

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

Last revised December 2020.

ESSENTRICS Instructor Live Virtual Class License

This Agreement is between ESSENTRICS ("LICENSOR") at 426 Ste-Helene Street, Suite 300, Montreal QC, H2Y 2K7 Canada and Certified Essentrics Instructor [INSTRUCTOR NAME] (the "Instructor" or the "Licensee") and grants a license to the Licensee to teach Essentrics live virtual classes according to the terms outlined herein.

The Instructor must be Certified Level 1, Level 2, Level 3 or Level 4 (not Apprentice) to be granted an Essentrics Instructor Live Virtual Class License and to be eligible to teach Essentrics live virtual classes. As soon as an Apprentice passes their Level 1 exam and becomes Certified Level 1, they will be eligible for an Instructor License.

If the Instructor will teach Essentrics live virtual classes through a facility's webpage or online platform, said facility must be granted a Facility Live Virtual Class License from Essentrics. The Instructor is responsible for ensuring that the facility through which they are teaching has been granted a Facility Live Virtual Class License. In addition, the Instructor must ensure that the facility's name has been added to the list of Approved Facilities for Live Virtual Classes on Essentrics.com before the Instructor begins teaching or promoting Essentrics live virtual classes for the facility. The Instructor may request a Facility Live Virtual Class License on behalf of a facility from Essentrics.com, which the facility owner/manager/fitness coordinator must sign via DocuSign. Instructors are responsible for staying up to date with, and abiding by, all Essentrics Instructor Certification Terms and Conditions.

The Instructor is responsible for determining whether their organizational structure falls under the Facility category. Depending on the type of facility, the Instructor may be required to have a Facility Live Virtual Class License in addition to an Instructor Live Virtual Class License. See Schedule A: Identifying the Need for a Facility License. For reference, see Schedule B: Facility Live Virtual Class License.

This Agreement is contingent upon the terms outlined below being abided by in full. Any breach of these terms by the Licensee (Certified Essentrics Instructor) provides cause for termination of the Agreement and removal of the rights granted herein, as well as potential suspension or termination of the Instructor's Essentrics Teaching License.

For definitions, refer to Schedule C: Glossary.

<u>TERMS</u>

- 1. INSTRUCTOR ELIGIBILITY REQUIREMENTS TO TEACH ESSENTRICS LIVE VIRTUAL CLASSES.
 - a. **CLASS PROFILE ACCOUNT.** Once the Instructor's License has been granted, the Instructor must create a Class Profile Account on Essentrics.com.
 - b. CLASS LISTINGS. Once the Instructor's Class Profile Account has been approved, should the Instructor decide to teach live virtual classes, the Instructor must submit a class listing in their Class Profile Account corresponding to every live virtual class they teach that is open to the public. (ALL public live virtual classes must be listed at all times.) If the Instructor exclusively offers live virtual private classes or live virtual group classes that are closed to the public, they must submit a single empty class listing, and in this case, providing class details such as day/date, start time, duration, cost or registration information is not required.
 - c. **ESSENTRICS TEACHING LICENSE MAINTENANCE.** The Instructor's Essentrics Teaching License status must be in good standing according to the section "Maintaining Your Active Teaching License" within the Instructor Certification Terms and Conditions on Essentrics.com.
- 2. **PERMITTED ESSENTRICS LIVE VIRTUAL CLASS TYPES.** Please refer to the table in Schedule D for an overview of the requirements by class type. Permitted Essentrics live virtual class types are as follows:
 - a. <u>Independently managed classes</u>, where the Instructor manages marketing, client registration, payments, etc. themselves, not in partnership with a facility or organization;
 - b. <u>Facility classes</u>, where there is a paying clientele, provided that the facility has been granted a Facility Live Virtual Class License and has been added to the list of Approved Facilities for Live Virtual Classes on Essentrics.com;
 - c. <u>Corporate classes</u>, where classes are managed by and offered through a workplace, business or organization specifically as a benefit to their employees;
 - d. <u>Fundraiser classes</u>, where the proceeds of the class raise money for a cause;
 - e. <u>Volunteer classes</u>, where the Instructor volunteers their time to teach a class for beneficiaries of a charity;
 - Audition classes, where the Instructor introduces their class to a facility. In this instance, a Facility License is not required;
 - g. <u>Conference classes</u> (events with paying participants), where the Instructor is invited to present Essentrics and teach a class:
 - Prerequisite: Level 3 Certified or higher
 - **Description**: This event typically includes a short introduction to Essentrics followed by a 30- to 60-minute workout with a specific focus related to the theme of the conference. Instructors can contact training@essentrics.com for support in preparing for this type of class; and

- h. <u>Demo classes</u> independently managed by the Instructor or in partnership with an event, organization or approved Facility:
 - Duration: A maximum of 15 minutes
 - **Description**: A demo is a short workout with the objective of introducing Essentrics to a new client or group of clients and growing the Instructor's client base. A demo must be an occasional, stand-alone event, and may not be ongoing nor offered as a part of a series. Instructors can contact training@essentrics.com for support in preparing for this type of class.

Please contact the Teacher Training Department if there is uncertainty as to which category the classes being offered fall under, or if the class type is not listed.

3. **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 Instructor Certification Terms and Conditions depending on the Instructor's Level of certification.

4. ESSENTRICS LIVE VIRTUAL CLASS PARTICIPATION FEES.

- a. <u>Independently managed classes as described in Section 2(a)</u> require a fee and can never be offered for free. The fee charged is at the discretion of the Instructor, however the cost for a single drop-in class must be a minimum of 5 USD, 5 CAD or 5 EUR.
- b. <u>Facility classes as described in Section 2(b)</u> require a fee and can never be offered for free. The fee charged is at the discretion of the Facility, however the cost for a single drop-in class must be a minimum of 5 USD, 5 CAD or 5 EUR, or must be covered by the facility membership fee or a class package.
- c. <u>Corporate classes as described in Section 2(c)</u>: Participant fees are not applicable because the classes are managed by and offered through a workplace, business or organization specifically as a benefit to their employees.
- d. <u>Fundraiser classes as described in Section 2(d)</u> 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.
- e. <u>Volunteer classes as described in Section 2(e)</u> by nature do not have associated participation fees.
- f. <u>Audition classes as described in Section 2(f)</u> are not open to participants and thus do not have associated fees.
- g. <u>Conference classes as described in Section 2(g)</u> are covered by the conference registration fee.
- h. <u>Demo classes as described in Section 2(h)</u> may be offered free of charge to the participants. A free trial class to a new client or group of clients may only be done in the form of a demo class that is no longer than 15 minutes.

- 5. **PERMITTED ESSENTRICS LIVE VIRTUAL CLASS LOCATION/ONLINE PLATFORMS.** An Instructor is permitted to offer Essentrics live virtual classes to a **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, Instagram, YouTube 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)
- 6. **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 are three exceptions to this rule:

- a. The Instructor may record a live virtual class for the sole purpose of fulfilling exam and Teaching License maintenance requirements as requested by Essentrics Head Office.
- Audition classes as described in Section 2(f): The Instructor may submit a recorded class to a fitness facility for the purpose of demonstrating their class, provided that the facility meets the criteria stated the Facility Live Virtual Class License, Section 2: Eligibility Requirements to Obtain a Facility Live Virtual Class License (refer to Schedule B). The recording may not be used beyond its intended purpose and must be kept confidential. It may not be distributed, broadcast nor made available to the facility's clientele or a public audience.
- c. <u>Conference classes as described in Section 2(g)</u>: The Instructor may provide a pre-recorded class that is broadcast once at a scheduled viewing time during the virtual conference under the condition that said class is not made accessible on demand nor broadcast after the scheduled viewing.

- 7. **ONLINE PROMOTION OF ESSENTRICS LIVE VIRTUAL CLASSES.** Class listings submitted in the Instructor's Class Profile Account are visible to the public on the "Find a Class" tool on Essentrics.com. Class listings are the Instructor's promotional tools for Essentrics live virtual classes and serve as validation of the Instructor License.
 - a. **INSTRUCTOR'S WEBSITE**. A link to the Instructor's class listing(s) must always be visible on the Instructor's website on the page where an Essentrics live virtual class offer is promoted.
 - b. **INSTRUCTOR'S DIGITAL & SOCIAL MEDIA PLATFORMS**. Any Essentrics live virtual classes promoted on platforms in instances that allow clickable links (Facebook posts or events, Instagram if using a link tool (e.g., Linktree), Meetup events, LinkedIn posts or events, Twitter posts, etc.) must always link to the Instructor's class listing(s) on Essentrics.com. Said promotion may not include the Instructor's email address or a link to the Instructor's website, nor to a facility's website. Access to Essentrics live virtual class registration information must be provided exclusively via the Instructor's link to their class listing on Essentrics.com.

The Instructor may not publicly promote class registration for "Corporate classes" as described in Section 2(c), "Volunteer classes" as described in Section 2(e) nor "Audition classes" as described in Section 2(f).

- 8. 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 the Facility Live Virtual Class License, Section 2: Eligibility Requirements to Obtain a Facility Live Virtual Class License (refer to Schedule B). 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 virtual classes jointly virtual classes is required for all Instructors wishing to offer and promote Essentrics live virtual classes.
- 9. MONITORING ESSENTRICS LIVE VIRTUAL CLASS REGISTRATIONS. Essentrics shall have no responsibility or liability for managing the registrants to the Instructor's Essentrics live virtual classes and the Instructor shall indemnify and hold harmless Essentrics against any claims or liabilities with respect to the management of registration. It is the responsibility of the individual Instructor to monitor their registrations, and Essentrics encourages general best practices to ensure safety when offering virtual classes.
- 10. **MUSIC COPYRIGHT.** The Instructor shall hold Essentrics harmless from any issues pertaining to copyright infringement of music and sound featured in the Instructor's Essentrics live virtual classes. Different platforms have varying copyright laws. Facilities

and individual Instructors are responsible for securing the necessary music licensing for their activities.

- 11. **CODE OF CONDUCT**. Essentrics Instructors are brand ambassadors. The Instructor must teach their Essentrics live virtual classes in a manner that is in keeping with the Instructor Certification Terms and Conditions. Essentrics will not be held liable for the conduct of the Instructor in their Essentrics live virtual classes. Essentrics will, however, hold the Instructor to a certain standard and if complaints are filed about conduct or behavior, Essentrics will take appropriate action. Anything that is deemed misrepresentative, distasteful or harmful by Essentrics is cause for deactivation and/or deletion of the Instructor's Class Profile Account and could result in the potential suspension or termination of the Instructor's Essentrics Teaching License.
- 12. **QUALITY CONTROL.** The Instructor shall be solely responsible for the audio-visual quality of their Essentrics live virtual classes. Essentrics requires the Instructor to provide acceptable audio-visual quality. If a complaint is made against the Instructor, Essentrics will take appropriate action, which could result in the deactivation and/or deletion of the Instructor's Class Profile Account and the potential suspension or termination of the Instructor's Essentrics Teaching License.
- 13. LIVE VIRTUAL CLASS SAFETY. The Instructor 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 Instructor's Essentrics live virtual classes. The Instructor must be safe and comply with all local rules and regulations. If a complaint is filed against the Instructor, appropriate action will be taken, which could result in the potential suspension or termination of the Instructor's Essentrics Teaching License. See Section 16: Insurance for Live Virtual Classes, for information about insurance.
- 14. **MEDICAL & HEALTH DISCLAIMER.** It is the Instructor's responsibility to determine their own level of fitness and to determine if they are capable of instructing an exercise class. The Instructor acknowledges and agrees that any fitness program can result in injury; by undertaking any exercise voluntarily, the Instructor assumes the risk of any resulting physical injury and/or death to Instructor, anyone the Instructor shares this program with, or their clients. The Instructor shall indemnify and hold harmless Essentrics against any claim or liability whatsoever related to physical injury or death.
- 15. LIVE VIRTUAL CLASS PARTICIPATION WAIVER. Essentrics strongly recommends that the Instructor has their participants agree to a waiver of liability upon registering for their Essentrics live virtual classes.
- 16. **INSURANCE FOR LIVE VIRTUAL CLASSES.** The Instructor shall indemnify and hold harmless Essentrics from all claims and liabilities that arise from the Instructor's virtual teaching activities. It is the responsibility of the Instructor 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.

- 17. **LIABILITY.** The Instructor 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 an individual Instructor's classes. If Essentrics receives a complaint that it deems cause for action, Essentrics reserves the right to deactivate and/or delete the Instructor's Class Profile Account, which could result in the potential suspension or termination of the Instructor's Essentrics Teaching License.
- 18. **TERMS OF TERMINATION.** Essentrics has the right to terminate this Agreement at any time, with or without cause. In the event that the Instructor has not abided by the terms described herein, Essentrics has the right to terminate this Agreement and require that the Instructor cease teaching Essentrics live virtual classes. Any amendment to this Agreement will be made in writing and will be communicated to the Instructor. The Instructor must agree to the terms herein and abide by them if they wish to continue teaching Essentrics live virtual classes. If the Instructor does not agree to these terms, the Instructor must cease teaching Essentrics virtual classes immediately.
- 19. 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.

SCHEDULE A. 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.

<u>Note</u>: An Instructor License is required for all 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	Νο	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	

Examples of Facility Types & Requirement

*Facility License is optional

Online resource to identify the type of organization that best defines a facility: <u>https://bit.ly/2K16jEK</u>

SCHEDULE B. FACILITY LIVE VIRTUAL CLASS LICENSE.

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

https://essentrics.com/facility-live-virtual-class-reference-version/

9

SCHEDULE C. GLOSSARY.

Licensor: Essentrics.

Licensee: Certified Essentrics Instructor.

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.

SCHEDULE D. Class Type Requirements

This table serves as an overview of the requirements for each class type. The Instructor is responsible for complying with the complete detailed terms outlined in each Section referred to below.

Class types	Instructor Level requirement	Is there a class length time limit?	Is a minimum participation fee required?	Is a pre- recording of the class permitted?	Can the class be publicly promoted?	Is a Facility License required?
Reference section in License	Introduction & Section 2	Section 2	Section 4	Section 6	Section 7	Schedule A
2(a) Independently managed classes (group or private)	L1 & higher	No	Yes	No	Yes	No
2(b) Facility classes (group or private)	L1 & higher	No	Yes	No	Yes	Yes
2(c) Corporate classes	L1 & higher	No	No	No	No	No
2(d) Fundraiser classes	L1 & higher	No	Yes	No	Yes	No
2(e) Volunteer classes	L1 & higher	No	No	No	No	No
2(f) Audition classes	L1 & higher	No	No	Yes	No	No
2(g) Conference classes	L3 & higher	No	No	Yes	Yes	No
2(h) Demo classes (occasional)	L1 & higher	Yes - 15 minutes max	No	No	Yes	No