

The ILO logo consists of the letters 'ILO' in a bold, blue, sans-serif font, followed by 'C' and 'X' in a blue, outlined, sans-serif font.

ILO Standard Licence

Licence Agreement for ILO
Issue Number 8838



THIS AGREEMENT is dated as set out in Schedule A

| Parties

(1)	Name	<u>E-GETX Limited t/a Conflow Power</u>
	Company registered in	<u>England & Wales</u>
	Company Number	<u>11982709</u>
	Registered Office	<u>23 Northumberland Avenue, London</u>
	(Herein known as the "Licensor")	

AND

- (2) The individual or company who purchased the licence(s), the "Licensee".

| Background

- A. The Licensor has the right to grant licences of the Licensed Product, including the Intellectual Property and Designs and to use the Brand Name.
- B. The Licensor has created an Initial Licence Offering on the Initial Licence Offering Contract Exchange operated and owned by ILOCX Ltd, (hereinafter known as the "ILOCX") as per the details set out in Schedule A.
- C. The Licensee has requested a licence to use the Intellectual Property, Brand Name and Designs in order to market the Licensed Product in the Territory.
- D. The Licensor has agreed to grant such a licence to the Licensee on the terms set out in this Agreement.
- E. The parties have agreed to comply with all ILOCX requirements, including ILOCX rules, policies, rulings and procedural requirements and any additions or amendments which may be made thereto from time to time which rules, policies, ruling and procedural requirements may be in addition to in lieu of the provisions of this agreement. The Parties hereby confirm that they have read and agreed to the Terms and Conditions set out in the ILOCX website ILOCX.com.



1. Interpretation

1.1. The following definitions shall apply in this Agreement:

“Agreement” means this agreement, the Schedules attached hereto and any documents included by reference, as each may be amended from time to time in accordance with the terms of this Agreement;

“Brand Name” means the Brand Name and associated Intellectual Property as laid out in Schedule A.

“Buyback Date” means the date set at the end of the second year on which the Licensor will buy back the ILO Unit from the Licensee. The Buyback Date will be no later than three years from the Commencement Date unless otherwise stated in Schedule A.

“Buyback Method” means the method by which the Licensor will buy back the ILO unit from the Licensee at the end of the term. The method is either by a pre-designated amount of equity in the Licensor’s company or by cash.

“Buyback Equity Percentage” means the amount of equity the Licensor has set aside in order to buy back the ILO Unit from the Licensee on the Buyback Date. This equity is divided pro rata based on the ILO Units held by a Licensee.

“Buyback Cash Reserve” means the amount of cash the Licensor has set aside at the end of the second year in order to buy back the ILO Unit from the Licensee on the Buyback Date. This cash is divided pro rata based on the ILO Units held by a Licensee.

“Commencement Date” means the date upon which this Licence is signed.

“Designs” mean the designs created and prepared by the Licensor from which the Licensee shall market the Licensed Product and at the time of manufacture shall include any modifications, improvements, or amendments to the Designs devised or developed by the Licensor either before or during the term of this Agreement and notified to the Licensee.

“Friends and Family” means a person or entity with a close connection to the Licensor, who the Licensor deems eligible to take part in the Friends and Family round.



“Friends and Family Round” means the issuance of ILO units which takes place before the initial licence offering at a price usually lower than the ILO initial price and offered only to Friends and Family.

“Gross Revenues” means total value of all revenue received for the Licensed Product excluding any applicable sales tax such as VAT and any transportation costs but not excluding any other deductions or allowances.

“ILOCX” means the Initial Licence Offering Contract Exchange owned by ILOCX Ltd which can be found at ILOCX.com.

“ILO Units” means the individual Licences pertaining to a Licensed Product that are encompassed in an Initial Licence Offering.

“ILO Unit Initial Price” means the price of the first issue of ILO Units.

“ILO Unit Subsequent Price” means the price of any further issues of ILO Units until the allocation for the Initial Licence Offering is complete.

“ILO Unit Market Price” means the price ILO Units available for purchase on the ILOCX.

“Influencer” means a person with the ability to influence potential buyers of a product or service by promoting or recommending the items on social media.

“Influencer allocation” means the allocation of ILO units set aside for Influencers to assist in promoting the offering.

“Initial Licence Offering and ILO” means the offering of a specified amount of ILO Units at a particular time. The Offering takes place on the ILOCX.

“Initial Period” has the meaning given in clause 3.

“Intellectual Property” means the copyright, design rights, trademarks and all other intellectual property rights capable of existing worldwide in the Designs, Licensed Product and in the Brand Name, whether such rights are registered or not.

“Licensed Product” means the product or service manufactured using the Designs, Brand Name and Intellectual Property as laid out in Schedule A.

“Marketing Materials” means the materials related to the Licensed Product which are provided by the company and approved for distribution by the Licensee.

“Notice” means a notice in writing served in accordance with the provisions of clause 28.

“Qualifying distribution” means the Licensee has distributed the marketing materials to their business network and social media accounts and this has been verified by ILOCX. Licensees can use the ILOCX distribution system which provides immediate independent verification while maintaining privacy of the Licensee’s data. The qualifying distribution must take place in Year One.

“Quarter” means one of four three month intervals calculated from the Commencement Date.

“Rollover” means the Licensor’s under option to extend the Term of the Licence by giving notice to the Licensee before the Buyback Date.

“Royalties” means the payments to be made to the Licensee by the Licensor under clause 5.

“Special Conditions” are any variation or further detail regarding any clause in this agreement which are outlined in Schedule A. Where there is a conflict between the general conditions of this agreement and the Special Conditions in Schedule A, the Special Conditions in Schedule A shall apply.

“Term” means the fixed three Year period lasting from the Commencement Date to the Buyback Date.

“Year” means the period of 12 months from the Commencement Date and each consecutive period of 12 months thereafter during the term of this Agreement.

2. Grant

- 2.1. Subject to clause 2.2, in consideration of the obligations undertaken by the Licensee under this Agreement the Licensor grants to the Licensee a non-exclusive licence to use the Designs, Brand Name and Intellectual Property to market the Licensed Product, in accordance with the terms of this Agreement.
- 2.2. The Licensor reserves the right to grant licences of the Designs, Brand Name and Intellectual Property to other licensees.



- 2.3. The Licensee shall pay to the Licensor the ILO Unit Initial Price In consideration of the rights granted by the Licensor in clause 2.
- 2.4. Any subsequent issue of ILO Units in the Initial Licence Offering shall be made available from time to time during the three year term at the ILO Unit Subsequent Price as set by ILOCX based on the performance of the Initial ILO Units.

3. Term & Buyback

- 3.1. This Agreement shall be for an initial fixed period of three Years lasting from the Commencement Date until the Buyback Date (hereinafter known as the "Initial Period").
- 3.2. Six (6) months before the end of the term of the licence, Licensor shall advise the Licensee of the Buyback Date and the Buyback Method if it was not stated in Schedule A hereto.
- 3.3. If the Licensor has agreed to Buyback the ILO units in cash, six (6) months before the end of the term of the licence, the Licensor shall put aside a Buyback Reserve of cash equal to the number of ILO Units issued.

4. Qualification

- 4.1. The Licensee shall be deemed to have qualified for royalty payments from the Licensor if the following conditions are met:
 - a. The Licensee distributes the marketing materials to its business network and social media accounts.
 - b. ILOCX verifies that the qualifying distribution has taken place.
- 4.2. Qualification is deemed to have taken place in the year in which the Licensee has submitted confirmation they have fulfilled the conditions in 4.1 above. Should qualification not take place in Year One, then the Licensee will not qualify for the Year One royalty payments under Clause 5.1 hereunder. Should qualification take place in Year 2, the Licensee will begin to receive Royalty Payments for Year Two under Clause 5.1 hereunder.



5. Royalties

- 5.1. At the end of each Year in consideration of the rights granted by the Licensor in clause 2 and only if the provisions of Clause 4.1 are met by the Licensee, the Licensor shall pay to the Licensee a royalty equal to an amount of 10% of the Gross Revenues in respect of all sales of Licensed Product divided by the amount of ILO Units in the Initial Licence Offering.
- 5.2. Within 14 days after the end of each Year during the term of this Agreement, the Licensor shall deliver to the Licensee a statement giving particulars of all sales of the Licensed Product effected by the Licensor during the Year and showing the total royalties payable to the Licensee for that Year.
- 5.3. 21 days after the end of each Year, the Licensor shall pay the Royalties due for that month by direct credit into the bank account of the Licensee (details of which shall be notified in writing to the Licensee from time to time).

6. Sale of ILO Unit on the ILOCX

- 6.1. At any time the Licensee can list the ILO Unit licensed to them under this agreement on the ILOCX Exchange and sell the Unit at the ILO Unit Market Price set by the ILOCX based on performance.
- 6.2. In the event of the sale of this licence on the ILOCX Exchange, all rights associated with this licence are assigned to the new owner, including the rights to royalties attached hereto.
- 6.3. If this licence has been deemed qualified under section 4 prior to sale on the ILOCX Exchange, it shall continue to be deemed qualified subsequent to that sale.



7. Duration and Termination

- 7.1. Termination without cause: a termination notice shall first be served by the Licensor at the end of Year two to be effective on the Buyback Date.
- 7.2. For the avoidance of doubt, the earliest this contract can come to an end in accordance with clause 7.1 is three years from the Commencement Date unless terminated by sale or breach.
- 7.3. Termination by sale on ILOCX: Should the Licensee sell the ILO Unit on the ILOCX, this Agreement shall be considered terminated and the rights granted under this licence shall be immediately relinquished by the Licensee.
- 7.4. Termination for breach by Licensee: The Licensor may immediately give Notice terminating this Agreement where:
 - a. the Licensee fails to perform any of its obligations under this Agreement; or
 - b. there is any insolvency, bankruptcy, dissolution or liquidation event of the Licensee that impacts on the Licensor.
- 7.5. Termination for breach by Licensor: The Licensee may immediately give Notice terminating this Agreement where:
 - a. the Licensor fails to perform any of its obligations under this Agreement; or
 - b. there is failure to pay any sum owing to the Licensee contained in this agreement provided that thirty (30) days written notice of default shall have been given and provided, further that if within such thirty (30) day period the Licensor shall have taken all reasonable steps to cure or remedy such default, then the Licensor shall not be deemed to be in default for as long as such reasonable efforts continue.
 - c. Termination shall not affect the rights and remedies of the Licensee in respect of the breach or antecedent breach by the Licensor of any of its obligations under this Agreement.



- 7.6 Continuing Obligations: The termination of this Agreement, howsoever occasioned, shall be without prejudice to any rights or obligations which shall have accrued prior to such termination and shall not terminate or diminish the binding force or effect of any of the provisions of this Agreement which are expressly or by implication provided to come into force upon or continue in force after such termination, including all obligations to pay any monies owing at the time of termination and all provisions relating to confidentiality and non-competition.

8. Termination Consequences

- 8.1. Subject to clauses 8.2 and 8.3, on termination of this Agreement the Licensee shall cease promoting and marketing the Intellectual Property and discontinue the use of and thereafter refrain from using any of the Licensor's Designs and Intellectual Property and thereafter take no action that would make it appear to the public that Licensee is still authorised to use the Intellectual Property.
- 8.2. Licensor shall immediately pay any outstanding Royalties due under clause 5.3 to the Licensee plus (where applicable) a pro rata amount.
- 8.3. If the Licensee shall have any remaining stock of the Licensed Product at the time of termination then the Licensor may at his discretion purchase such remaining stock at the cost price for which the products were manufactured.

9. Option to Extend

- 9.1. Upon expiration of the term of this Agreement, the Licensor may, at their discretion grant an option to the Licensee to extend the term of this Agreement for a period to be agreed (hereinafter known as "the extension term") and upon the same terms and conditions as are included in this Agreement.

10. Licensor's Obligations as to Quality

- 10.1. The Licensor shall manufacture the Licensed Product to its own specifications and at all times use its reasonable endeavours to ensure that the products are of the highest quality possible.

11. Licensor's Obligations as to Delivery

- 11.1. The Licensor shall at all times use its reasonable endeavours to fulfil any orders of the Licensed Product generated by the Licensee under this Agreement and provide customer service and aftercare of the highest quality possible.

12. Licensee's Obligations as to Marketing

- 12.1. The Licensee shall at all times use its reasonable endeavours to promote and sell the Licensed Product.
- 12.2. It is agreed by the Licensee that the Licensed Product will be sold only to recognised wholesale or retail firms or direct to the public.
- 12.3. The Licensor shall be responsible for setting any prices associated with the Licensed Product.

13. Use and protection of Intellectual Property

- 13.1. The copyright material comprised in the Intellectual Property shall be protected as follows:
- a. every unit of the Licensed Product and all packaging, advertising and point of sale materials used in connection with the Licensed Product shall bear the copyright identification as laid out in Schedule B; and
 - b. no copyright material comprised in the Intellectual Property or Designs may be used in connection with the manufacture, distribution, or marketing of any goods other than the Licensed Product (or any other products produced pursuant to this Agreement) for which the use of such material is specified.

- 13.2. The Licensee shall not use any of the Intellectual Property as part of the Licensee's name or the name of any entity associated with it without the prior written consent of the Licensor.
- 13.3. The Licensee shall not during the term of this Agreement or at any future time register or use any of the Intellectual Property in its own name as proprietor.
- 13.4. The Licensee recognises the Licensor's title to the Intellectual Property and shall not claim any right title or interest in the Intellectual Property or any part of it, save as is granted by this Agreement.
- 13.5. The Licensee shall promptly call to the attention of the Licensor the use of any part of the Intellectual Property by any third party or any activity of any third party which might in the opinion of the Licensee amount to infringement or passing off.
- 13.6. The Licensee shall not except with the prior written consent of the Licensor make use of the name of the Licensor in any connection otherwise than is expressly permitted by this Agreement.

14. Conditions of Use

- 14.1. The Licensee agrees at all times and at its own expense (waiving all rights to compensation or remuneration therefore from the Licensor or Affiliated companies) to comply with the Licensor's reasonable policies as made known from time to time to the Licensee regarding the Brand Name, Designs and Intellectual Property. The Licensor will deliver, from time to time, to the Licensee, updates of such policies.
- 14.2. The Licensee agrees to comply with all reasonable instructions issued by the Licensor relating to the form and manner in which the Licensor's Intellectual Property shall be used and to discontinue immediately upon written notice from the Licensor any practice relating to the use of the Licensor's Intellectual Property which in the Licensor's opinion would or might adversely affect the rights or interests of the Licensor or any Affiliate of the Licensor; and

- 14.3. The Licensee agrees that it shall conduct its business, and shall cause its employees to conduct themselves, in compliance with all applicable laws, rules and regulations of each jurisdiction within the Designated Territory and the Licensee shall maintain such insurance against public liability, loss or damage, and/or against product liability, loss or damage, in the manner of a reasonable businessman. The Licensee also agrees to operate the Service on a basis that is consistent with the highest industry standard to ensure the highest possible economic return to the Licensee and the Licensor. The Licensee agrees that, subject to the terms hereof, it shall be solely responsible for the hiring, compensation, termination and all other matters relating to any persons, companies or corporations employed by the Licensee, for any reason whatsoever, and shall indemnify the Licensor against any injuries, actions or proceedings arising from the employment of such persons and/or companies. The Licensee shall indemnify the Licensor, its agents, servants and employees against all claims, losses and/or expenses, including reasonable attorney's fees, arising out of performance of the Licensee's business, that are caused in whole or in part by the Licensee negligent acts or omissions, or the negligent acts or omissions of anyone employed by the Licensee for whose acts the Licensee is or may be liable.
- 14.4. The Licensee shall at all times indemnify and save harmless the Licensor (including its directors, officers, agents and employees), of and from all losses and damages and all actions, claims, costs, demands, expenses, fines, liabilities and suits of any nature whatsoever for which the Licensor shall or may become liable, incur or suffer by reason of a breach, violation or non-performance by the Licensee of any covenant, term or provision of this Agreement or by reason of any wrongful act or omission, default or negligence on the part of the Licensee or any of its agents, contractors, employees, invitees or the Licensee's.
- 14.5. The Licensee agrees not to contest the title of the Licensor (or any Affiliate company or any person from whom the Licensor obtained its rights to the Service) to any Trade Marks, trade names, copyrights, patents or any other form of proprietary right in connection with the Service, not to effect any registrations thereof, and not to take any action to the detriment of their respective interests therein.

15. Confidentiality

- 15.1. The Licensee undertakes that it shall keep (and it shall ensure that its respective directors and employees keep) secret and confidential all know-how relating to the manufacture of the Licensed Product and any information (whether or not technical) of a confidential nature communicated to it by the Licensor, either preparatory to, or as a result of, this Agreement, and shall not disclose the same or any part of the same to any person other than its directors or employees directly or indirectly concerned in the manufacture, use or sale of the Licensed Product, provided that before any such disclosure takes place, the Licensee shall ensure that each of the directors and employees concerned shall execute a confidentiality undertaking with the Licensor in a form approved by the Licensor, such approval not to be unreasonably withheld.
- 15.2. The provisions of clause 15.1 shall not apply to such know-how and information as the Licensee:
- a. can prove to have been in its possession at the date of receipt, or which becomes public knowledge otherwise than through a breach of an obligation of confidentiality owed (whether directly or indirectly) to the Licensor; or
 - b. is necessarily disclosed as a result of the marketing of, servicing or repair of the Licensed Product.
- 15.3. The Licensor shall equally be bound to keep the Licensee's know-how confidential.
- 15.4. The provisions of this clause 15 shall remain in force notwithstanding expiry or earlier termination of this Agreement.

16. Action against Third Parties

- 16.1. The Licensor shall have the sole right to take action against third parties in respect of the Intellectual Property and if required to do so by the Licensor, the Licensee shall co-operate fully with the Licensor in any such action with the Licensee's expenses incurred in doing so being borne by the Licensor.
- 16.2. If the Licensor fails to take any such action against third parties in relation to the Intellectual Property, the Licensee may serve Notice on the Licensor and on the expiry of 30 days after the service of such Notice the Licensee shall be entitled to prosecute such action itself and at its own expense provided that the Licensor has not served Notice within the 30 day period of its own intention to take action and provided that all damages recovered from third parties shall be the exclusive property of the Licensee.

17. Indemnity

- 17.1. The Licensor shall indemnify the Licensee against all actions, claims, costs, damages, losses and expenses arising out of the Licensee's use of the Intellectual Property and Designs in accordance with the terms of this Agreement.
- 17.2. The parties shall indemnify, defend and hold harmless ILOCX and each of its subsidiaries, officers, directors and stockholders from and against and in respect of any and all Indemnifiable Losses resulting from, arising out of, or imposed upon or incurred by any person to be indemnified hereunder by reason of any breach of any representation, warranty, covenant or agreement by the parties contained in this Licence Agreement, or any agreement, certificate or document executed and delivered by the parties pursuant hereto or in connection with any of the transactions contemplated by this Agreement.

18. Warranties

- 18.1. The Licensor represents, warrants, undertakes and agrees with the Licensee as follows:
- a. the Licensor is the sole unencumbered absolute legal and beneficial owner of the Intellectual Property and all other rights associated with the Licensed Product; and
 - b. the Licensor has not assigned or encumbered or licensed or transferred or otherwise disposed of any rights of copyright or any other rights in or to the Licensed Product except pursuant to this Agreement and has not entered into any agreement or arrangement which might conflict with the parties' rights and obligations under this Agreement.

19. Nature of Relationship

- 19.1. The relationship created by this Agreement is that of licensee and licensor, and not employer and employee, nor are the parties partners or joint venture partners.
- 19.2. The Licensee is not entitled to act as the Licensor's agent, nor shall the Licensor be liable in respect of any representation, act or omission of the Licensee of whatever nature.

20. Assignment

- 20.1. The Licensee may at any time, assign or transfer the benefit of this Agreement to any third party solely by trading it on the ILOCX Exchange.
- 20.2. The Licensor shall only assign or transfer the benefit of this Agreement or grant any sub-licence, providing that the Licensor first obtains the prior written consent of the Licensee by completing the procedure on the ILOCX Exchange.
- 20.3. The parties agree to enter into all relevant agreements in order to exercise this option and transfer the Rights.

21. Variation

- 21.1. This Agreement may only be amended by a document in writing signed by a duly authorised signatory of each party.

22. Further Assurance

- 22.1. The parties shall execute all further documents as may be necessary or desirable to give full effect to the terms of this Agreement and to protect the rights of the parties under it.

23. Entire Agreement

- 23.1. This Agreement and the documents referred to in it, constitute the entire agreement and understanding of the parties and supersede any previous agreement between the parties relating to the subject matter of this agreement.
- 23.2. Each of the parties acknowledges and agrees that, in entering into this Agreement and the documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to this Agreement or not) other than as expressly set out in this Agreement as a warranty or representation. The only remedy available to it for breach of such warranties or representations shall be for breach of contract under the terms.

24. No Waiver

- 24.1. No waiver by either of the party's obligations under this Agreement shall be deemed effective unless made in writing, nor shall any waiver in respect of any breach be deemed to constitute a waiver of or consent to any subsequent breach by either party of its obligations.

25. Dispute Resolution

- 25.1. In the event of a dispute in relation to this Agreement the parties shall first attempt to resolve such dispute through the negotiation and arbitration service provided by ILOCX Ltd.
- 25.2. Where negotiation or arbitration is unsuccessful, the parties agree to refer the matter to mediation.
- 25.3. Where a party desires to refer a dispute to mediation it shall serve Notice on the other party specifying its wish to go to mediation and the nature of the dispute. Within 14 days of such Notice the parties shall agree who will mediate the dispute and in the absence of agreement a mediator shall be appointed by the UK's Centre for Effective Dispute Resolution. The parties shall equally bear the costs of mediation and their own legal fees.
- 25.4. The obligations under clauses 25.1 to 25.3 shall not prevent either party seeking urgent interlocutory relief.

26. Governing Law & Jurisdiction

- 26.1. This Agreement shall be governed by the laws of England and Wales and the parties exclusively submit to the jurisdiction of the Courts of England and Wales.

27. Severance

- 27.1. In the event that any provision of this Agreement is declared by any judicial or other competent authority to be void, voidable or illegal, the remaining provisions shall continue to apply.

28. Notices

- 28.1. Any Notice to be served on either of the parties by the other shall be sent by pre-paid recorded delivery, registered post or by email to the correct address of either party and shall be deemed to have been received by the addressee within 7 days of posting or 24 hours if sent by email.

| Numbers

Currency:	USD
Total funds to be raised:	2,000,000
Total ILO units in offering:	100,000
Number of issuances in total offering:	100,000
Number of units in initial offering:	100,000
Initial price of unit:	\$20
Licence length	3 Years
Royalty % year 1:	10%
Royalty % year 2 (if different):	-
Royalty % year 3 (if different):	
Minimum qualification contact requirements: e.g. 200 contacts	100

Preferred buy back method: Cash Equity Rollover TBC