe Confidential Information.

14.4.6 Licensee and the Proposed Buyer shall execute a General Release of all known and unknown liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, that they have, may have or believe to have against Licensor and its Affiliates and their officers, directors, agents, shareholders and employees as of the date of the General Release, in a form acceptable to Licensor.

14.4.7 Licensee shall pay Licensor the Transfer Fee to apply against Licensor's administrative and other costs to process the Assignment.

14.4.8 Licensee must simultaneously transfer its rights in all contracts for which continuation is necessary for operation of the GoTribe Studio to the Proposed Buyer and satisfy any separate conditions to obtain any third party consents required for the Assignment of Licensee's rights to the Proposed Buyer. The Proposed Buyer must execute all other documents and agreements required by Licensor to consummate the Assignment. All required third party consents to the Assignment must be obtained. If the Proposed Buyer is a corporation, limited liability company or other business Entity, each Person who at the time of the Assignment, or later, owns or acquires, either legally or beneficially, twenty percent (20%) or more of the Equity or voting

interests of the Proposed Buyer must execute a Guarantee in a form acceptable to Licensor.

14.4.9 Licensee's right to receive the sales proceeds from the Proposed Buyer in consideration of the Assignment shall be subordinate to the obligations of the Proposed Buyer owed to Licensor and its Affiliates under, or pursuant to, this Agreement or any other agreement. All contracts by and between Licensee and the Proposed Buyer shall expressly include a subordination provision permitting payment of the sales proceeds to Licensee only after any outstanding obligations owed to Licensor and its Affiliates are fully satisfied.

14.4.10 Except when the transferee is an existing GoTribe Licensee, the Proposed Buyer and a supervisory or managerial employee of the Proposed Buyer who will have general management and supervisory responsibilities for the GoTribe Studio who is acceptable to Licensor, must complete to Licensor's sole satisfaction Licensor's Initial Training Program prior to the effective date of the Assignment.

14.4.11 The Proposed Buyer must conform the GoTribe Studio with Licensor's Then-Current appearance and design standards and equipment specifications applicable to new GoTribe Studios.

14.4.12 Licensee must sign a guarantee personally guaranteeing the Proposed Buyer's obligations under the new License Agreement in favor of Licensor.

14.5 **Death or Incapacity.** In the event of the death or incapacity of an Owner, the spouse, heirs or personal representative of the deceased or incapacitated Owner, or the remaining Owners (the "**Successor**") shall have one hundred eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated Owner; or (ii) complete an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party, subject to the provisions of this Article 14. If a Successor has not purchased the interest of the deceased or incapacitated Owner or completed an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party within one hundred eighty (180) days from the date of death or incapacity, Licensor may terminate this Agreement.

14.6 **Transfer by Licensee in Bankruptcy.** If, for any reason, this Agreement is not terminated pursuant to Section 16.1 and this Agreement is assumed, or Assignment of the same to any Person or Entity who has made a bona fide offer to accept an Assignment of this Agreement is contemplated pursuant to the United States Bankruptcy Code, then notice of the proposed Assignment or assumption, setting forth (1) the name and address of the proposed assignee, and (ii) all of the terms and conditions of the proposed Assignment and assumption, shall be given to Licensor within twenty (20) days after receipt of the proposed assignee's offer to accept an Assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into the Assignment and assumption, and Licensor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of the proposed Assignment and assumption, to accept an Assignment of this Agreement to Licensor itself upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Licensee out of the consideration to be paid by the assignee for the Assignment of this Agreement.

15. **COVENANTS.**

15.1 **Non-Competition during Term of Agreement.** Licensee and each Restricted Person covenants that during the Term, except as otherwise approved in writing by Licensor, Licensee and each Restricted Person shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any Person, or legal Entity (i) divert or attempt to divert any present or prospective GoTribe Studio member to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the GoTribe Marks and the GoTribe System; (ii) own (either

beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business, provided, however, the restrictions stated in this Section 15.1 shall not apply to any Restricted Person after two (2) calendar years from the date the Restricted Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Licensee.

15.2 Non-Competition after Expiration or Termination of Agreement. Except as Licensor otherwise approves in writing, commencing upon the date of (i) an Assignment permitted under Article 14; (ii) the Expiration Date of this Agreement; (iii) the termination of this Agreement (regardless of the cause for termination); or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 15.3, and continuing for an uninterrupted period of two (2) years thereafter, Licensee and each Restricted Person shall not, own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business located at the Licensed Location or within a five (5) mile radius of any GoTribe Studio or the Licensed Location; provided, however, the restrictions stated in this Section 15.3 shall not apply to any Restricted Person after two (2) years from the date the Restricted Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Licensee.

15.3 Violation of Covenants. If Licensee or any Restricted Person shall commit any violation of Section 15.3 during the two (2) calendar year period following (i) the expiration or termination of this Agreement; (ii) the occurrence of any Assignment; (iii) the cession of the Restricted Person's relationship with Licensee; or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15.3, in addition to all other remedies available to Licensor under this Agreement and Applicable Law, Licensee or the Restricted Person shall pay Licensor, throughout the twenty-four (24) calendar month period, five percent (5%) of all revenue derived from the operation of the Competitive Business, including the sale of any products or services at or from the Competitive Business, and all other income of every kind and nature of the Competitive Business ("**Post Termination GoTribe Studio Monthly Revenue**") in violation of Section 15.3. Licensee shall account for and pay the five percent (5%) of the Post Termination GoTribe Studio Monthly Revenue to Licensor on the fifteenth (15th) day of each calendar month on the Post Termination GoTribe Studio Monthly Revenue of the Competitive Business during the preceding calendar month. Licensor shall have the right to audit the books and records of the competing business in accordance with Section 12.3 to confirm Licensee's compliance with this Section 15.4, upon prior notice to Licensee.

15.4 Exceptions to Covenants. Sections 15.2 and 15.3 shall not apply to ownership by Licensee or an Owner of a less than five percent (5%) beneficial interest in the outstanding Equity securities of any Competitive Business registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

15.5 Reducing Scope of Covenants. Licensee understands and acknowledges that Licensor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 15.3, or any portion thereof, without Licensee's consent, effective immediately upon receipt by Licensee of written notice thereof; and Licensee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

15.6 Reasonable Good Faith Estimate. The Parties acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages and expenses Licensor will incur if Licensee or any Restricted Person shall commit any violation of Section 15.3 during the two (2) calendar year period following (i) the expiration or termination of this Agreement; (ii) the occurrence of any Assignment; (iii) the cession of the Restricted Person's relationship with Licensee; or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15.3 due to the complications

inherent in determining the amount of revenue lost by Licensor because of the uncertainty regarding the number of months left to complete the Term then in effect, the uncertainty regarding the GoTribe Studio Monthly Revenue of the GoTribe Studio during that Term, the amount of Royalty Fees Licensee would have paid Licensor based upon the GoTribe Studio Monthly Revenue of the GoTribe Studio and the like as well as the amount of the fees that Licensor will collect from Licensee upon the occurrence of the circumstances described in Section 15.3. The Parties further acknowledge and agree that the five percent (5%) fee of Post Termination GoTribe Studio Monthly Revenue is a reasonable, good faith estimate of those damages.

15.7 **Covenants from Individuals.** Upon demand by Licensor, Licensee shall obtain and furnish to Licensor executed covenants similar in substance to those set forth in this Article 15 (including covenants applicable upon the termination of a Person's relationship with Licensee) from all Owners. Every covenant required by this Section 15.8 shall be in a form acceptable to Licensor, and shall include, without limitation, a designation of Licensor as a third party beneficiary of the covenants with the independent right to enforce them.

15.8 **Effect of Applicable Law.** In the event any portion of the covenants in this Article 15 violates Applicable Laws affecting Licensee, or is held invalid or unenforceable in a final judgment to which Licensor and Licensee are Parties, then the maximum legally allowable restriction permitted by Applicable Law shall control and bind Licensee. Licensor may at any time unilaterally reduce the scope of any part of the above covenants, and Licensee shall comply with any reduced covenant upon receipt of written notice. The provisions of this Article 15 shall be in addition to and not in lieu of any other confidentiality obligation of Licensee, or any other Person, whether pursuant to another agreement or pursuant to Applicable Law.

15.9 **Business Practices.** Licensee shall comply with and/or assist Licensor to the fullest extent possible in Licensor's efforts to comply with Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war (the "**Anti-Terrorism Laws**"). In connection with its compliance, Licensee certifies, represents and warrants that none of Licensee's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Licensee is not otherwise in violation of any of the Anti-Terrorism Laws. Any violation of the Anti-Terrorism Laws by Licensee or Licensee's employees or any "blocking" of Licensee's assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements Licensee has entered into with Licensor or any of its Affiliates, in accordance with the provisions of Section 16.2.

15.10 **Survival.** The provisions of this Article 15 shall survive the expiration and termination of this Agreement and shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Licensor for any infringement of, violation of, or interference with, this Agreement, or the GoTribe Marks, the GoTribe System, the GoTribe Confidential Information, the GoTribe Trade Secrets, or any other proprietary aspects of Licensor's business.

16. **DEFAULT AND TERMINATION.**

16.1 **Termination In the Event of Licensee's Bankruptcy or Insolvency.** Licensee shall be deemed to be in Default under this Agreement, and all rights granted to Licensee under this Agreement shall automatically terminate without notice to Licensee, (i) if Licensee becomes insolvent or make a general assignment for the benefit of creditors; (ii) if a petition in bankruptcy is filed under any foreign, state or United States Bankruptcy Act by Licensee or if a petition is filed against and not opposed by Licensee; (iii) if Licensee is adjudicated as bankrupt or insolvent; (iv) if a bill in equity or other proceeding for the appointment of a receiver of Licensee or other custodian for the GoTribe Studio is filed and consented to by Licensee; (v) if a receiver or other custodian (permanent or temporary) of Licensee's assets or property, or any part thereof, is appointed by any court of

competent jurisdiction; (vi) if proceedings for a composition with creditors under any Applicable Law is instituted by or against Licensee; (vii) if a final judgment in excess of \$100,000 against the GoTribe Studio remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); (viii) if Licensee admits Licensee is unable to generally pay Licensee's debts as they become due; (ix) if execution is levied against the GoTribe Studio or property; (x) if suit to foreclose any lien or mortgage against the GoTribe Studio, the Licensed Location or the equipment of the GoTribe Studio is instituted against Licensee and not dismissed within thirty (30) days; or (xi) if the GoTribe Studio or the Licensed Location shall be sold after levy thereupon by any sheriff, marshal, or constable.

16.2 Option to Terminate Without Opportunity to Cure. Licensee shall be deemed to be in Default and Licensors may, at its option, terminate this Agreement and all rights granted under this Agreement, without affording Licensee any opportunity to cure the Default, effective immediately upon receipt of notice by Licensors upon the occurrence of any of the following events:

16.2.1 If Licensee shall Abandon the GoTribe Studio.

16.2.2 If Licensee shall purport to make any Assignment without the prior written consent of Licensors.

16.2.3 If Licensee shall Default in any obligation as to which Licensee has previously received three (3) or more written notices of Default from Licensors setting forth the Default complained of within the preceding twelve (12) calendar months.

16.2.4 If Licensee makes any material misrepresentations in connection with the execution of this Agreement or the operations of the GoTribe Studio.

16.2.5 If Licensee fails, for a period of ten (10) days after having received notification of noncompliance from Licensors or any Governmental Authority, to comply with any Applicable Laws that govern the operation of the GoTribe Studio.

16.2.6 If Licensee's operation of the GoTribe Studio or the GoTribe Equipment constitutes an imminent danger to the public health.

16.2.7 If any audit or investigation conducted by Licensors discloses that Licensee has knowingly maintained false books or records, or submitted false reports to Licensors, or knowingly understated its GoTribe Studio Monthly Revenue or withheld the reporting of the same as provided in this Agreement.

16.2.8 If Licensee or any of the Owners, are convicted of or plead guilty or *nolo contendere* to a felony or any other crime or offense that is reasonably likely, in the sole opinion of Licensors, to adversely affect Licensors's reputation, the GoTribe System, the GoTribe Marks or the goodwill associated the same; however, if the crime or offense is committed by an Owner other than the Principal Owner, Licensors may only terminate this Agreement under this Section 16.2.8 if the convicted Owner fails to sell its interest in Licensee to Licensee's other Owners within thirty (30) days after the conviction or guilty plea.

16.2.9 If Licensee materially misuses or makes any unauthorized use of the GoTribe Application, the GoTribe Equipment or the GoTribe Marks or otherwise materially impairs the goodwill associated therewith or Licensors's rights therein, or takes any action which reflects materially and unfavorably upon the operation and reputation of the GoTribe Studio or the GoTribe chain generally.

16.2.10 If Licensee makes any unauthorized use, disclosure, or duplication of the GoTribe Trade Secrets or GoTribe Confidential Information.

16.2.11 If Licensee shall or purports to purchase GoTribe Equipment from other than a GoTribe Approved Supplier and fails to cease use of the non-complying product within three (3) days after having received notification from Licensors to do so.

16.2.12 If Licensee sells or attempts to sell any services or products other than GoTribe Authorized Services at the GoTribe Studio and fails to cease such sales or attempts to sell within three (3) days after having received notification from Licensors to do so.

16.2.13 If Licensee shall Default in any obligation under this Agreement that by its nature is not capable of being cured by Licensee.

16.2.14 If Licensee fails to meet the site selection requirements, enter a Lease or Open the GoTribe Studio within the applicable time periods provided for in this Agreement.

16.2.15 If Licensee or the Owners use abusive language when communicating with Licensors, Licensors' staff or with members or suppliers, engage in any illegal activity or abusive or threatening behavior towards Licensors, Licensors' staff or members or suppliers, or denigrate the GoTribe System or portray it in an unflattering light on the Internet or otherwise.

16.2.16 If Licensee has three (3) or more material member complaints about the GoTribe Studio in any twelve (12) month period, whether or not resolved, including member complaints relating to safety, hygiene, cleanliness, illegal activity by employees, or rude behavior to members.

16.3 **Termination with Notice and Opportunity to Cure.** Except for any Default by Licensee under Section 16.1 or Section 16.2, and as expressly provided elsewhere in this Agreement, Licensee shall have five (5) days, in the case of any monetary Default and ten (10) days in the case of any other type of Default, following the receipt of a Notice of Default demanding the cure of the Default and to provide evidence of the cure to Licensors. If any Default is not cured within that time period, or any longer time period that Applicable Law may require or that Licensors may specify in the Notice of Default, this Agreement and all rights granted in this Agreement shall automatically terminate without further notice or opportunity to cure.

16.4 **Reimbursement of Licensors' Costs.** Upon a Default by Licensee, all of Licensors' costs and expenses arising from the Default, including reasonable attorneys' fees, shall be paid to Licensors within five (5) days after cure or upon demand by Licensors whether or not the Default is cured.

16.5 **Cross-Default.** Any Default by Licensee under the terms and conditions of this Agreement or any other agreement between Licensors or its Affiliates, and Licensee, or the Owners or Affiliates, shall be deemed to be a Default of each and every agreement. Furthermore, in the event of termination, for any cause, of this Agreement or any other agreement between the Parties, Licensors may, at its option, terminate any or all of the agreements. Any Default by Licensee or an Owner under any lease, sublease, loan agreement or security interest related to the GoTribe Studio that is not cured within the cure period, if any, provided for in the lease, sublease, loan agreement or security interest, may be regarded by Licensors as a Default under this Agreement.

16.6 **Notice Required By Law.** Notwithstanding anything to the contrary contained in this Article 16, if any valid Applicable Law of a competent Governmental Authority having jurisdiction over this Agreement and the Parties shall limit Licensors' rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by that Applicable Law. Licensors shall not, however, be precluded

from contesting the validity, enforceability or application of Applicable Laws in any action, hearing or dispute relating to this Agreement or the termination of this Agreement.

16.7 **Interim Management.** To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, after Licensor has given Licensee written notice that Licensee is in Default, Licensor may (but is not obligated to) assume interim management of the GoTribe Studio during the pendency of any cure period or in lieu of immediately terminating this Agreement. If Licensor elects to assume interim management of the GoTribe Studio (i) Licensor's election will not relieve Licensee of Licensee's obligations under this Agreement; (ii) Licensor will not be liable for any debts, losses, costs or expenses incurred in the operation of the GoTribe Studio during any interim management period; (iii) Licensor will have the right to charge a reasonable fee for the management services; and (iv) Licensee agrees to, and hereby does, indemnify and hold Licensor harmless against any and all claims, demands, judgments, fines, losses, liabilities, costs, amounts paid in settlement and reasonable expenses (including, but not limited to attorneys' fees) incurred in connection with the interim management of the GoTribe Studio, other than those arising solely from the gross negligence or willful misconduct of Licensor.

16.8 **Delay by Force Majeure.** Licensee shall provide Licensor, within ten (10) days after the occurrence of an event that Licensee believes is an event of Force Majeure, with notice of the specific nature and extent of the Force Majeure and an explanation as to how the event has delayed Licensee's performance under this Agreement. The determination of whether an event of Force Majeure has occurred shall be made by Licensor upon Licensor's assessment of the event causing the delay. Licensee shall provide Licensor with continuing updates and all information requested by Licensor regarding Licensee's progress and diligence in responding to and overcoming the event of Force Majeure. If Licensor determines that the Default is the result of an event of Force Majeure, the required date for performance by Licensee shall be extended by the number of days equal to the number of days that the Force Majeure exists.

16.9 **Termination by Licensee.** Licensee may terminate this Agreement due to a material Default by Licensor of its obligations under this Agreement, which Default is not cured by Licensor within sixty (60) days after Licensor's receipt of prompt written notice by Licensee to Licensor detailing the alleged Default with specificity; provided, that if the Default is such that it cannot be reasonably cured within such sixty (60) day period, Licensor shall not be deemed in Default for so long as it commences to cure such Default within sixty (60) days and diligently continues to prosecute such cure to completion. This is a material term of this Agreement and a mediator shall not, and shall not have the power or authority to, waive, modify or change this requirement in any mediation proceedings or otherwise. If Licensee terminates this Agreement pursuant to this Section 16.9, Licensee shall comply with all of the terms and conditions of Article 17.

17. **OBLIGATIONS FOLLOWING TERMINATION OR EXPIRATION.**

17.1 **General.** To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, upon the expiration or termination of Licensee's rights granted under this Agreement, Licensee shall immediately cease to use all GoTribe Trade Secrets, GoTribe Confidential Information, the GoTribe Marks, and any confusingly similar trademark, service mark, trade name, logotype, or other commercial symbol or insignia. Licensee shall at its own cost immediately return the GoTribe Manuals and all written materials incorporating GoTribe Trade Secrets and all copies of any of the same to Licensor. If Licensor does not elect to take an assignment of the Lease for the Licensed Location, Licensee shall at its own cost make cosmetic changes to the GoTribe Studio and the Licensed Location to distinguish the appearance of the Licensed Location from that of other GoTribe Studios so that they no longer contain or resemble Licensor's proprietary designs and shall remove all GoTribe identifying materials and distinctive GoTribe cosmetic features and finishes, soffits, interior wall coverings and colors, exterior finishes and colors and signage and other distinctive design features from the Licensed Location that Licensor may reasonably direct. If Licensee

fails or refuses to comply with the requirements of this Section 17.1 following Licensors demand that Licensee do so, Licensors shall have the right to immediately enter into negotiations with the landlord of the Licensed Location regarding assignment and assumption of the Lease and to enter the Licensed Location and conduct business at the GoTribe Studio, without being liable for trespass or any other tort. In addition, Licensors may make or cause to be made such changes to the GoTribe Studio and the Licensed Location that may be required to enable Licensors or its Affiliates, or another GoTribe Licensee to continue the operation of the GoTribe Studio, all at Licensees expense, which shall be payable to Licensors upon demand.

17.2 Prior Payments and Damages. Licensors may retain all fees paid to Licensors pursuant to this Agreement, and Licensee shall immediately pay any and all amounts remaining due to Licensors and its Affiliates. If this Agreement terminates due to a Default by Licensee, the amounts to be paid by Licensee shall include all damages, and costs, and expenses, including reasonable attorneys' fees, incurred by Licensors as a result of the Default, which obligation shall remain, until paid in full, a lien in favor of Licensors against assets of the GoTribe Studio. Licensee hereby appoints Licensors as its attorney in fact, with full power and authority to execute on Licensees behalf all documents necessary to obtain and perfect this lien. In addition to the foregoing, Licensee shall pay Licensors, within thirty (30) days following the date of termination, an amount equal to the product of two (2) multiplied by the total Royalty Fees paid (or if unpaid, payable) by Licensee during the twenty-four (24) calendar months immediately preceding the effective date of termination to account for the actual damages that Licensors shall suffer as a result of the termination of this Agreement during the time period that Licensors estimates will expire while Licensors searches for a replacement Licensee for the GoTribe Studio or for a replacement GoTribe Studio location in the trade area of the GoTribe Studio. The Parties acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages Licensors will incur upon the termination of this Agreement due to the complications inherent in determining the amount of revenue lost by Licensors and the uncertainty regarding the number of months that will expire while Licensors searches for a replacement Licensee for the GoTribe Studio or for a replacement GoTribe Studio location in the trade area of the GoTribe Studio. The Parties further acknowledge and agree that this calculation of Licensors potential damages is a reasonable, good-faith estimate of those damages. If Licensors is unable to make this calculation because of Licensees failure to report the GoTribe Studio Monthly Revenue of the GoTribe Studio, Licensors may estimate the GoTribe Studio Monthly Revenue of the GoTribe Studio for the applicable period based upon the historical financial information available to Licensors at that time.

17.3 Termination of Obligations and Rights. Following the termination or expiration of this Agreement, any and all obligations of Licensors to Licensee under this Agreement shall immediately cease and terminate. Likewise, any and all rights of Licensee under this Agreement shall immediately cease and terminate and Licensee shall immediately cease and thereafter refrain from representing itself as a then or former Licensee or other Affiliates of Licensors.

17.4 Memberships. Upon the termination or expiration of this Agreement, Licensee shall immediately notify all members of the GoTribe Studio that the GoTribe Studio will cease to operate under the GoTribe Marks. If this Agreement terminates or expires without renewal, Licensors may contact Licensees members and offer the members continued rights to use one or more GoTribe Studios on such terms and conditions that Licensors deems appropriate, which in no event will include assumption of any then-existing liability arising out of or relating to any membership agreement or act or failure to act by Licensee or the GoTribe Studio. If, upon the termination or expiration of this Agreement, any members of Licensees GoTribe Studio are legally entitled to full or partial refund of any monies paid to Licensee, Licensee will refund those monies promptly and in full and will cooperate with Licensors to preserve customer goodwill with the members.

17.5 Internet. If Licensors has previously authorized Licensee to use the GoTribe Marks on the Internet, any Website or on any e-mail address, Licensee shall, at Licensors option, cancel or assign to Licensors all of Licensees right, title and interest in any Internet Websites or web pages, e-mail addresses, domain name listings

and registrations which contain the GoTribe Marks and Licensee shall notify all applicable domain name registrars and all listing agencies of the termination of its right to use those domain names, web pages and other Internet device associated with Licensor or the GoTribe Studio, and shall authorize their cancellation or transfer to Licensor, as directed by Licensor. Licensee hereby appoints Licensor as its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action that may be necessary to effect an assignment of all Internet Websites or web pages, e-mail addresses, domain name listings and registrations which contain the GoTribe Marks for the GoTribe Studio. This power of attorney is coupled with an interest and shall survive the termination or expiration of this Agreement. Licensee, by executing this Agreement, authorizes Licensor and hereby appoints Licensor and all of Licensor's officers as Licensee's attorney-in-fact to direct the domain name registrars and all listing agencies to transfer the same to Licensor, should Licensee fail or refuse to do so. The domain name registrars and all listing agencies may accept this Agreement as conclusive evidence of Licensor's exclusive rights to all Internet Websites or web pages, e-mail addresses, domain name listings and registrations which contain the GoTribe Marks for the GoTribe Studio and Licensor's authority to direct their transfer. Licensee shall not be entitled to any compensation from Licensor if Licensor exercises this option.

17.6 Purchase of GoTribe Studio Assets. Upon the expiration of this Agreement or the termination of this Agreement for any Default of Licensee, Licensor shall have the option, to be exercised by written notice to Licensee within thirty (30) days after the Expiration Date or termination date, to purchase the assets of the GoTribe Studio, regardless of whether the GoTribe Studio is under construction or is Open and operating, and all of assets of Licensee related to the GoTribe Studio that Licensor elects to purchase (collectively, the "**GoTribe Studio Assets**"). The purchase price for the GoTribe Studio Assets (the "**Purchase Price**") shall be the "**Fair Market Value**" of the GoTribe Studio Assets as determined under this Section 17.7. "**Fair Market Value**" means the price that a willing buyer would pay to a willing seller when neither is acting under compulsion and when both have reasonable knowledge of the relevant facts on the date the option is first exercisable (the "**Exercise Date**"). The Parties shall use their best efforts to mutually agree upon the Fair Market Value. If they are unable to so agree within thirty (30) days after the Exercise Date, Licensor shall appoint, within forty (40) days of the Exercise Date, one (1) appraiser, and Licensee shall appoint within forty (40) days of the Exercise Date, one (1) appraiser. The two (2) appraisers shall within a period of five (5) additional days, agree upon and appoint an additional appraiser. The three (3) appraisers shall, within sixty (60) days after the appointment of the third appraiser, determine the Purchase Price in writing and submit their report to the Parties. The Purchase Price shall be determined by disregarding the appraiser's valuation that diverges the greatest from each of the other two (2) appraisers' valuations, and the arithmetic mean of the remaining two (2) appraisers' valuations shall be the Purchase Price. The Parties shall each pay for the services of the appraiser they select, plus one half (1/2) of the fee charged by the third appraiser, and one half (1/2) of all other costs relating to the determination of the Purchase Price. The Purchase Price as so determined shall be payable as Licensor and Licensee mutually agree. If they are unable to so agree within ten (10) days after final determination of the Purchase Price, fifty percent (50%) of the Purchase Price shall be payable in cash and the remaining fifty percent (50%) of the Purchase Price shall be paid in eighty-four (84) equal monthly payments and shall bear interest at a rate equal to the greater of the prime rate of interest, as published by the Western Edition of the Wall Street Journal, plus three percent (3%), OR ten percent (10%) per annum, but in no event in excess of the maximum rate permitted by Applicable Law. Payment of the portion of the Purchase Price not paid in cash shall be secured by a security interest in the GoTribe Studio Assets. Any purchase of the GoTribe Studio Assets shall include the assumption by Licensor and the assignment by Licensee, of the Lease for the GoTribe Studio.

17.7 Survival of Obligations. Termination or expiration of this Agreement shall be without prejudice to any other rights or remedies that Licensor or Licensee, as the case may be, shall have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages. In no event shall a termination or expiration of this Agreement affect Licensee's obligations to take or abstain from taking any action in

accordance with this Agreement. The provisions of this Agreement which by their nature or expressly constitute post-termination or post-expiration covenants and agreements, including the obligation of Licensor and Licensee to attempt to resolve all disputes by mediation, shall survive the termination or expiration of this Agreement.

17.8 **No Ownership of GoTribe Marks.** Licensee acknowledges and agrees that the rights to the GoTribe Marks and the use of the GoTribe Marks shall be and remain the property of Licensor. Licensee acknowledges and agrees that any use of the GoTribe Marks after the termination or expiration of this Agreement shall constitute an unauthorized use of an identical mark and shall entitle Licensor to damages due to, but not limited to, trademark infringement and counterfeiting.

17.9 **Government Filings.** If Licensee has registered any of the GoTribe Marks or the name GoTribe or GoTribe as part of an assumed, fictitious or corporate name, Licensee shall promptly amend those registrations to delete the GoTribe Marks and any confusingly similar marks or names.

18. **INDEPENDENT CONTRACTOR AND INDEMNIFICATION.**

18.1 **No Fiduciary Relationship.** This Agreement does not create a fiduciary relationship between the Parties. Licensee shall be an independent contractor, and nothing in this Agreement is intended to constitute or appoint either Party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

18.2 **Public Notice of Independent Status.** Licensee shall conspicuously identify itself in all dealings with its members, contractors, suppliers, public officials, and others, as an independent Licensee of Licensor, and shall place the notice of independent ownership on all forms. Licensor shall have the right to specify the language of any notice.

18.3 **Independent Contractor.** Licensee acknowledges and agrees that it is not authorized to make any contract, agreement, warranty, or representation on Licensor's behalf, or to incur any debt or other obligations in Licensor's name, and that Licensor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any action, nor shall Licensor be liable by reason of any act or omission of Licensee in its conduct of the GoTribe Studio or for any claim or judgment arising therefrom against Licensee or Licensor.

18.4 **Indemnification.**

18.4.1 Licensee and the Owners and Affiliates (collectively, the “**Licensee Indemnitors**”) shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Licensor and its Constituents (collectively, the “**Licensor Indemnitees**”), from any and all Losses and Expenses incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof (collectively, an “**Licensor Indemnifiable Claim**”) which arises directly or indirectly from, as a result of, or in connection with Licensee's operation of the GoTribe Studio and regardless of whether the Licensor Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Licensee; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Licensor (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 18.4.1 shall extend to any finding of comparative negligence or contributory negligence attributable to Licensee).

18.4.2 Licensor and Affiliates (collectively, the “**Licensor Indemnitors**”) shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Licensee and its Constituents (collectively, the

“Licensee Indemnitees”), from any and all Losses and Expenses incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof (collectively, an **“Licensee Indemnifiable Claim”**) which arises directly or indirectly from, as a result of, or in connection with from any breach of Licensors’ representations, warranties or covenants contained in this Agreement; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Licensee (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 18.4.2 shall extend to any finding of comparative negligence or contributory negligence attributable to Licensee).

18.4.3 The Licensors Indemnitees and Licensee Indemnitees (collectively the **“Indemnitees”**) shall give Licensors Indemnitors and Licensee Indemnitors (collectively the **“Indemnitors”**), as the case may be, prompt notice of any Licensors Indemnifiable Claim or License Indemnifiable Claim (collectively, an **“Indemnifiable Claim”**) of which the respective Indemnitees are aware for which indemnification is required under this Article 18.4. The notice shall specify whether the Indemnifiable Claim arises as a result of an Indemnifiable Claim by a third party against the Indemnitees (a **“Third Party Claim”**) or whether the Indemnifiable Claim does not result from an Indemnifiable Claim by a third party against the Indemnitees (a **“Direct Claim”**), and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim, if known. If, through the fault of the Indemnitees, the Indemnitors do not receive notice of any Indemnifiable Claim in time to effectively contest the determination of any Losses and Expenses susceptible of being contested, the Indemnitors shall be entitled to set off against the amount claimed by the Indemnitees the amount of any Losses and Expenses incurred by the Indemnitors resulting from the Indemnitees’ failure to give such notice on a timely basis.

18.4.4 With respect to Third Party Claims, the Indemnitors shall have the right, at their expense and at their election, to assume control of the negotiation, settlement and defense of Third Party Claims through counsel of their choice. The election of the Indemnitors to assume such control shall be made within thirty (30) days after the Indemnitors’ receipt of notice of a Third Party Claim. If the Indemnitors elect to assume control, the Indemnitors shall do so at the Indemnitors’ sole expense. The Indemnitees shall have the right to be informed and consulted with respect to the negotiation, settlement or defenses of the Third Party Claim and to retain counsel to act on the Indemnitees’ behalf, at the Indemnitees’ sole expense, unless the Indemnitors consent to the retention of the Indemnitees’ counsel at the Indemnitors’ expense or unless the Indemnitors and the Indemnitees are both named in any action or proceeding and the representation of both the Indemnitors and the Indemnitees by the same counsel would be appropriate because of the absence of any actual or potential differing interests between them (such as the availability of different defenses).

18.4.5 If the Indemnitors elect to assume control, but thereafter fail to defend the Third Party Claim within a reasonable time, the Indemnitees shall be entitled to assume control and the Indemnitors shall be bound by the results obtained by the Indemnitees with respect to the Third Party Claim. If any Third Party Claim is of a nature that the Indemnitees are required by Applicable Law to make a payment to any claimant with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnitees may make such payment and the Indemnitors shall, within thirty (30) days after demand by the Indemnitees, reimburse the Indemnitees for the amount of the payment. If the Indemnitees’ liability under the Third Party Claim, as finally determined, is less than the amount paid by the Indemnitors to the Indemnitees, the Indemnitees shall, within thirty (30) days after receipt of the difference from the claimant, pay the difference to the Indemnitors.

18.4.6 If the Indemnitors fail to assume control of the defense of any Third Party Claim, the Indemnitees shall have the exclusive right to consent, settle or pay the amount claimed. Whether or not the Indemnitors assume control of the negotiation, settlement or defenses of any Third Party Claim, the Indemnitors shall not settle any Third Party Claim without the written consent of the Indemnitees, which

consent shall not be unreasonably withheld or delayed. The Indemnitees and the Indemnitors shall cooperate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect to Third Party Claims (including supplying copies of all relevant documentation promptly as they becomes available).

18.4.7 With respect to Direct Claims, following receipt of notice from the Indemnitees of the Direct Claim, the Indemnitors shall have thirty (30) days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of the investigation, the Indemnitees shall make available to the Indemnitors the information relied upon by the Indemnitees to substantiate the Direct Claim, together with all other information that the Indemnitors may reasonably request. If the Indemnitors and the Indemnitees agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of a Direct Claim, the Indemnitors shall immediately pay the Indemnitees the full agreed upon amount of the Direct Claim. If the Indemnitors fails to pay the same, the matter shall be resolved in the manner described in Article 15.

18.4.8 The Indemnitees shall exert commercially reasonable efforts to mitigate the Losses and Expenses upon and after becoming aware of any Indemnifiable Claim which could reasonably be expected to give rise to the payment of Losses and Expenses.

19. **DISPUTE RESOLUTION.**

19.1 **Mediation.** The Parties pledge to attempt first to resolve any Dispute pursuant to mediation conducted in accordance with the rules of Judicial Arbitration and Mediation Service ("JAMS") or its successor unless the Parties agree on alternative rules and a mediator within fifteen (15) days after either Party first gives notice of mediation. Mediation shall be conducted in a county in California in which Licensor has a principal place of business at the time the mediation is initiated and shall be conducted and completed within forty-five (45) days following the date either Party first gives notice of mediation unless otherwise agreed to in writing by the Parties. The fees and expenses of the mediator shall be shared equally by the Parties. The mediator shall be disqualified as a witness, expert or counsel for any Party with respect to the Dispute and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under Applicable Laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and the Parties shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation. Notwithstanding anything to the contrary set forth in this Agreement, any Party that fails to reasonably cooperate in scheduling and completing a mediation within forty-five (45) days after giving or receiving notice thereof shall be precluded from recovering costs, expenses, and/or prevailing Party attorneys' fees in any subsequent legal action. The mediation provision in this Section 19.1 shall not apply to any action for injunctive or other provisional relief, including, without limitation, enforcement of liens, security agreements, or attachment, as Licensor deems to be necessary or appropriate to compel Licensee to comply with Licensee's obligations to Licensor and/or to protect the GoTribe Marks. Any claim or dispute involving or contesting the validity of any of the GoTribe Marks shall not be subject to mediation. If any dispute remains unresolved ninety (90) days after a demand for mediation by either Party, the Parties shall each be free to pursue their respective legal remedies under Section 19.2.

19.2 **Judicial Relief.** The Parties agree that disputes arising out of or relating to this Agreement shall be brought in the state or federal courts in a county in California in which Licensor has a principal place of business at the time the action is initiated. To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these courts and agree not to commence any action of any kind except in these courts. This Agreement shall be interpreted and construed under the laws of California. In the event of any conflict of law, the law of California shall prevail,

without regard to the application of California conflict of law rules. If, however, any provision of this Agreement would not be enforceable under the laws of California, and if the GoTribe Studio is located outside of California and such provision would be enforceable under the Applicable Laws of the state in which the GoTribe Studio is located, then such provision shall be interpreted and construed under the Applicable Laws of that state. Nothing in this Section 19.2 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of any state to which it would not otherwise be subject.

19.3 **Waivers.** The Parties agree, to the extent permitted by Applicable Law, that any legal action of any kind by either Party arising out of or relating to this Agreement or its breach must be commenced by no later than the last to occur of the following: (i) one hundred eighty (180) days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability; or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability. Licensors and Licensees, for themselves, and for and on behalf of the Owners, respectively, hereby waive to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, Licensors and Licensees shall each be limited to recovering only the actual damages proven to have been sustained by that Party, except as provided in Section 19.5.

19.4 **Specific Performance.** The Parties acknowledge that each Party would be irreparably damaged if the provisions of this Agreement were not capable of being specifically enforced, and for this reason, the Parties agree that the provisions of this Agreement shall be specifically enforceable. The Parties further agree that any act or failure to act which does not strictly comply with the provisions and conditions of this Agreement may be specifically restrained, and that the equitable relief provided for in this Agreement shall not in any way limit or deny any other remedy at law or in equity that either Licensors or Licensees might otherwise have.

19.5 **Exclusive Remedy.** In no event shall either Party make or have any claim for money damages based on any claim or assertion that the other Party has unreasonably withheld, conditioned or delayed any consent, approval or authorization required under this Agreement. Each Party waives any claim for damages. Neither Party may claim any damages by way of setoff, counterclaim or defense. Each Party's sole remedy for such a claim shall be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment.

19.6 **Attorneys' Fees.** In any legal action or proceeding brought to enforce any provision of this Agreement or arising out of, or in connection with, this Agreement, the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys' fees and costs in addition to any other relief that may be awarded by a court of competent jurisdiction.

20. **NOTICES.**

All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery or by certified mail. Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; or (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid. Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party:

Notices to Licensors:

GoTribe, Inc.
4444 Lankershim Boulevard, Suite 108
Los Angeles, California 91602

Attention: President

With a copy to (which shall not constitute notice):

Barry Kurtz, Esq.
Lewitt, Hackman, Shapiro, Marshall and Harlan,
16633 Ventura Boulevard, 11th Floor
Encino, California 91436

Notices to Licensee: See Exhibit A

Either Party may change its address for the purpose of receiving notices, demands and other communications provided by a written notice given in the manner aforesaid to the other Party.

21. ACKNOWLEDGMENTS.

21.1 **Waiver and Delay.** No waiver by Licensor of any Default, or series of Defaults in performance by Licensee, and no failure, refusal or neglect of Licensor to exercise any right, power or option given to it under this Agreement or under any agreement between the Parties, whether entered into before, after or contemporaneously with the execution of this Agreement, or to insist upon strict compliance with or performance of Licensee's obligations under this Agreement or any License Agreement or other agreement between the Parties, whether entered into before, after or contemporaneously with the execution of this Agreement, shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Licensor of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

21.2 **Survival of Covenants.** The covenants contained in this Agreement which, by their nature or terms, require performance by the Parties after the expiration or termination of this Agreement shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

21.3 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Licensor and shall be binding upon and inure to the benefit of Licensee and his or their respective, heirs, executors, administrators, and its successors and assigns, subject to the prohibitions and restrictions against Assignment contained in this Agreement.

21.4 **Joint and Several Liability.** If Licensee consists of more than one Owner, the obligations and liabilities of each Person or Entity to Licensor are joint and several.

21.5 **Entire Agreement.** This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement. No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Licensor has any authority to make any representation or promise not included in this Agreement and Licensee agrees that it has executed this Agreement without reliance upon any representation or promise not included in this Agreement. This Agreement cannot be modified or changed except by written instrument signed by both of the Parties.

21.6 **Titles and Recitals.** Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of

this Agreement. The Recitals set forth in Recitals A and B are true and correct and are hereby incorporated by reference into the body of this Agreement.

21.7 Gender and Construction. The terms of all Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full in this Agreement. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any Article or Section in this Agreement may require. As used in this Agreement, the words “include,” “includes” or “including” are used in a non-exclusive sense. Unless otherwise expressly provided in this Agreement to the contrary, any consent, approval, acceptance or authorization of Licensor or Licensee that may be required under this Agreement shall be in writing and shall not be unreasonably withheld, conditioned or delayed by the Party whose consent, approval, acceptance or authorization has been requested. To protect the GoTribe System, the GoTribe Marks, the GoTribe Trade Secrets and the goodwill associated with the same, on any occasion where Licensor is required or permitted to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Licensor’s standards or satisfaction, Licensor may do so in its sole subjective judgment and discretion. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of both Parties. The Parties intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

21.8 Severability; Modification. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the Parties have no legal right to contract, the latter shall prevail, but in that event, the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of Applicable Law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

21.9 Counterparts and Electronic Transmission. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement.

21.10 Electronic Execution and Copies. This Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and Electronic Signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits. An executed copy of this Agreement (or any portion of this Agreement) may be delivered by either of the Parties by facsimile, electrical, digital, magnetic, optical, electromagnetic, or similar capability regardless of the medium of transmission (collectively, “**electronic**”), and delivery will be effective and binding upon the Parties, and will not in any way diminish or affect the legal effectiveness, validity or enforceability of this Agreement. Licensee acknowledges and agrees that Licensor may create an electronic record of any or all agreements, correspondence or other communications between the Parties or involving third parties and may thereafter dispose of or destroy the original of any of the agreements, correspondence or other communications. Any such electronic record will be inscribed on a tangible medium or stored in an electronic or other medium and be retrievable in perceivable form, and will be maintained in and

readable by hardware and software generally available. Notwithstanding any Applicable Law to the contrary, any electronic version of this Agreement or any other agreements, correspondence or other communications between the Parties will have the same legal effect, validity and enforceability as an original of any document, even if the original of the document has been disposed of or intentionally destroyed.

21.11 **Intent to Comply.** Licensee and the Owners, jointly and severally, acknowledge that they understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Licensor's standards of service and quality and the uniformity of those standards at all GoTribe Studios in order to protect and preserve the GoTribe System and the goodwill of the GoTribe Marks. Licensee and the Owners, jointly and severally, acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution of this Agreement, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply with the terms of this Agreement and be bound by the terms of this Agreement. Licensor expressly disclaims making, and Licensee and the Owners acknowledge that they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses, or success of the business venture contemplated by this Agreement.

21.12 **Independent Investigation.** Licensee and the Owners acknowledge and agree that they have conducted an independent investigation of the business licensed under this Agreement, recognize that the business venture contemplated by this Agreement involves business risks, and that their success will be largely dependent upon the ability of Licensee and if an Entity, the Owners, as independent businesspersons. Licensor expressly disclaims the making of, and Licensee and the Owners acknowledge and agree that they have not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

21.13 **Opportunity to Consult.** Licensee acknowledges that it has read and understood this Agreement, the Exhibits attached to this Agreement, and all other agreements relating to this Agreement, if any, and that Licensor has accorded Licensee ample time and opportunity to consult with advisors of Licensee's own choosing about the potential benefits and risks of entering into this Agreement.

21.14 **No Guarantee of Success.** Licensee acknowledges that Licensee has been informed by Licensor that there can be no guarantee of success in the licensed business and that Licensee's business ability and aptitude is primary in determining Licensee's success.

21.15 **Atypical Terms.** Licensee acknowledges and agrees that Licensor may modify the offer of its licenses to other GoTribe Licensee in any manner and at any time, which offers have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement. Licensee further acknowledges and agrees that Licensor has made no warranty or representation that all GoTribe License Agreements previously issued or issued after this Agreement by Licensor do or will contain terms substantially similar to those contained in this Agreement. Licensor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other License Agreements previously executed or executed after the Effective Date with other GoTribe Licensees in a non-uniform manner.

21.16 **Time of Essence.** Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

[SIGNATURES APPEAR ON PAGE 45]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date.

LICENSOR:

GOTRIBE, INC.
A California corporation

By: _____

Name: _____

Title: _____

LICENSEE:

**(IF LICENSEE IS A CORPORATION, LIMITED
LIABILITY COMPANY, OR PARTNERSHIP):**

[Print Name of Licensee Entity]

By: _____

Name: _____

Title: _____

AND

(IF LICENSEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

GOTRIBE, INC.
LICENSE AGREEMENT

EXHIBIT A
LICENSE INFORMATION

**GOTRIBE, INC.
LICENSE AGREEMENT**

**EXHIBIT A
LICENSE INFORMATION**

EFFECTIVE DATE: _____.

NAME OF LICENSEE: _____.

ADDRESS OF LICENSED LOCATION: _____.

AMOUNT OF INITIAL LICENSE FEE: _____.

NUMBER OF MONTHS INITIAL LICENSE FEE IS PAYABLE: _____.

MANNER OF PAYMENT OF INITIAL LICENSE FEE: _____

EXPIRATION DATE OF SUBLEASE TERM: _____.

PROTECTED AREA: _____

ROYALTY FEE: _____ PERCENT OF GOTRIBE STUDIO MONTHLY REVENUE.

NOTICE ADDRESS FOR LICENSEE: _____

EMAIL: _____.

OPENING DATE: _____.

EXPIRATION DATE: _____.

RENEWAL TERM EXPIRATION DATE: _____.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this Exhibit A on the Effective Date.

LICENSOR:

GOTRIBE, INC.
A California corporation

By: _____

Name: _____

Title: _____

LICENSEE:

**(IF LICENSEE IS A CORPORATION, LIMITED
LIABILITY COMPANY, OR PARTNERSHIP):**

[Print Name of Licensee Entity]

By: _____

Name: _____

Title: _____

AND

(IF LICENSEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

**GOTRIBE, INC.
LICENSE AGREEMENT**

**EXHIBIT B
ENTITY INFORMATION DISCLOSURE**

GOTRIBE, INC.
LICENSE AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

Licensee represents and warrants that the following information is accurate and complete in all material respects:

(1) Licensee is a (check as applicable):

- ☐ corporation
- ☐ limited liability company
- ☐ general partnership
- ☐ limited partnership
- ☐ Other (specify): _____

State of incorporation/organization: _____

Name of Licensee entity: _____

(2) Licensee shall provide to Licensors concurrently with the execution of the License Agreement true and accurate copies of its charter documents including Articles of Incorporation/Organization, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution of this Agreement and any amendments to the foregoing (the “**Entity Documents**”).

(3) Licensee promptly shall provide all additional information that Licensors may from time to time request concerning all persons who may have any, direct or indirect, financial interest in Licensee.

(4) The name and address of each Owner is:

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST

(5) The names, addresses and titles of Licensee Owner who will be devoting their full time to the GoTribes Studio are:

NAME	ADDRESS	TITLE

(6) The address where Licensee’s financial records and Entity Documents are maintained is:

_____.

(7) The Principal Owner is _____.

(8) The General Manager is _____.

(9) Licensee represents and warrants to Licensor, as an inducement to Licensor's execution of the License Agreement, that the information set forth in this Entity Information Disclosure is true, accurate and complete in all material respects on the Effective Date and that Licensee shall provide Licensor with all additional information Licensor may request with respect to the partners, shareholders and members of Licensee and the ownership of Licensee upon demand by Licensor. In addition, Licensee shall notify Licensor within ten (10) days of any change in the information set forth in this Entity Information Disclosure and shall provide Licensor with a revised Entity Information Disclosure certified by Licensee to be true, correct and complete in all material respects. Licensor grants Licensee the rights in the License Agreement in reliance upon each and all of the terms of this Entity Information Disclosure.

IN WITNESS WHEREOF, the Parties have executed this **Exhibit B** on the Effective Date.

LICENSOR:

GOTRIBE, INC.
A California corporation

By: _____

Name: _____

Title: _____

LICENSEE:

**(IF LICENSEE IS A CORPORATION, LIMITED
LIABILITY COMPANY, OR PARTNERSHIP):**

[Print Name of Licensee Entity]

By: _____

Name: _____

Title: _____

AND

(IF LICENSEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

**GOTRIBE, INC.
LICENSE AGREEMENT**

**EXHIBIT C
GUARANTEE OF LICENSE AGREEMENT**

GOTRIBE, INC.
LICENSE AGREEMENT

EXHIBIT C
GUARANTEE OF LICENSE AGREEMENT

The undersigned ("**Guarantors**") have requested **GOTRIBE, INC.**, a California corporation ("**Licensor**"), to enter into that certain License Agreement dated _____ (the "**License Agreement**") with _____ ("**Licensee**"). In consideration for, and as an inducement to, Licensor's execution of the License Agreement, Guarantors hereby agree as follows:

1. "**Obligations**" means and includes any and all obligations of Licensee arising under or pursuant to the License Agreement and all other obligations, whether now existing or hereafter arising, of Licensee to Licensor of whatever nature. Capitalized terms not defined in this Guarantee shall have meanings set forth in the License Agreement.
2. Guarantors irrevocably and unconditionally, fully guarantees to Licensor the prompt, full and complete payment of any and all Obligations of Licensee to Licensor and the performance of any and all obligations of Licensee including, without limitation, obligations under the License Agreement or any other agreement, instrument or document relating to, evidencing or securing any Obligations.
3. If Licensee fails to pay any of the Obligations, Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Licensor, pay all of the Obligations in like manner as if the Obligations constituted the direct and primary obligation of Guarantors. Guarantors agree that if any obligation, covenant or agreement contained in the License Agreement is not observed, performed or discharged as required by the License Agreement (taking into consideration any applicable cure periods), Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Licensor, to observe, perform or discharge the obligation, covenant or agreement in like manner as if the same constituted the direct and primary obligation of Guarantors.
4. No exercise or non-exercise by Licensor of any right under this Guarantee, no dealing by Licensor with Licensee or any other Person and no change, impairment or suspension of any right or remedy of Licensor shall in any way affect any Obligations of Guarantors under this Guarantee or give Guarantors any recourse against Licensee. Without limiting the generality of the foregoing, Guarantors agree that, regardless of whether Licensor gives notice thereof or obtains the consent of Guarantors thereto, Guarantors' liability under this Guarantee shall not be released, extinguished or otherwise reduced in any way by reason of (i) any amendment, modification, renewal, extension, substitution or replacement of the License Agreement or of any of the Obligations, in whole or in part; (ii) any acceptance, enforcement or release by Licensor of any security for the License Agreement or of any of the Obligations, any addition, substitution or release of any of the Guarantors, or any enforcement, waiver, surrender, impairment, release, compromise or settlement of any matter with respect to the License Agreement or the Obligations or any security therefore; (iii) any assignment of this Guarantee, in whole or in part by Licensor, or any Assignment or transfer of the License Agreement (or any of them) by Licensor or Licensee; (iv) the invalidity or unenforceability of any provision of the License Agreement or any of the Obligations; or (v) any failure, omission or delay of Licensor in enforcing the License Agreement, the Obligations or this Guarantee.
5. Guarantors waive and agree not to assert or take advantage of (i) any right to require Licensor to proceed against Licensee or any other Person, firm or corporation or to proceed against or exhaust any security held by Licensor at any time or to pursue any other remedy in Licensor's power; (ii) any statute of limitations in any action under this Guarantee to collect any Obligations guaranteed hereby; (iii) any defense that may arise

by reason of Licensee's incapacity, lack of authority, insolvency or bankruptcy or Licensors' failure to file or enforce a claim against the estate (either in bankruptcy or other proceeding) of Licensee, any other or others; (iv) any defense arising out of any alteration of the License Agreement or the Obligations; (v) notice of Licensee's Default in the payment or performance of any of the Obligations; (vi) demand, protest and notice of any kind including, without limitation, notice of acceptance, notice of the existence, creation or incurring of new or additional Obligations or obligations or of any action or non-action on the part of Licensee, Licensors, any endorser, creditor of Licensee or Guarantors under this or any other instrument, or any other Person, in connection with any obligation or evidence of Obligations held by Licensors or in connection with any Obligations hereby guaranteed; (vii) all rights and defenses arising out of an election of remedies by Licensors, even though that election of remedies, such as non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors' rights of subrogation and reimbursement against Licensee by operation of Applicable Law or otherwise; (viii) any duty of Licensors to disclose to Guarantors any facts that Licensors may now or hereafter know about Licensee, regardless of whether Licensors has reason to believe that those facts materially increase the risk beyond that which Guarantors intends to assume or has reason to believe that the facts are unknown to Guarantors or has a reasonable opportunity to communicate the facts to Guarantors, it being understood and agreed that Guarantors is responsible to be and to keep informed of Licensee's financial condition and of all circumstances bearing on the risk of nonpayment of any Obligations hereby guaranteed; and (ix) any right to the benefit of or to direct the application of any security held by Licensors.

6. Until all Obligations to Licensors are paid in full and fully performed, Guarantors shall have no right of subrogation and waive any right to enforce any remedy that Licensors now has or may hereafter have against Licensee. All existing or future indebtedness of Licensee to Guarantors and any right to withdraw capital invested in Licensee by Guarantors are hereby subordinated to all Obligations.

7. Guarantors' liabilities and all rights, powers and remedies of Licensors under this Guarantee and under any other agreement now or at any time hereafter in force between Licensors and Guarantors shall be cumulative and not alternative and the rights, powers and remedies shall be additional to all rights, powers and remedies given to Licensors by Applicable Law. Without limiting the generality of anything contained in this Guarantee, Guarantors waive and agree not to assert or take advantage of: (i) all rights described in California Civil Code Section 2856(a)(1) through (3), inclusive, including, without limitation, any rights and defenses which are or may become available to Guarantors by reason of California Civil Code Sections 2787 through 2855, inclusive; and (ii) California Civil Code Section 2899.

8. The liability of Guarantors under this Guarantee shall be an absolute, direct, immediate and unconditional continuing guarantee of payment and performance and not of collection. Guarantors' obligations under this Guarantee are independent of Licensee's obligations. This is a continuing Guarantee. It shall be irrevocable during the Initial Term and the Renewal Term of the License Agreement and through any extensions, amendments, modifications, substitutions or replacements of the License Agreement and until all Obligations has been fully paid and the Obligations have been fully performed. In the event of any Default under this Guarantee, a separate action and/or successive actions may be brought and prosecuted against Guarantors regardless of whether action is brought against Licensee or whether Licensee is joined in any action or actions.

Licensors may maintain successive actions for other Defaults. Licensors' rights under this Guarantee shall not be exhausted by Licensors' exercise of any rights or remedies or by any action or by any number of successive actions until and unless all Obligations have fully been paid and performed. The obligations of Guarantors shall be primary and are independent of the obligations of Licensee and Licensors may directly enforce its rights under this Guarantee without proceeding against or joining Licensee or any other Person or Entity, or applying or enforcing any security of the License Agreement.

9. Neither any provision of this Guarantee nor right of Licensor under this Guarantee can be waived, nor can Guarantors be released from Guarantors' obligations under this Guarantee except by a written agreement executed by Licensor. If any provision or portion of any provision of this Guarantee is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective. This Guarantee constitutes the entire agreement of Guarantors and Licensor with respect to the subject matter of this Guarantee and no representation, understanding, promise or condition concerning the subject matter of this Guarantee shall bind Licensor unless expressed in this Guarantee.

10. All written notices permitted or required under this Guarantee shall be deemed given and delivered in accordance with Article 20 of the License Agreement. Notices to Guarantors shall be sent to the address set forth below each Guarantor's signature below.

11. This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Guarantee with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guarantee for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Guarantee. In addition, this Guarantee may be signed electronically by Guarantors and electronic signatures appearing on this Guarantee shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Guarantee.

12. Disputes arising out of or relating to this Guarantee shall be brought in the state or federal courts in a county in California in which Licensor has a principal place of business at the time the action is initiated. This Guarantee shall be interpreted and construed under the laws of California. In the event of any conflict of law, the law of California shall prevail, without regard to the application of California conflict of law rules. If, however, any provision of this Guarantee would not be enforceable under the laws of California, and if the GoTribe Studio is located outside of California and such provision would be enforceable under the Applicable Laws of the state in which the GoTribe Studio is located, then such provision shall be interpreted and construed under the Applicable Laws of that state. Nothing in this Section 12 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of the state of California to which it would not otherwise be subject.

Executed by or on behalf of Guarantors on the date set forth below.

Date: _____

Date: _____