

LICENSE AGREEMENT

This License Agreement is made effective as of **JOHN HO** between Doctor Fish Massage, Inc., 8647 Richmond Hwy. Suite 809, Alexandria, Virginia 22309 (Licensor) and _____ (Licensee), Salon Address_____.

In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

I. Content of Licensed materials; Grant of License

The materials that are the subject of this Agreement shall consist of fish owned by Licensor and known as **Doctor Fish, Garra Rufa and Kangal Fish**, hereinafter referred to as Doctor Fish. The Doctor Fish are to be used exclusively by the Licensee as part of or as an adjunct to providing spa services such as pedicure, foot massage and general foot care to its clientele in the nail, spa, salon, resort, hotel, and medical industries. Licensor is the exclusive importer of said Doctor Fish to Licensee only. For more additional trademark names, please visit www.uspto.gov, go to the trademark page and go to search under TM Search and type in fish pedicure. Click on either file number and you will see us as owners of the trademark names.

Licensee and its Authorized Users acknowledge that the title and ownership of the Doctor Fish remains with the Licensor. Neither Licensee nor its Authorized Users shall have right, title or interest in the licensed material except as expressly set forth in this Agreement.

Licensor hereby grants to Licensee non-exclusive use of the licensed material and the right to provide the Licensed Material to Authorized Users in accordance with this Agreement.

II. Delivery of Licensed Materials to Licensee

Licensor will provide Doctor Fish to the Licensee in the following manner:

1. Upon the Licensee having a pool constructed according to the specifications set forth in this Agreement for the Doctor Fish to live, Licensor will deliver and place the Doctor Fish in the pool. The number of Doctor Fish Licensor will deliver will vary depending upon the size of the pool and will be specified in this agreement.

III. Fees

Prior to delivery of the Fish, Licensee shall make a one time payment to Licensor for use of the licensed materials in the amount of Ten Thousand Dollars (\$10,000.00). Licensee will not be responsible for any additional payment to Licensor during the term of this Agreement except as may be specified in this Agreement.

IV. Licensor Obligations/Warranties

Licensor agrees and makes the following explicit warranties:

1. To deliver and install healthy Doctor Fish that are fit for the purpose of being used as a method of foot care, massage and pedicure whereby the Fish eat and or otherwise remove dead skin from the foot or leg of the user of the Fish.
2. To replace all Doctor Fish that die during the first three (3) months after the date the fish are delivered, at no cost to the Licensee. Licensee must retain all dead fish and keep in freezer for inspection prior to send out for replacement.
3. To provide Licensee and its staff with training in the proper care of the Doctor Fish and the proper method for providing a clean individual Doctor Fish Pedicure™ for each customer, at no cost to the Licensee;
4. Licensor warrants that it has the right to license the rights granted under this Agreement to use the Doctor Fish, that it has obtained any and all necessary permissions from third parties to license the Doctor Fish and that use of the Doctor Fish in accordance with the terms of this Agreement shall not infringe upon the rights of any third party;
5. During the term of this Agreement or Renewal of this Agreement, Licensor will not enter into a Licensing Agreement to provide Doctor Fish to any spa or competitor of Licensee within a Five Mile (5 mile) radius of Licensee's business; except special permission from the Licensor after Licensor done Demographics calculation. Location such as Mall, Resort, Hotel, and Beaches may qualify under special Permission.

V. Licensee Obligations

Prior to delivery of the Doctor Fish, Licensee, at its own expense, shall provide an appropriate pool for the Doctor Fish to live in. The pool must be large enough to contain a minimum of 250 gallons of water to accommodate 3000 doctor fish. The water must be filtered, PH adjusted and heated and maintained according to the specifications set forth in the Licensor's Operation Manual. Licensee shall also provide individual containers to house the water and Doctor Fish that each customer will use when receiving a Doctor Fish Pedicure sm. Each individual container must be constructed according to the specifications set forth in the Operational Manual. Licensee shall be responsible for complying with all applicable Federal, state and local laws, regulations and ordinances.

Upon placement of the Doctor Fish by the Licensor in the Licensee's pool and acceptance of the Fish by the Licensee, the Licensee shall be solely responsible for the following:

1. The proper care and treatment of the Fish;
2. The proper maintenance of the pool and the individual containers used to provide a Doctor Fish Pedicure™ and in which the Fish live, including the ongoing responsible of maintaining proper water temperature, PH, water quality and any and all other maintenance requirements to insure the continued health and fitness of the Fish;
3. If the Doctor Fish die and need to be replaced, at any time after the first three months following the date of delivery of the Fish, Licensee shall replace the Doctor Fish, at its own expense;
4. Licensee acknowledges and agrees that the Doctor Fish are being provided by the Licensor for the sole purpose of their being used as a method of Pedicure, foot care or massage whereby the Fish will eat and or otherwise remove dead skin form the foot or leg of the client. Use of the Fish for any other purpose is unauthorized. Licensee agrees that Licensor is not liable for any claim arising out the unauthorized us or the Doctor Fish.
5. Licensee shall indemnify and hold Licensor harmless for any losses, claims, damages, awards, penalties, or injuries incurred, including reasonable attorney's fees, which arise from any claim by any third party of an alleged injury or loss arising out of the use of the Doctor Fish or the Pool the Fish live in the individual tanks used for providing a Doctor Fish Pedicure™ or any other appurtenance or adjunct to the providing of spa services that in any way involve the use of the Fish.
6. Strict Compliance with the method of maintaining and operation the Doctor Fish Pedicure™ as contained in the Operating Manual provided by the Licensor. Failure of Licensee to strictly comply with operation

procedures and methods will result in the cancellations of this agreement, the return of all Doctor Fish and the revocation of Licensee's right to offer Doctor Fish Pedicure™.

7. Because Doctor Fish Massage, Inc. has established a reputation for quality, cleanliness, appearance and service and through such operations has created demand and goodwill for the Doctor Fish Pedicure™, Licensee agrees that Licensor shall have the right to conduct periodic inspections of Licensee's facilities to insure the proper methods of operation, as described in the Operating Manual, are being followed.
8. Licensee shall not pay any royalty of any sales derived from the sale of Doctor Fish Pedicure™ as set forth in Section III of this Agreement yet.
9. Licensee agrees to maintain a separate account wherein Licensee documents the number of clients purchasing a Doctor Fish Pedicure™, the date of their purchase and the amount each client paid for the Doctor Fish Pedicure™. Licensee shall provide Licensor with a copy of this account at the same time Licensee pays the royalty fee to Licensor on the 1st and 15th of each month. Failure to provide this documentation shall be considered a material breach of the agreement and is grounds for the termination of this agreement.
10. At the end of each quarter (March 30, June 30, September 30 and December 31) Licensee shall provide a certified financial statement to Licensor, showing the total revenue

VI. Term

This Agreement shall continue in effect for a term of One Year (1 year) from the date it is signed by both parties.

VII. Renewal

As of this date, Licensor is in the process of finalizing a Franchise Sale/Purchase Agreement. If at the end of the current term of this agreement, Licensor is selling Yvonne's Fish Spa™ franchises, Licensee shall have the first right of refusal to purchase a franchise from Licensor. If Licensee does not want to purchase a franchise, but wishes to renew this agreement for a successive one year term this Agreement shall be renewable only upon the written agreement of the Licensor. Licensee agrees that any Renewal of this Agreement is subject to new and additional terms not included in this Agreement.

Upon the Renewal of this Agreement, Licensor agrees to provide Licensee with all new Doctor Fish in the same manner and amount as provided in the initial Agreement.

VIII. Equipment

Licensee must pay directly to Licensor the equipment cost in an amount of Seventy five hundred dollars (\$7,500.00). The equipment will be listed in the **Equipment List**. The equipment cost will be paid at the time of delivery of the Doctor Fish.

IX. Assignment and Transfer

Licensee may not assign, directly or indirectly, all or part of its rights or obligations under this Agreement without the prior written consent of the Licensor.

In the event Licensee goes out of business or chooses to no longer provide its customers with the services of the Doctor Fish, Licensee shall return all Fish to Licensor. Licensee shall not sell, lease or give the Doctor Fish to any person or business entity other than Licensor.

Violation of this Provision shall result in Licensee owing Licensor liquidated damages in the amount of \$10,000.00 plus attorney fees.

IX. Governing Law

This Agreement shall be interpreted and construed according to, and governed by, the laws of the Commonwealth of Virginia.

X. Dispute Resolution

In the event any dispute or controversy arising out of or relating to this Agreement, the parties agree to exercise their best efforts to resolve the dispute as soon as possible and to agree to binding Arbitration. The parties shall endeavor to select a mutually acceptable arbiter knowledgeable about issues relating to the subject mater of this Agreement. In the event the parties are unable to agree to such a selection, each party will select an arbitrator and the arbitrators in turn shall select a third arbitrator. The arbitration shall take place at a location that is reasonably centrally located between the parties or otherwise mutually agreed upon by the parties.

XI. Exclusive Reps. Benefit

All exclusive representatives shall receive 7% of commission for the total of the contract fees. The amount shall be \$17,500.00. At the renewal of every contract signed, exclusive representatives shall receive 7% commission as well.

Entire Agreement

This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written.

No modification or claimed waiver of any provision of this Agreement shall be valid except by written amendment signed by authorized representatives of Licensor and Licensee.

XII. Notices

All notices given pursuant to this Agreement shall be in writing and may be hand delivered, or shall be deemed received within 3 days after mailing if sent by registered or certified mail, return receipt requested. If any notice is sent by facsimile, confirmation copies must be sent by mail or hand delivery to the specified address.

IN WITNESS WHEREOF, the parties have executed this Agreement by their respective, duly authorized representative as of the date herein:

LICENSOR:

Sign By: _____ **DATE:** _____

Print Name: _____

Address: _____

Telephone: _____

Email: jh4306@doctorfishmassage.com

Website: www.doctorfishmassage.com or www.yvonnosalon.com

LICENSEE:

BY: _____ **DATE:** _____

Print Name: _____

Salon Address: _____

Telephone: _____

Email: _____

Sale Rep: _____ **State:** _____