

# MAGNESPHERE HALO™ RESIDENTIAL SALES AND LICENSE AGREEMENT

Between: Magneceutical Health, LLC 611 Druid rd. East, Suite 714 Clearwater, Florida 33756 Tel. No. (727) 474-3722 And: the person identified by their signature below, Hereinafter referred to as "Customer"

1. TERMS AND CONDITIONS. In consideration of the mutual covenants and agreements hereinafter set forth, Magneceutical Health, LLC ("MHLLC") agrees to sell to Customer, and Customer agrees to purchase the MAGNESPHERE HALO™ device, including the components and related items set forth (the "MAGNESPHERE HALO™") subject to the terms and conditions set forth in this Sales and License Agreement, the Informed Consent and Waiver of Liability, Notice of Privacy Practices (HIPPA), and other forms identified and incorporated into this Agreement from [www.Magneceutical.com](http://www.Magneceutical.com) and [www.MyLocationofRelaxation.com](http://www.MyLocationofRelaxation.com) are hereinafter collectively referred to as the "Agreement"). The functionality of the MAGNESPHERE HALO™ is dependent upon the ability of Customer to connect to the internet and log on to the private web application maintained by MHLLC at <http://www.MyLocationofRelaxation.com> ("WebApp"). Customer understands that in order to use the WebApp, it agrees to the terms and conditions of service set forth in the MHLLC End User License Agreement and Customer Agreement (With Acceptable Use Policy) ("EULA") which are located on the WebApp, and are incorporated in their entirety into this Agreement. Operation of the MAGNESPHERE HALO™ is accomplished by delivery of Standard Treatment Protocols ("STP's") that are transmitted from the WebApp to the MAGNESPHERE HALO™. Customer is required to purchase the STP's from MHLLC in advance at the prescribed rates set forth. MHLLC agrees to use reasonable commercial efforts to enable continuous availability of the WebApp.

THE INTENDED USE OF THE MAGNESPHERE HALO™ DEVICE AND STP'S IS TO ENHANCE FEELINGS OF RELAXATION, AND IS NOT INTENDED TO DIAGNOSE, TREAT, CURE OR PREVENT ANY DISEASE.

2. PRICING AND PAYMENT TERMS. (for payment terms See Sections 10,11 and 13.11, below)

A. MAGNESPHERE HALO™ Device: \$2,500 plus sales tax (if applicable), for U.S. customers. Customers outside the U.S. may be subject to additional costs/ tariffs or fees.

1. Customer may obtain 3rd Party financing by making application in Step 3 Below

2. Includes: 2 Coil Assemblies, Textile Fabric Shell, Fiberglass / Aluminum rods, Control Assembly

3. Includes shipping for Continental United States

4. Does Not Include a Computer/Laptop or a Chair (but MHLCC can recommend versions of these items that work well with the MAGNESPHERE HALO™ )

B. Monthly Subscription to WebApp ([www.MyLocationOfRelaxation.com](http://www.MyLocationOfRelaxation.com)) for STP's \$100.00 Single User or \$150.00 Family

1. Customer shall provide a credit or debit card recurring charge, or setup an auto pay bank ACH to MHLCC every month for access to their STP's.

2. Single plan includes up to 90 minutes of access to STP's, every day of the month

3. Family plan includes up to 180 minutes of access to STP's, every day of the month

4. Credits against Monthly Subscription may be obtained for Customer via "Referrals" described in paragraph 13.11 below

3. WARRANTY. MHLCC WARRANTS THAT THE MAGNESPHERE HALO™ WILL BE FREE OF SUBSTANTIVE DEFECTS IN MATERIAL AND WORKMANSHIP FOR A PERIOD OF 12 MONTHS FROM THE DATE OF THIS AGREEMENT. THE MAGNESPHERE HALO™ WILL CONFORM TO DRAWINGS AND DESIGN SPECIFICATIONS DISPLAYED AT THE PUBLIC WEBSITE MAINTAINED BY MHLCC, FOUND AT [HTTP://WWW.MYLOCATIONOFRELAXATION.COM](http://WWW.MYLOCATIONOFRELAXATION.COM). MHLCC MAKES NO WARRANTIES, EXPRESS OR IMPLIED, EXCEPT AS SPECIFICALLY STATED ABOVE. SUCH WARRANTIES, IF ANY, ARE IN LIEU OF ALL OTHER WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. MHLCC SHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE, EVEN IF MHLCC HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

4. INSTALLATION AND TRAINING. MHLLC provides installation and training guidance through its Operations Manual and website videos maintained at the WebApp. Installation, training, treatment guidance is available by telephone or video conference which can be scheduled by MHLCC Customer Service at 727.474.3722. ext 0

5. RISK OF LOSS OR DAMAGE. Risk of damage to, or loss of, the MAGNESPHERE HALO™ shall pass to Customer upon arrival at Customer's location.

6. LIMITATIONS ON LIABILITY. MHLLC'S TOTAL LIABILITY IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR BREACH OF STATUTORY DUTY) OR OTHERWISE, ARISING IN CONNECTION WITH THE PERFORMANCE OR CONTEMPLATED PERFORMANCE OF THIS AGREEMENT, EXCEPT IN THE CASE OF MHLLC'S WILLFUL MISCONDUCT, SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE SUM OF THE PURCHASE PRICE PAID BY CUSTOMER FOR THE MAGNESPHERE HALO™, AND/OR STP'S FOR THE PRIOR SIX MONTHS. MHLLC SHALL NOT BE LIABLE TO CUSTOMER BY REASON OF ANY REPRESENTATION, MISREPRESENTATION OR ANY IMPLIED WARRANTY, CONDITION OR OTHER TERM OR ANY DUTY AT LAW, OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, RELIANCE, EXEMPLARY OR CONSEQUENTIAL LOSS OR DAMAGE OR FOR LOSS OF PROFIT, LOSS OF BUSINESS, DEPLETION OF GOODWILL OR SIMILAR LOSS OR COSTS, EXPENSES OR OTHER CLAIMS FOR ANY SUCH LOSS WHATSOEVER (WHETHER OR NOT CAUSED BY THE NEGLIGENCE OF MHLLC, ITS AFFILIATES OR THEIR RESPECTIVE EMPLOYEES, AGENTS OR SUB-CONTRACTORS) WHICH ARISE OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

7. CONFIDENTIALITY.

7.1 MHLLC Confidential Information. Customer specifically acknowledges that the Magnesphere HALO™ is covered by patents and/or pending patent applications either owned by, or licensed to, MHLLC. Customer agrees that it will not take any action or assist others in any action that could constitute an infringement of any of these patents or any patent applications depending therefrom. Customer further specifically acknowledges that MHLLC is the owner or licensee of improved and proprietary know how ("Technology") for delivering relaxation treatment protocols with the MAGNESPHERE HALO™ and that MHLLC may disclose such Technology and other confidential and proprietary information of MHLLC (the Technology and such other information collectively, the "MHLLC Confidential Information") to Customer. Customer agrees that it will not disclose any MHLLC Technology or MHLLC Confidential Information it has received from, or has been given access to, by MHLLC, to any third parties. Customer's obligations under this Agreement shall not extend to MHLLC Confidential Information that Customer can prove to MHLLC's reasonable satisfaction (i) has ceased to be secret without default on Customer's part, (ii) was already in Customer's possession prior to disclosure by MHLLC other than as a result of breach of this Agreement, or (iii) has been received from a third party who did not acquire it in confidence. The obligations in this Section 7.1 shall not apply to the extent any MHLLC Confidential information is required to be disclosed by applicable law; provided, however that in such event, Customer shall promptly notify MHLLC thereof

and tender to it, if it so elects, the right to object to and defend such requirement. If requested by MHLLC, Customer shall cooperate (at MHLLC's expense) in the objection and defense of the requirement.

## 8. LICENSED PRODUCTS.

8.1 Ownership; Modifications. Customer hereby acknowledges that MHLLC or its Licensors maintains ownership in the intellectual property (to include but not be limited to patents, patent applications, software, WebApp, trade marks, trade secrets, service marks, copyrights) associated with the Magnesphere HALO™ device and the Standard Treatment Protocol's (STP's) at all times (the "Licensed Products"). MHLLC may from time to time, supply other MAGNESPHERE HALO™ components, software enhancements or software upgrades to Customer ("Upgrades"). Any such Upgrades will be deemed to be part of the Licensed Products. Customer specifically agrees that any and all intellectual property rights in the Licensed Products are owned by MHLLC or its Licensors, and the patents and/or any patent applications and any other intellectual property rights protecting the Licensed Products are licensed non-exclusively, to Customer solely for Customer's use of the Licensed Products in Customer's location. Customer covenants that neither it nor its successors or assigns will alter or modify the Magnesphere HALO™ or replace any Licensed Products except upon prior written notice to, and after receipt of express written consent from, MHLLC, which consent may be granted or withheld in the sole discretion of MHLLC.

8.2 License; Restrictions. MHLLC hereby grants to Customer a non-exclusive, non-transferable, revocable limited license to use the Magnesphere HALO™ device, STP's and any related documentation solely in connection with Customer's use of the Magnesphere HALO™ for Customer's personal use and for the life of said Magnesphere HALO™. Customer shall not use the licensed software except for the Magnesphere HALO™ device on which it is initially installed and intended or its MHLLC-designated replacement. Customer shall not reproduce, un-encrypt, modify, reverse engineer, de-compile or disassemble any Magnesphere HALO™ (the foregoing prohibition includes, but is not limited to, review of data structures, magnetic protocols, STP's, or similar materials produced by licensed software). Except as expressly authorized in writing by MHLLC, Customer shall not deliver, distribute, sell, rent, lease or sublicense the Magnesphere HALO™ to any third party for any purpose. For avoidance of any doubt, MHLLC shall retain ownership in the licensed software and all intellectual property rights thereto, and reserves all rights regarding the design, manufacture, sale, licensing, distribution, reproduction and creation of derivative works based on the Magnesphere HALO™ device, or licensed software.

## 9. TERMINATION OF LICENSE TO MAGNESPHERE HALO™.

### 9.1 Termination.

a. MHLLC may, by notice in writing served on Customer, terminate Customer's license to use the Magnesphere HALO™ and any associated intellectual property if Customer: shall be in material breach of any of the material terms of this Agreement (which breach shall be deemed to be a repudiatory breach) and such breach is not cured within thirty (30) days after Customer's receipt of written notice thereof; or b. summons a meeting of its creditors, suffers a proposal for voluntary arrangement, becomes subject to any voluntary arrangement, is unable to pay its debts within the meaning of applicable bankruptcy law, has a receiver, manager, administrator or administrative receiver appointed over its assets, undertaking or income, has passed a resolution for its winding-up or has a provisional liquidator appointed; or c. has any distraint, execution or other process levied or enforced on any of its property; or d. the equivalent of (b) or (c) occurs to Customer under the jurisdiction to which Customer is subject.

b. Customer may, with thirty (30) days notice in writing served on MHLLC, terminate Customers license to use the Magnesphere HALO™ and any associated intellectual property. If Customer has financed the purchase of the Magnesphere HALO™ device, then the terms and agreement associated with that purchase are NOT EFFECTED by Customer's termination of this License Agreement.

9.2 Injunctive Relief. Customer agrees that in the event of (a) Customer's violation of the confidentiality obligations set forth in this Agreement, (b) Customer's violation of license with respect to the Licensed Products , (c) Customer's misappropriation of any intellectual property rights in or to the Licensed Products, or (d) Customer's uncured material breach of a material term of this Agreement, MHLLC will be irreparably harmed, the damages sustained by MHLLC will be difficult if not impossible to ascertain, and that MHLLC shall, therefore, be entitled to obtain injunctive and other equitable relief to prevent any further violations or misappropriation without proof of actual damages or need to post bond.

10. PAYMENTS. TIME FOR PAYMENT SHALL BE OF THE ESSENCE. IF CUSTOMER FAILS TO MAKE ANY PAYMENT UNDER THIS AGREEMENT BY THE DUE DATE, MHLLC (WITHOUT PREJUDICE TO ITS OTHER RIGHTS AND REMEDIES) MAY CHARGE CUSTOMER INTEREST (BOTH BEFORE AND AFTER JUDGMENT) ON THE AMOUNT UNPAID, AT THE ANNUAL RATE OF 15% OR THE MAXIMUM RATE PERMITTED BY LAW, WHICHEVER IS LESS, FROM TIME SUCH PAYMENT IS DUE UNTIL PAYMENT IS MADE IN FULL.

11. TAXES. CUSTOMER SHALL BE RESPONSIBLE FOR ALL FEDERAL, STATE, PROVINCIAL, MUNICIPAL, VALUE ADDED AND ANY OTHER TAXES WHICH ARE NOW OR MAY HEREAFTER BE REQUIRED IN CONNECTION WITH OR IMPOSED UPON OR ARE IN RELATION TO THE OWNERSHIP, LEASE, LICENSE, RENTAL OR USE OF THE MAGNESPHERE HALO™, STP's, OR ANY COMPONENT THEREOF.

12. CUSTOMER RESPONSIBILITIES.

12.1 Site Preparation and Installation. Customer shall be responsible for all site preparation and installation including, but not limited to, supplying, electrical, space, lighting, utilities, air conditioning and other environmental requirements for the Magnesphere HALO™. A minimum 8 foot by 10 foot clear space with minimum of 7.5 foot ceiling is required. NOTE: The MAGNESPHERE HALO™ must be connected by ethernet cable to a computer/laptop, so if the room where the computer/laptop is located is NOT the same room that the MAGNESPHERE HALO™ will be located, then you may have to purchase another Computer System.

12.2 Computer and Internet Service: Customer shall be responsible for providing an acceptable Computer or Laptop, and Internet Service to connect the MAGNESPHERE HALO™ device to the WebApp for STP's. An acceptable Computer or Laptop should be located in the same room as the MAGNESPHERE HALO™ and have at a minimum, a connection (wired or wireless) to your Internet Service Provider (i.e. access the Web), an available USB port and the following:

1. A PC running Windows 7 or 8 with the latest Chrome, Safari, Firefox, or Internet Explorer 11+ browsers
2. A Mac running OS 10.7 ("Lion") or later with the latest Chrome, Safari, or Firefox browsers
3. A Chromebook purchased in 2013 or later.

Note: Given the wide variety of Manufacturers, Computers, Browsers, and Web Protocols we cannot guarantee that the MAGNESPHERE HALO™ will work with your particular computer system. We can however identify specific makes and models of Computers, Chromebooks, and Browser configurations that work well with our system and are available for you to purchase from other Suppliers.

12.3 Chair: Customer shall be solely responsible for insuring they have an acceptable Chair to facilitate relaxation sessions with their MAGNESPHERE HALO™ . The Chair should be no more than 36" wide, and be comfortable (preferably recline), have minimal iron or ferrous metal structures (aluminum is OK), and no electrical apparatus.

12.4 Family Plan: If Customer has a Family plan, then Customer shall insure that each person in the plan shall read, sign, and send to MHLCC a Federal Electronic Disclosure and Consent form, an Informed Consent and Waiver of Liability, a Notice of Privacy Practices, and the MHLCC End User License Agreement and Customer Agreement (with Acceptable Use Policy) which are located on the WebApp.

12.5 OTHER USERS: CUSTOMER AGREES THAT NO OTHER PERSON(S) SHALL USE THE MAGNESPHERE HALO™ AND THE STP'S, UNLESS AND UNTIL SAID OTHER PERSON(S) SHALL

A. VISIT A HEALTHCARE PROVIDER THAT HAS A MAGNESPHERE AND DETERMINES THAT AN STP PROVIDES A POSITIVE HEALTH BENEFIT TO SAID PERSON(S)

B. RECEIVE APPROVAL FROM A HEALTHCARE PROVIDER FOR PURCHASE AND/OR TREATMENT WITH A MAGNESPHERE HALO™ DEVICE

C. RECEIVE APPROVAL FROM MHLCC, BY READING, SIGNING, AND SENDING TO MHLCC A FEDERAL ELECTRONIC DISCLOSURE AND CONSENT FROM, AN INFORMED CONSENT AND WAIVER OF LIABILITY, A NOTICE OF PRIVACY PRACTICES, AND THE MHLCC END USER LICENSE AGREEMENT AND CUSTOMER AGREEMENT (WITH ACCEPTABLE USE POLICY) WHICH ARE LOCATED ON THE WEBAPP.

SHOULD CUSTOMER ALLOW OTHER PERSON(S) TO USE THE MAGNESPHERE HALO™ AND STP'S WITHOUT COMPLETING STEPS A THRU C ABOVE THEN CUSTOMER SHALL BE IN BREACH OF THIS AGREEMENT AND SHALL ASSUME ALL RISKS AND LIABILITIES ASSOCIATED WITH SAID OTHER PERSON(S) USE. ADDITIONALLY THE CUSTOMER AGREES TO INDEMNIFY MHLCC AND HOLD IT HARMLESS FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING, BUT NOT LIMITED TO, ANY AND ALL EXPENSES REASONABLY INCURRED IN INVESTIGATING OR DEFENDING AGAINST ANY LITIGATION COMMENCED OR THREATENED OR ANY CLAIM WHATSOEVER) WHICH IT MAY SUSTAIN OR INCUR IN CONNECTION WITH THE BREACH BY THE CUSTOMER OF THIS PARAGRAPH.

12.6 Compliance with Laws & Regulations. Customer shall be solely responsible for insuring that the Customer's use of the Magnesphere HALO™ device are in compliance with governing municipal, state, federal or international laws and regulations.

12.7 Third Party Agreement (Lease or Finance): If Customer has leased or financed the purchase of the MAGNESPHERE HALO™ with a third party, then the Customer obligations in the Third Party Agreement shall be incorporated into this Agreement in Section 12. Customer Responsibilities.

13. GENERAL.

13.1 Assignment. This Agreement is binding on Customer, its successors and permitted assigns. Customer shall not assign any of its rights or obligations under this Agreement without MHLLC's prior written consent, which consent may be withheld.

13.2 Force Majeure. Performance by MHLLC or Customer of any non-monetary obligation hereunder shall be excused if such failure to perform is caused by an event or circumstance beyond MHLLC's or Customer's control and prompt written notice thereof has been given to the other party. If MHLLC or Customer should fail to perform any non-monetary obligation hereunder as a result of an event or circumstance beyond its control, it shall meet its obligations hereunder within a reasonable time after the cause of the failure has been removed.

13.3 Access. Customer grants MHLLC, its agents and employees a right to enter Customer's premises where the Licensed Products is located or may be stored in order to inspect or provide service for the Licensed Products, or, where Customer's right to possession has terminated, to recover the Licensed Products. Such access shall be during normal business hours (in connection with routine maintenance and any removal of the Licensed Products) and at any time (in connection with emergency maintenance) and, except to the extent necessary to provide emergency maintenance services, on at least twenty four (24) hours advance notice to Customer.

13.4 Notice. All notices, requests, demands, claims, and other communications under this Agreement will be in writing. Any notice, request, demand, claim, or other communication under this Agreement shall be deemed duly given when sent by overnight delivery service, addressed to the intended recipient. If to MHLLC: Allen S. Braswell, Jr. Chief Executive Officer Magneceutical Health, LLC 611 Druid rd. East, Suite 714 Clearwater, Florida 33756 Phone: (727) 474-3722 Fax: (727) 474-3738. If to Customer: then as set forth below, under the signature lines of this Agreement.

13.5 Entire Agreement; Modification. This Agreement is the sole and complete statement of the rights and obligations of the parties hereto, and except as specifically set forth herein, supersedes all previous understandings, negotiations, letter of intent, proposals or orders pertaining to the Licensed Products. This Agreement may be modified only expressly and in writing signed by an authorized representative of each party.

13.6 Governing Law; Venue. This Agreement shall be performed and interpreted in accordance with the laws of the State of Florida without reference to its choice of law rules and excluding the application of the Uniform Computer Information Transactions Act (UCITA). Further, the parties hereby consent to the exclusive personal jurisdiction of the state and federal courts within Pinellas or Hillsborough County, Florida, except that nothing shall prevent MHLLC from seeking injunctive relief in any other court with competent jurisdiction. In the event either party shall be required to take legal action to enforce this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.



13.7 Termination Survival: This Agreement shall remain in full force and effect for the life of the MAGNESPHERE HALO™. Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this Agreement shall survive any termination or expiration of this Agreement and continue in full force and effect including Sections 3, 5, 6, 7, 8, 9, 10, 11, 12 and 13.

13.8 Severability; No Waiver. If any provision of this Agreement is deemed to be invalid or unenforceable or is prohibited by law, the remaining provisions shall be valid and binding as though such provision were not included. No failure or delay by any party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.

13.9 Affiliates: MHLLC affiliates may include but not be limited to the following, other customers, doctors, healthcare professionals, marketing specialists, consultants, healthcare organizations, etc. MHLLC may provide consulting fees, referral fees, or other remuneration to affiliates based upon this Agreement with Customer.

13.10 Third Party Beneficiary. MHLLC's Licensors, Sub-Licensee's, Affiliates, and Third Party's financing the Magnesphere HALO™ shall hereby be designated as third party beneficiaries of this Agreement. Third Party Beneficiaries shall not be required to perform any obligations or incur any liability under this Agreement.

13.11 Customer Referrals: Customer shall receive a \$10.00 credit per month against their Monthly Subscription Cost for "Active Referrals". An Active Referral shall be a person that Customer referred to a HealthCare Provider, who then purchased their own MAGNESPHERE HALO™ device and monthly subscription service, and is in compliance with all terms in their Agreement (specifically with their payment obligations). Customer will only obtain "credits" against their Monthly Subscription Cost, there will be no cash from MHLLC for active referrals. All Credit transactions will take place the beginning of the month following the Customer Referral becoming active (i.e. no pro rata credits for mid month activations). \$10.00/mth credit amount is based upon a Single User plan of \$100/mth and Family Plan of \$150/mth, if these plans change then the credit amount will change pro rata.

13.12 Export. Customer shall comply fully with all relevant export laws and regulations of the United States and other applicable export and import laws to assure that neither the Magnesphere HALO™, nor any direct product thereof, is exported, directly or indirectly, in violation of applicable laws.

13.13 Cancellation: Customer shall have the right to Cancel this Agreement and Transaction at any time prior to Midnight of the third business day after the delivery of the Magnesphere HALO™ device. See the attached Cancellation form for an explanation of this Right.

**Magneceutical Health, LLC**

**Customer:** \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_