

ESSEINTRICS®

426 Ste-Helene Street, Suite 300
Montreal, QC H2Y 2K7
Canada

Last revised December 2020.

ESSEINTRICS Facility Live Virtual Class License

This Agreement is between Essentrics (“LICENSOR”) at 426 Ste-Helene Street, Suite 300, Montreal QC, H2Y 2K7 Canada and the Facility [FACILITY NAME] (the “Facility” or the “Licensee”) to offer Essentrics live virtual classes taught by a Certified Essentrics Instructor who has been granted an Essentrics Instructor Live Virtual Class License (found in Schedule A).

The Certified Essentrics Instructor(s) who will be teaching Essentrics live virtual classes at the Facility must be granted a separate Instructor Live Virtual Class License from Essentrics. Essentrics Instructors are responsible for staying up to date with, and abiding by, all Essentrics Instructor Certification Terms and Conditions. The host Facility is responsible for ensuring that the Essentrics Instructor is certified and has been granted an Instructor Live Virtual Class License before the Facility begins offering Essentrics live virtual classes. Only upon becoming certified will an Instructor be eligible for an Instructor License. Essentrics requests that the Facility does not offer Essentrics live virtual classes until the Instructor has confirmed with the Facility that the Instructor has been granted an Instructor License.

The Facility is responsible for determining whether their organizational structure falls under a Facility type that requires a Facility License. See Schedule B: Identifying the Need for a Facility License and Schedule C: Facility License Fees.

This Agreement is contingent upon the terms outlined below being abided by in full. Any breach of these terms by the host Facility provides cause for termination of the Agreement and removal of the rights granted herein.

For definitions, refer to Schedule D: Glossary.

TERMS

1. **LICENSING FEES.** Licensing fees shall be as set out in Schedule C. Essentrics reserves the right to amend the fees from time to time on notice to the Licensee.
2. **ELIGIBILITY REQUIREMENTS TO OBTAIN A FACILITY LIVE VIRTUAL CLASS LICENSE.**
 - a. **PHYSICAL BRICK-AND-MORTAR TEACHING SPACE.** The Facility must have a dedicated physical brick-and-mortar teaching space (commercially leased, owned or otherwise) that facility members or clients frequent in person.
 - b. **IN-PERSON CLASSES.** Essentrics live virtual classes offered through a facility must be offered as a complement to in-person Essentrics classes. If the Facility ceases offering in-person Essentrics classes at their brick-and-mortar facility at any point in the future, this Agreement terminates, and the Facility may not continue offering Essentrics live virtual classes. Please contact Essentrics with any questions about this requirement.
 - i. **IMPORTANT NOTE: COVID-19.** To support Instructors and Facilities during the COVID-19 pandemic, Essentrics is temporarily waiving non-compliance with Section 2(b). To be eligible to offer Essentrics live virtual classes during the COVID-19 pandemic while in-person classes are restricted, the Facility must fall under one of the following categories:
 1. The Facility must have been offering in-person Essentrics classes or other types of in-person fitness/dance/movement classes at their brick-and-mortar facility before March 1, 2020.
 2. If the Facility began operations after March 1, 2020, the Facility must have offered in-person Essentrics classes at some point since March 1, 2020.

As soon as local health restrictions on in-person classes are lifted, the Facility must start or resume offering Essentrics in-person classes in order to be eligible to offer Essentrics live virtual classes.
 - c. **FEE-PAYING CLASSES.** The Facility must offer fee-paying fitness/dance/movement classes.
 - d. **RECURRING CLASSES.** The Facility must offer fitness/dance/movement classes on a recurring basis and not as occasional or standalone classes.
3. **ESSENTRICS INSTRUCTOR LEVEL REQUIREMENT.**
 - a. The Facility must ensure that each Essentrics Instructor teaching at the Facility is Certified Level 1, Level 2, Level 3 or Level 4 (not Apprentice) and has been granted an Instructor License.
 - b. The Facility must ensure that the Essentrics Instructor's certification level (not Apprentice) is clearly stated next to the Instructor's name in the Instructor's biography or profile wherever the Facility promotes the Instructor or their Essentrics live virtual classes.

Example of options:

Annabel Smith, Certified Level 2 Essentrics Instructor

Annabel Smith, Certified L2

Annabel Smith, L2

4. **ESSENTRICS LIVE VIRTUAL CLASS STRUCTURE.** Any in-person or live virtual Essentrics class must always follow the Pre-Choreographed Workouts and/or other class guidelines as outlined in the Essentrics Instructor Certification Terms and Conditions depending on the Essentrics Instructor's Level of Certification.
5. **ESSENTRICS LIVE VIRTUAL CLASS FEES.**
 - a. An Essentrics live virtual class must always require a fee. The fee charged for an Essentrics live virtual class is at the discretion of the Facility, however the cost for a single drop-in class cannot be less than 5 USD, 5 CAD or 5 EUR. There is one exception to this rule: The Facility may offer an Essentrics demo class free of charge to participants. A demo is a short workout with the objective of introducing Essentrics to a new client or group of clients and growing the Facility's client base. A demo must not be longer than 15 minutes. It must be an occasional, stand-alone event, and may not be ongoing nor offered as a part of a series.
 - b. If the Facility chooses to do a promotional free period of their virtual class offer, Essentrics live virtual classes may not be a part of the free class offer.
 - c. The Facility may offer fundraiser Essentrics live virtual classes where the proceeds of the class raise money for a cause. Fundraiser classes must require a minimum donation amount of 5 USD, 5 CAD or 5 EUR per participant and may never be made accessible free of charge.
6. **PERMITTED ESSENTRICS LIVE VIRTUAL CLASS LOCATION/ONLINE PLATFORMS.** The Facility is permitted to offer Essentrics live virtual classes via a closed, **private and secure** group using one of the following online tools:
 - Zoom
 - GoToMeeting
 - Microsoft Office
 - Private Facebook Group
 - Private Instagram Group
 - Any comparable platform not open or accessible to public audiences

NOT PERMITTED: Any broadcast of an Essentrics live virtual class to a public or open Facebook audience, Instagram audience, YouTube audience or Vimeo audience, including but not limited to:

- Facebook Live video
- Facebook video (recorded)

- Instagram Story
- Instagram Live video
- Instagram video (recorded)
- IGTV
- YouTube Live video
- YouTube video (recorded)
- Vimeo Live video
- Vimeo video (recorded)

7. **RECORDING RESTRICTIONS.** Essentrics live virtual classes may only be accessible on the permitted platforms for a scheduled one-time viewing, and strictly for the duration of the class in real time. Essentrics live virtual classes cannot be pre-recorded, recorded, hosted online, broadcast after the class nor made available on demand. There is one exception to this rule: The Facility may record a live virtual class for the sole purpose of providing the Instructor with a recording for submission to Essentrics Head Office in order to fulfill exam and Teaching License maintenance requirements.
8. **APPROVED FACILITY LISTING.**
- a. In offering Essentrics live virtual classes, the Facility is an Essentrics brand ambassador. As an Approved Live Virtual Class Facility, the Facility must feature the “Essentrics Workout Live Virtual Class Approved Facility” Logo within the Facility’s Essentrics class description on their website.
 - b. The Logo must link to the “About Us” (<https://essentrics.com/about-us/>) section of the Essentrics Website (clickable image).
 - c. As a benefit for Approved Live Virtual Class Facilities, Essentrics will feature the Facility’s name on the list of Approved Facilities for Live Virtual Classes on Essentrics.com for cross-promotional purposes. The Facility hereby consents to Essentrics posting this information and a link to the Facility’s website on Essentrics.com.
9. **ELIGIBILITY REQUIREMENTS FOR JOINT OPERATIONS BETWEEN INSTRUCTORS.** In order for two or more Instructors to operate jointly in offering Essentrics live virtual classes, the Instructors must meet the criteria stated in Section 2: Eligibility Requirements to Obtain a Facility Live Virtual Class License. Groups of Instructors who meet these criteria may offer Essentrics live virtual classes jointly provided they have been granted a Facility License. The Instructor License does not allow groups of Instructors (two or more Instructors working together) to offer Essentrics live virtual classes jointly without a Facility License. Note: An Instructor License is required for all Instructors wishing to offer and promote Essentrics live virtual classes.

10. **MONITORING LIVE VIRTUAL CLASS REGISTRATIONS.** Essentrics shall have no responsibility or liability for managing the registrants to the Facility's Essentrics live virtual classes and the Facility shall indemnify and hold harmless Essentrics against any claims or liabilities with respect to the management of registration. It is the responsibility of the Facility to monitor their registrations, and Essentrics encourages general best practices to ensure safety when offering live virtual classes.
11. **MUSIC COPYRIGHT.** The Facility shall hold Essentrics harmless from any issues pertaining to copyright infringement of music and sound featured in the Facility's Essentrics live virtual classes. Different platforms have varying copyright laws. Facilities and individual Essentrics Instructors are responsible for securing the necessary music licensing for their activities.
12. **CODE OF CONDUCT.** Essentrics will hold the Facility to a certain standard and if complaints are filed about the Facility, Essentrics will take appropriate action. Anything that is deemed misrepresentative, distasteful or harmful by Essentrics is cause for termination of this Agreement.
13. **QUALITY CONTROL.** The Facility shall be solely responsible for the audio-visual quality of their Essentrics live virtual classes. Essentrics requires the Facility to provide acceptable audio-visual quality. If a complaint is made against the Facility, Essentrics will take appropriate action, which could result in the termination of this Agreement.
14. **LIVE VIRTUAL CLASS SAFETY.** The Facility shall indemnify and hold harmless Essentrics from all liability and claims of any kind with respect to any safety issues, injuries or any other potential harm that may arise before, during, after or as a result of the Facility's Essentrics live virtual classes. The Facility must be safe and comply with all local rules and regulations. If a complaint is filed against the Facility, appropriate action will be taken, which could result in the termination of this Agreement.
15. **MEDICAL & HEALTH DISCLAIMER.** The Facility acknowledges and agrees that any fitness program can result in injury. As between the Facility and Essentrics, the Facility assumes the risk of any resulting physical injury and/or death to the Essentrics Instructor or their clients and shall indemnify and hold harmless Essentrics against any claim or liability whatsoever related to physical injury or death.
16. **LIVE VIRTUAL CLASS PARTICIPATION WAIVER.** Essentrics strongly recommends that the Facility has its participants agree to a waiver of liability upon registering for their Essentrics live virtual classes.

17. **INSURANCE FOR LIVE VIRTUAL CLASSES.** The Facility shall indemnify and hold harmless Essentrics from all claims and liabilities that arise from the Facility's live virtual classes. It is the responsibility of the Facility to inform themselves according to their insurance provider. For example, some insurance providers require that instructors be able to see their participants while teaching a live virtual class for liability purposes.
18. **LIABILITY.** The Facility shall indemnify and hold harmless Essentrics from all claims and liability arising from Essentrics live virtual classes. This includes but is not limited to any complaints about the Facility's live virtual classes. If Essentrics receives a complaint that it deems cause for action, Essentrics reserves the right to terminate this Agreement.
19. **PAYMENT.** The Licensing fee is an annual payment according to Schedule C that may be paid in one or two installments.
20. **RENEWAL.**
- a. The Facility License automatically renews when Essentrics receives payment according to the fees outlined in Schedule C. Once payment has been made, the Facility's License renews.
 - b. On the Facility's License renewal date, the Facility owner/manager/fitness coordinator must complete and sign the License renewal form to indicate any changes to the number of members and associated fees due. If there are no changes submitted by the renewal date, the fees associated with the Facility's membership size will automatically be charged and the License will be renewed.
21. **TERMS OF TERMINATION.** Essentrics has the right to terminate this Agreement at any time, with or without cause. In the event that the Facility has not abided by the terms described herein, Essentrics reserves the right to terminate this Agreement and require that the Facility cease offering Essentrics live virtual classes. Any amendment to this Agreement will be made in writing and will be communicated to the Facility. The Facility must agree to the terms herein and abide by them if they wish to continue offering Essentrics live virtual classes. If the Facility does not agree to these terms, the Essentrics Instructor must immediately cease teaching Essentrics live virtual classes at the Facility
22. **JURISDICTION AND DISPUTES.** For Canada-based licensees, this Agreement shall be governed in accordance with the laws of the Province of Quebec, Canada, and for all licensees not based in Canada (including licensees based in the United States) the laws of New York shall apply. Any controversy, claim or dispute arising out of or relating to this Agreement shall be finally settled by arbitration in the respective locations aforementioned, if the arbitration is conducted in person, or via video or virtual hearings, before a single arbitrator who shall be appointed by agreement of the parties, and failing such agreement, in accordance with the laws of the governing jurisdiction. The decision of the arbitrator shall be final and binding with no right of appeal and judgment upon the award rendered may be entered in any court having jurisdiction.

EACH PARTY HERETO KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY OF ANY DISPUTE RELATING TO THIS AGREEMENT AND AGREES THAT EVERY DISPUTE SHALL BE ADJUDICATED BY AN ARBITRATOR AND WITHOUT A JURY.

The aforementioned terms exist to maintain the quality and integrity of the Essentrics technique and brand. All Essentrics Pre-Choreographed Workouts are protected by Copyright. Essentrics retains the right to host digital non-live recordings (*pre-recorded or recorded*) of Essentrics workouts online.

Reference Version

SCHEDULE A. ESSETRICS INSTRUCTOR LIVE VIRTUAL CLASS LICENSE.

Click below to view a reference version of the Essentrics Instructor Live Virtual Class License.

<https://essentrics.com/instructor-live-virtual-class-reference-version/>

Reference Version

SCHEDULE B. IDENTIFYING THE NEED FOR A FACILITY LICENSE.

1. **What is a facility?** Essentrics defines a facility as a dedicated physical brick-and-mortar teaching space (commercially leased, owned or otherwise) that facility members or clients frequent in person.
2. **What types of facilities are required to sign a Facility License?** A Facility License is required to offer and promote Essentrics live virtual classes if the location where classes are provided or the entity providing classes is incorporated, or in all other cases, has more than one instructor, regardless of the relationship to other instructors, and includes such locations whether the instructors other than the primary owner are employees, contractors, or partners.
3. **What types of facilities are NOT required to sign a Facility License (instances in which a Facility License is optional)?** If the facility is operated by a Certified Essentrics Instructor who has no employee(s)/instructor(s) (other than themselves), no contractors, no business partners, third-party organizers, etc., they are not required to sign a Facility License to be able to offer and promote Essentrics live virtual classes at their facility. However, in this case, the Instructor may request a Facility License if the Facility License better suits their needs. In this instance, both Licenses (Instructor and Facility) must be signed.

Note: An Instructor License is required for all Certified Instructors wishing to offer and promote Essentrics live virtual classes.

Examples of Facility Types & Requirement

Facility Type	Employees/instructors (other than the business owner) or contractors/business partners/third-party organizers	Does the facility require a Facility License?
Incorporated gym/studio/fitness center	Yes	Yes
Space independently operated by one Essentrics Instructor	No	No*
Space independently operated by two or more Essentrics Instructors (partners or not)	Yes	Yes
Not-for-profit facility or charity-run facility	Yes	Yes
Space independently operated by one Essentrics Instructor & and other health professionals (not partners)	No	No
Space independently operated by two or more Essentrics Instructors & and other health professionals (partners or not)	Yes	Yes

*Facility License is optional

Online resource to identify the type of organization that best defines your facility:

<https://www.canada.ca/en/revenue-agency/services/charities-giving/giving-charity-information-donors/about-registered-charities/what-difference-between-a-registered-charity-a-non-profit-organization.html>

SCHEDULE C. FACILITY LICENSE FEES.

All fees have been waived until July 1, 2021.

The table below is the Facility License fee schedule based on the type of organization from which the Facility operates Essentric's live virtual classes. The fees differ based on the type of organization and the Facility's number of active members. Active members include both online and in-person members. Please note that the fees will be charged in your local currency (USD or CAD). Any other currency not listed will be charged in USD. Essentric reserves the right to amend the fees from time to time on notice to the Facility.

Facility Size	Facility Type					
	For-Profit Organizations		Non-Profit Organizations		Registered Charities	
	Monthly fee	Annual fee	Monthly fee	Annual fee	Monthly fee	Annual fee
0 – 149	30.00	360.00	15.00	180.00	No Fee	No Fee
150 – 299	40.00	480.00	20.00	240.00	No Fee	No Fee
300 – 449	50.00	600.00	25.00	300.00	No Fee	No Fee
450 – 599	60.00	720.00	30.00	360.00	No Fee	No Fee
600 – 749	70.00	840.00	35.00	420.00	No Fee	No Fee
750 – 899	80.00	960.00	40.00	480.00	No Fee	No Fee
900 – 1,049	90.00	1,080.00	45.00	540.00	No Fee	No Fee
1,050 +	100.00	1,200.00	50.00	600.00	No Fee	No Fee

SCHEDULE D. GLOSSARY.

Licensor: Essentrics.

Licensee: The Facility.

Instructor License: Instructor Live Virtual Class License.

Facility License: Facility Live Virtual Class License.

Approved Live Virtual Class Facility: A facility that has been granted a Facility Live Virtual Class License and whose name is featured on the list of Approved Facilities for Live Virtual Classes on Essentrics.com.

Live virtual class (not pre-recorded or recorded): An Essentrics class that is available via an online platform for a scheduled, one-time viewing and for the duration of the class in real time only (not on demand), with or without participants present in person.

Recorded class: A live virtual or in-person class that has been recorded and is available in its recorded form (with or without participants present in person).

Pre-recorded class: A filmed class available on demand in its pre-recorded form (with or without participants present in person).

In-person class: An Essentrics class where the Instructor and participants are physically present in the same location.

Client/clientele: Current or past class participant(s).

Find a Class tool: Search engine on Essentrics.com to find Essentrics in-person and live virtual classes worldwide.

Platform: Software, program or application providing access to an internet-based audience.

Reference Version