



Hotels Etc. Inc. License Agreement

BRAND AND TRADE NAME LICENSE AGREEMENT (the "Agreement") dated as of Feb 3 2017 and effective by and among HOTELS ETC., INC., a Georgia corporation, with offices located at 910 Athens Highway, Suite K-214, Loganville, Georgia 30052 ("Licensor"), and **Breakout Enterprises** corporation, with offices located at 325 E Washington St, #268 Sequim, Washington 98382

The Licensee has agreed to license the use of Hotels Etc. specified in the schedules attached to this Agreement. The Licensor 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 Licensor agrees to provide the Hotels Etc. two booking engines along with any relevant updates as long as each payment is due by due date.
2.2 The Licensor will provide the necessary codes needed to install said databases within clients closed loop program
2.3 The Licensee shall have the right to sell, provide or issue memberships to their organization for client to obtain access to said discount databases and booking engines.
2.4 For the purposes of this Agreement those entitled to use the Hotels Etc booking engines (2), Discount Directory, 7 Day booking engine and New branded booking engine (expected release date May 1st 2017) is the name listed on said agreement. No other exceptions have been extended to 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 Licensor 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 Licensor shall remain the same and locked in according the payment terms listed in said agreement. No refunds or warranties been promised and 10% late fee applied
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.

4. Delivery.

4.1 The Licensor will deliver codes for licensee to install said databases within their network.
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 or booking engines

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 discount providers honor the Hotels Etc. agreement. Discount Providers are subject to change at any time. Hotels Etc. does guarantee it has received a signed agreement from each participating discount provider or an agreement with the provider of said discount and all discounts are accepted upon availability. Hotels Etc. agrees to maintain a database of discounts and also guarantees that all listings have been negotiated by Hotels Etc. Staff. No discount shall be negotiated on Hotels Etc. behalf unless that discount provider is to be included within Hotels Etc. directory. Licensee can't solicit new discount providers using Hotels Etc. name or brand to join another program.
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 said databases within their closed loop program. Licensee also understands that discounts must be attached to an enrollment fee and can't be given away to the general public for free, or at no charge.
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 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. Licensee will retain exclusive data rights on all customers and non customers it generates using the Hotels Etc. license.

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.

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; and manager, or statutory receiver is appointed in respect of it;
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 recover 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.

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 uses 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 arrangements 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.

22. All materials, manuals, trademarks, marketing materials, database, discounts and all property of Hotels Etc., must remain confidential and no direct competition will be accepted and will violate your agreement.

EXECUTED as an Agreement on the date written below on and between

Shawn Pigg - CEO
Hotels Etc.
910 Athens Hwy
Suite K-214
Loganville, Ga 30052
1-877-967-7283
info@hotelsetc.com

Clients Name:

Business Name: Breakout Enterprises

Name: Jim Louthan

Address: 325 Sequim, Washington 98382

Phone: 252-489-9886

Email: jouthan79@gmail.com

Website:



Schedule A - Hotels Etc.

Licensor shall pay a monthly/yearly fee in the form of membership purchases to licensee as described below
 Licensee has permission to market and distribute globally

Schedule B - Payment Schedule -fees

Licensor agrees to pay licensee (\$8.00) per member per year for a min of (500) member year. In the event licensee exceeds (500) member per year and reaches the next tier prices will automatically be adjust as stated below. Licensee also understands this agreement is only valid for website listed. No other promises have been made between either party. Licensee will receive 2 booking engines, and discount directory under with 500 members per year. Licensee agrees to pay \$2995 per year (12 months from date listed on said agreement) for 7 day booking engine which will display 50% off and offer fluctuating commissions from \$0 to \$75 per booking. Licensor agrees to supply new booking engine to licensee when released at same per member per year rate as listed above.

Licensor agrees to submit UID's upon request (to be determined). Licensee understands if they exceed the allotted member years then an invoice will be submitted for additional members as stated in the chart below. The initial member months expire 15 months after the signing of said agreement at which point cross referencing will be conducted for the following year. Licensee agrees to pay 10% late fee to balance if invoice is not paid on time. Licensee also understands no refunds are granted on API database leases.

LICENSEE INFORMATION

Business Name: **Breakout Enterprises**

Name: **Jim Louthan**

Address: **325 Sequim, Washington 98382**

Phone: **252-489-9886**

Email: **jloouthan79@gmail.com**

Website:

Hotels Etc. - CEO, Shawn Pigg

Date

NAME - Licensee Signature

Date

Licensor grants permission to Hotels Etc. Inc to process the below credit card for \$6000 and any future Payments as agreed to in said agreement.

Credit Card #

Exp:

Security:

Signature: _____

Print:

Date:

Quantity	Per Member Per Year
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500

1,000

5,000

10,000

25,000

50,000

100K +

\$8.00

\$7.50

\$7.00

\$6.35

\$5.50

\$4.75

\$4.00