

Hotels Etc. License Agreement

AGREEMENT made on February 10, 2010 BETWEEN
Fernando Reelo Flores the Licensee (called "the Licensee") AND Hotels Etc. The Licenser
(called "the Licenser").

The Licensee has agreed to license the use of Hotels Etc. specified in the schedules attached to this Agreement. The Licenser has the right to license the Hotels Etc. and agrees to do so subject to the following terms and conditions:

1. Definitions and Interpretations

1.1 In this Agreement, unless the context otherwise requires:

'Agreement' means this Agreement and includes all Schedules and Appendices attached to it or incorporated in it by reference; 'Effective Date' means the date this Agreement comes into force being the date on which it is signed by both parties;

'Payment Schedule' means Schedule B containing the amounts, dates and conditions of payment for Hotels Etc.; 'Hotels Etc.' means the products which are covered by this License Agreement and which are named in Schedule A;

'Update' means the supply of new versions of the Hotels Etc. as they are released;

1.2 For the purposes of interpretation and construction of this Agreement:

1.2.1 Words importing one gender include the others;

1.2.2 Words importing the singular or plural number include the plural and singular number respectively;

1.2.3 References to Sections, Clauses, and Schedules are references to sections, clauses and schedules in this Agreement; 1.2.4 Any Schedules, and the provisions and conditions contained in such Schedules, will have the same effect as if set out in the body of the Agreement. In the event of any conflict between the Schedules and the body of this Agreement, the provisions and conditions of the body of this Agreement will prevail;

1.2.5 Headings and marginal notes are inserted for the sake of convenience of reference only and do not affect the interpretation of this Agreement;

2. Scope

2.1 The Licenser agrees to provide the Hotels Etc. discount program, along with any relevant updates as long as each monthly payment is made by due date.

2.2 The Licenser will provide 5000 copies of the Hotels Etc. card and access to the members' section at Hotels Etc to get a list of participating hotels.

2.3 The Licensee shall have the right to extend the use of the Hotels Etc. to additional Locations and/or related parties subject to the payment of any additional fees incurred.

2.4 For the purposes of this Agreement those entitled to use the Hotels Etc. in conducting the business activities of the Licensee shall be the Licensee's current, and future, employees and other users as authorized by the Licensee.

3. Charges and Payments

3.1 Price. The amount payable for the licensing of the Hotels Etc. is as detailed in the Payments Schedule.

3.2 Payment

The Licenser shall invoice the Licensee for the Hotels Etc. supplied in accordance with the Payment Schedule. Payment will become due as specified in the Payment Schedule.

3.3 Increases in Fees. The Licenser shall have the right to increase the License Fees as defined in the Payment Schedule on each anniversary of the signing of this Agreement.

3.4 Charges. Subject to clauses 3.1 and 3.3 and to any agreed variations or change requests, the License Fees specified in this Agreement constitute the total charge to the Licensee.

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4. Delivery.

4.1 The Licensor will deliver 5000 Hotels Etc. membership cards to the Licensee, website, phone extension, access to distributor section, support, training, unlimited printing rights to all certificates.

4.2 The Licensor will provide reasonable instructions to enable the Licensee to reap the full benefit of the Hotels Etc. member benefits.

4.3 The Licensor will supply new versions of the Hotels Etc. as they become available, on the stated media, to each of the Locations, provided only that the Licensee is up to date with the Update payments as defined in the Payment Schedule.

5. Confidentiality

Both parties agree that, unless they have the prior written consent of the other, they will not use or disclose to any third party (other than for the purpose of performing this Agreement) the terms and conditions of this Agreement or any information which is confidential to the other party. The obligations of clause 5 shall survive termination or cancellation of this Agreement.

6. Documentation

The Licensor will provide the Licensee with Documentation. Amendments to the Documentation will be provided with each Update to the Hotels Etc. directory.

7. Warranties. The Licensor warrants that:

7.1.1 It has the right and authority to grant a license for the Hotels Etc. supplied to the Licensee;

7.2 Notwithstanding the foregoing, the Licensor shall have no obligation to insure that all hotels honor the Hotels Etc. agreement of 50% off. Hotels are subject to change at any time. Hotels Etc. does guarantee it has received a signed agreement from each hotel or management company representing each hotel offering 50% off the regular rack rate based on discount space availability.

7.3 The above warranties are in lieu of, and the Licensor disclaims, all other warranties, express or implied which may be lawfully excluded, including, but not limited to warranties of description, design, merchantability or fitness for a particular purpose.

8. Ownership

8.1 All intellectual property rights which may subsist in the Hotels Etc. and associated Documentation shall remain with the owner of such Hotels Etc. but the Licensee shall be granted a license to use the name Hotels Etc. of Mexico upon the terms and conditions of this Agreement.

8.2 The parties shall execute all documents and do all acts and things reasonably required for the purpose of giving effect to clause 8.1.

9. Intellectual Property Rights Indemnity

9.1 The Licensor will indemnify the Licensee against and will at its cost defend or settle any claim, suit, action or proceeding (collectively called "Action") brought against the Licensee to the extent that the Action is based on a claim that the Licensee's use of deliverables supplied by the Licensor constitutes a breach of any patent, copyright, trade secret or other proprietary right provided that:

9.1.1 the Licensee fully co-operates with the Licensor in defending or settling the Action and makes its employees available to give statements, advice and evidence as the Licensor may reasonably request;

9.1.2 the Licensor is notified promptly in writing of any Action and is given complete authority and information required for the conduct of the defence or settlement of the Action;

9.1.3 the Licensor shall have the sole control of the conduct of any Action and all negotiations for its settlement or compromise. 9.2 In order to fulfill its obligations under clause 9.1 the Licensor shall forthwith at its own expense either:

9.2.1 obtain for the Licensee the legal right to continue using the Hotels Etc. or part of the Hotels Etc., which is the subject of the action; or

9.2.2 replace the Hotels Etc. (or the infringing parts of the Hotels Etc.) with reasonably equivalent Hotels Etc. product.

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10. Limitation of Liability

10.1 The warranties in clause 7 replace all other representations or warranties (statutory, express or implied) and all such representations and warranties (save any which may not lawfully be excluded) are expressly excluded, including, without limitation, the implied warranties of merchantability and fitness for any particular purpose. The foregoing exclusions do not apply to rights granted to the Licensee under the Consumer Guarantees Act 1993 unless the Licensee is acquiring the System for the purposes of a business in which case the provisions of the Consumer Guarantees Act 1993 shall not apply.

10.2 Neither party will under any circumstances be liable under the law of tort, contract or otherwise for any loss of profits or savings or for any indirect or consequential loss or damage, however caused, arising out of or in connection with the performance or non-performance of this Agreement. At no time will the Licensor be responsible to the Licensee for any amount of damages for any reason that exceeds the actual amount paid to Licensor. Licensee understands that there are NO REFUNDS for any reason of any monies paid to Licensor.

10.3 The Licensor's liability to the Licensee arising out of any claim for damages for any cause whatsoever will under no circumstances exceed in aggregate the total amount of the sums actually paid by the Licensee to the Licensor for the goods or services which gave rise to the claim.

10.4 No action arising out of this Agreement, may be brought more than one year after the party bringing the action became aware, or reasonably ought to have been aware, of the circumstances giving rise to the action.

11. Termination

11.1 Immediate Termination

Either party may terminate this Agreement forthwith if the other party:

11.1.1 assigns its rights or obligations under the Agreement otherwise than in accordance with clause 16;

11.1.2 enters into a composition with its creditors, is declared bankrupt, goes into liquidation, or a receiver, or a receiver and manager, or statutory receiver is appointed in respect of it;

11.1.3 commits a breach of copyright or any other breach of intellectual property rights, or a breach of confidentiality.

11.2 Termination by Either Party on Notice If one party defaults in the performance of any of its obligations under this Agreement and:

11.2.1 the default is capable of being remedied, and, within ten (10) days of notice by the non-defaulting party specifying the default, is not remedied; or

11.2.2 the default is not capable of being remedied the non-defaulting party may immediately terminate, or temporarily suspend the operation of this Agreement until the default is remedied, at its sole discretion.

11.3 Remedies on Termination

If the Licensee gives notice to the Licensor to terminate this Agreement, the Licensee may, in addition to terminating this Agreement:

11.3.1 recovers any sums paid to the Licensor on any account under this Agreement which have not been performed or completed,

11.3.2 pursue any additional or alternative remedies provided by law.

11.4 Upon termination of this Agreement the Licensee shall, at the Licensor's option, return or destroy any copies of the Hotels Etc. and related Documentation in the possession or control of the Licensee.

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12. Force Majeure

12.1 Neither party will be liable for any act, omission, or failure to fulfill its obligations under this Agreement if such act, omission or failure arises from any cause reasonably beyond its control including acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental action after the date of this Agreement, fire, communication line failures, power failures, earthquakes or other disasters (called "Force Majeure").

12.2 The party unable to fulfill its obligations due to Force Majeure will immediately:

12.2.1 notify the other in writing of the reasons for its failure to fulfill its obligations and the effect of such failure;

12.2.2 use all responsible endeavors to avoid or remove the cause and perform its obligations.

13. Waiver

No delay, neglect or forbearance by either party in enforcing against the other any provision of this Agreement will be a waiver, or in any way prejudice any right, of that party.

14. Severability

If any provision of this Agreement is held to be invalid, illegal or unenforceable, such provision will be severed and the remainder of the Agreement will remain in full force and effect.

15. Notices

Any notice given pursuant to this Agreement will be sufficiently given if it is in writing and delivered, or sent by prepaid post or facsimile to the other party at the address as shown in Schedule A.

16. Assignment

The Licensee shall not assign or transfer its rights or obligations under this Agreement without the prior written consent of the Licensor, which shall not be unreasonably withheld.

17. Amendments

Any modification to or variation of this Agreement must be in writing and signed by authorized representatives of the Licensor and the Licensee.

18. Survival

The provisions of this Agreement, which are capable of having effect after termination of this Agreement shall remain in full force and effect following the termination of the Agreement.

19. Entire Agreement

The parties acknowledge that this Agreement contains the whole of the contract and understanding between them. There are no conditions, warranties or other understandings affecting the arrangements between the parties other than those set out herein and this Agreement replaces all prior Agreements and understandings (if any) with respect to the subject matter of this Agreement.

20. Subject to United States Law

The parties agree that the laws of United States shall govern this Agreement.

21. Disputes and Remedies

21.1 The parties agree to use their best efforts to resolve any dispute, which may arise under the Agreement through good faith negotiations. No party shall commence any litigation in relation to this Agreement unless it has first invited the chief executive of the other party to meet with its own chief executive for the purpose of endeavoring to resolve the dispute on mutually acceptable terms.

21.2 Any dispute arising under this Agreement which cannot be settled by negotiation between the parties or their respective representatives shall be submitted to mediation before commencing any litigation. Either party may initiate mediation by giving written notice to the other party.

21.3 If the parties cannot agree to a mediator within two working days of the notice, the mediator will be selected by the President for the time being of LEADER (Lawyers Engaged in Alternative Dispute Resolutions) or its successor.

21.4 The parties shall continue to perform their obligations under the Agreement as far as possible as if no dispute had arisen pending the final settlement of any matter referred to mediation.

21.5 Nothing in this clause shall preclude either party from taking immediate steps to seek urgent equitable relief before a United States Court.

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EXECUTED as an Agreement on the date written below.

LICENSEE INFORMATION

Schedule A - Hotels Etc.

Hotels Etc. to provide to the Licensee 5000 Hotels Etc. Lifetime gold membership cards and 1,000 silver membership cards bearing the Hotels Etc. Registered Trade Mark. This Trade Mark is limited to the sole use of Licensee in the sales of the Hotels Etc. Memberships.

Hotels Etc. will provide a Web Site for Licensee customers to visit to receive a current list of participating Hotels Etc. Hotels. Licensee is not permitted to add this list to their Web site without written approval. Licensee is permitted to link to this site and Licensor is permitted to link to Licensee's Web Site. Licensee will be allowed to secure international domain. Hotelsetc.mx and hotelsetc.com.mx and will be provided and the main focus development.

Addresses:

The contact addresses for formal correspondence between the two parties are included above:

Schedule B - Payment Schedule -fees

Licensee shall pay to licensor \$45,000 for the first 5000 Lifetime gold memberships and 1,000 silver annual membership cards along with exclusive rights to Mexico. This will include the exclusive distributor license for Mexico. Licensee will remain the exclusive Mexico distributor unless failure to meet agreements. Licensee will be able to purchase marketing tools and memberships at a lesser price than a distributor. Wholesale memberships will be sold to licensee for \$.95 each that bears the name Hotels Etc. The licensee understands that this agreement is for 12 months, and on agreements 12 month anniversary \$45,000 will be owed again to remain an active exclusive distributor. Licensee will be delivered 5000 cards on every 12 month anniversary payment made. \$15,000 to be placed down August 13th, 2010 and the remaining balance must be paid in full no later than Sept 13th, 2010 in one payment of \$30,000
Licensee is to make payment via Hotels Etc. corporate account at Essex Bank 4581 Atlanta Hwy Loganville, Ga 30052 Account number #154021 ABA# 051408909

Licensee has permission to promote market and advertise. Hotels Etc worldwide excluding exclusive territories in which a list will be provided to Licensee anytime a new exclusive is added.

Licensor agrees to provide this information and without the risk of licensee.

LICENSEE INFORMATION

Company:

Name: Fernando Rocio Flores

Email Address: kkarla@prodigy.net.mx

Address: Chapultapac #618 Col. Garza Col Monterrey, Nuevo Leon Mexico C.P. 64810

Telephone: 52 81 80635568 or 52 81 51903060

CEO, Shawn Pigg

Date 8-11-10

Licensee Signature

Date

Please sign, fax or email this document to Shawn Pigg

Email: shawn@hotelsetc.com

Fax: 1-866-461-5637