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LICENSE AGREEMENT - DCI/CENTER
(Marks)

THIS AGREEMENT is made this _____ day of _____ 1991, by and between:

DIANETICS CENTERS INTERNATIONAL, a California non-profit public benefit corporation having its registered office at 6331 Hollywood Blvd, Los Angeles, California 90028, United States of America (hereinafter referred to as "DCI"); and

_____
(Name)

_____

_____
(Address)

(hereinafter referred to as "CENTER".)

RECITALS

A. Inspector General Network, a California non-profit corporation (hereinafter referred to as "IGN"), has as its principal purposes the teaching and dissemination of applied philosophy and spiritual technology in accordance with the writings and recorded spoken words of the noted philosopher L. Ron Hubbard (hereinafter "LRH"), and the maintenance of the purity and ethical use of that philosophy and technology (which hereinafter are referred to as "Hubbard Philosophy and Technology").

B. IGN is the owner of the service marks and trademarks associated with the Hubbard Philosophy and Technology, with all of the rights and responsibilities that are incident to and required under applicable laws relating to ownership in order to maintain their validity, to protect the exclusivity of their use by authorized organizations, and to insure that the nature and quality of all services and products that are associated with the service marks and trademarks are in accordance with the writings and recorded spoken words of LRH, whose writings and recorded spoken words with respect to Hubbard Philosophy and Technology and the organizations and local centers formed for the purposes thereof hereinafter are referred to as "the Hubbard Writings".

C. Among the marks owned by IGN are certain service marks and trademarks formerly owned by LRH and pertaining to the Hubbard Philosophy and Technology, including DIANETICS for spiritual technology, SCIENTOLOGY for applied philosophy, and organizations and operations related thereto, including the name, initials and parts of the name of LRH, and the goodwill associated with these marks. The marks owned by IGN and subject to this Agreement are collectively identified as "the Marks", and are identified in the list attached hereto as Exhibit A.

D. IGN is the owner of registrations and pending applications for registrations of the Marks. IGN may acquire other marks pertaining to Hubbard Philosophy and Technology, spiritual technology, applied philosophy, and organizations and operations relating thereto, and may acquire rights in corresponding marks, which marks, will be added to the Marks that are subject to this Agreement.

E. DIANETICS FOUNDATION INTERNATIONAL (hereinafter referred to as "DFI") is organized to operate exclusively for the betterment of mankind through the organizations and local centers that are formed for the advancement and dissemination of the Hubbard Philosophy and Technology in accordance with the Hubbard Writings.

F. IGN and DFI have entered into a formal agreement granting DFI and the related local centers of the Hubbard Philosophy and Technology (hereinafter "the Centers") under the supervision and control of DFI the right to use the Marks in connection with services.

I. DCI is the managing organization for the Centers, under the auspices and authority of DFI, and CENTER wishes to use the Marks as a related organization of DCI under DCI's supervision and control.

NOW, THEREFORE, in consideration of the following grant and mutual promises, and other good and valuable consideration, the parties agree as follows:

1. GRANT

a. On the terms and conditions hereinafter set out, DCI grants to CENTER the non-exclusive right and license to use each and all of the Marks in connection with services of CENTER pertaining to the Hubbard Philosophy and Technology rendered by CENTER.

b. This grant does not include the right to license or authorize the use of the Marks or any of them by any person or entity whatsoever, and the granting of further licenses by CENTER is expressly prohibited.

c. This grant to CENTER is limited to use of the Marks in connection with services rendered by CENTER in accordance with this Agreement, and on and in connection with products such as publications that have individually been approved by DCI and are directly related to the promotion of the services rendered by CENTER itself.

d. CENTER acknowledges that the right to sell, and the right to license others to sell, products embodying or bearing the Marks, including books and other publications, are expressly excluded from this grant, except that CENTER may sell such products obtained by or through DCI or another source authorized by DCI.

2. CONSIDERATION

The only consideration required of CENTER for the grant herein made by DCI is the acknowledgement, as a condition of this License, of the prior and continuing commitment to the full and faithful performance of the terms and conditions of this Agreement and of the promises made herein. In particular, CENTER undertakes and promises that it will actively use the Marks in advancing and disseminating Hubbard Philosophy and Technology in accordance with the Hubbard Writings, and to promote and protect Hubbard Philosophy and Technology and the image of LRH, as the Founder, under and in connection with the Marks.

3. CONTROL AND SUPERVISION

a. DCI shall have the right to disseminate standards, specifications and guidelines for the proper use and display of the Marks, and CENTER shall ensure that all of its employees and associates shall follow and abide by all such standards, specifications and guidelines. All standards, specifications and guidelines presently in use by the Center shall remain in effect until changes are disseminated by DCI.

b. CENTER shall not engage in any activity that is in conflict with or hostile to the Hubbard Writings, or hostile to or derogatory to the image of LRH, IGN, DFI or DCI, and shall not use any of the Marks on or in connection with any matter that is not part of, or related to, Hubbard Philosophy and Technology or the approved services of SCIENTOLOGY applied philosophy and DIANETICS spiritual technology.

c. IGN, DFI and DCI shall have the right to monitor all operations of CENTER, inspect all books, records and facilities pertaining to use of the Marks, and receive sample specimens and summaries of literature, publications and products using the Marks, in reasonable numbers and with reasonable frequency to insure compliance with all standards,

specifications and guidelines. In the event of any deviation by CENTER, its employees or associates, CENTER shall take corrective action immediately after receipt of notification from DCI to do so and shall insure that the deviation is promptly corrected.

d. IGN, DFI and DCI may, if it ever deems it necessary or advisable send a corrective mission to CENTER to correct any deviation from standards, specifications or guidelines of this Agreement, and CENTER shall reimburse the sender for its costs of the corrective mission, including travel and living costs of personnel and the time of such personnel, at rates not to exceed the then prevailing rates charged by DCI for such corrective missions.

4. MINIMUM STANDARDS

In addition to the standards that have been stated, the minimum requirements to be qualified to use the Marks shall include:

a. Establishment of a body and entity for the advancement and dissemination of the Hubbard Philosophy and Technology pursuant to the Hubbard Writings.

b. Maintenance of sufficient trained staff to effectively serve to all of its members.

c. Proper and effective display of the Marks and of the symbols of the Hubbard Philosophy and Technology to enhance and preserve the image of Hubbard Philosophy and Technology, including display of a charter or certificate approved by DCI.

d. Rendering of Hubbard Philosophy and Technology services to executives, staff and members, and publication and distribution of literature and other aids to propagate and disseminate the Hubbard Philosophy and Technology.

e. Subject to local laws, satisfaction of all requirements for tax exempt status as a non-profit organization.

f. Maintenance of financial responsibility and solvency at all times.

5. ENFORCEMENT

a. DCI is responsible for the enforcement of rights under the Marks against any unauthorized or improper use. CENTER shall report to DCI all unauthorized or improper use that comes to its attention, and shall render all assistance that may be required in correcting or terminating such use,

but shall not initiate any legal action without the express written permission of DCI.

6. INDEMNITY AND DISCLAIMER

a. CENTER acknowledges its full responsibility for the ethical and proper use of the Marks and the Hubbard Philosophy and Technology according to the Hubbard Writings, covenants that neither it nor any of its staff or employees will make any claim against IGN, DFI, DCI, the representatives, heirs and successors or assigns of LRH or any person associated with IGN, DFI, DCI or the representatives, heirs, successors or assigns of LRH. CENTER hereby indemnifies and holds harmless DCI, DFI, IGN and LRH, and all their agents, employees, representatives, heirs, successors and assigns, from and against all liabilities, claims and actions of any kind, and costs, including attorneys' fees, which arise from or relate to the use of the Marks by CENTER, or relate to or arise from any of the services or products associated with the Marks by CENTER. All such claims shall be defended at the expense of CENTER through legal counsel acceptable to DCI.

b. The Hubbard Writings contain a record of research and observation of LRH into the nature of the human mind and spirit and a guide intended to assist persons to become more aware of themselves as beings, restoring respect for self and others, and not for treating or diagnosing human ailments of body or mind nor for engaging in teaching or practical medical arts or sciences. Neither DCI, DFI, IGN nor LRH has made any claim that the nature or purpose of the Hubbard Writings exceeds this description or that the Hubbard Writings will have any particular effect on any particular individual.

c. CENTER hereby acknowledges and agrees to the disclaimer of the preceding paragraph. CENTER and its employees, associates and members shall require all individuals who receive training or counseling services under the Marks to sign a disclaimer in the form issued by DCI, to this effect.

7. NAMES AND OWNERSHIP

CENTER may make any appropriate use of the Marks in its name, but acknowledges and agrees that:

a. This Agreement rescinds and replaces any previous agreements with respect to the Marks and CENTER has no rights of any kind with respect to any of the Marks except those rights that are granted by this Agreement.

b. The Marks shall not become part of the assets of

CENTER and all of its use of any of the Marks, in its name and otherwise, is and shall be pursuant to this Agreement alone, and shall support the ownership of the Marks by IGN with the same effect as if IGN had itself made that use.

c. In the event of the cancellation or termination of this Agreement for any reason, CENTER shall immediately cease all use of each of the Marks, in its name and otherwise, and shall forever refrain from further use of any of the Marks unless and until formally reinstated hereunder.

8. ENFORCEMENT OF OBLIGATIONS OF PERFORMANCE

a. This Agreement shall be for an indefinite period and shall be terminable by IGN, DFI and DCI, only for cause. At its own discretion, IGN may, however, immediately suspend the right of CENTER to use any of the Marks if CENTER is misusing any of the Marks in a manner that places the validity or enforceability of any of the Marks in serious danger under applicable law.

b. As a condition of this License, CENTER agrees that any dispute which arises out of or relates to this Agreement, except for a dispute arising under subparagraphs 3a, 3b, 7b, 7c or 8d, shall be determined by arbitration. In the event of arbitration, the parties to the dispute shall attempt to agree upon a single arbitrator to hear the dispute. If they are unable to do so, each party shall select a separate arbitrator, and the two arbitrators so selected shall choose a third arbitrator. Each arbitrator shall be a member in good standing of an organization that specializes in the promotion and dissemination of the Hubbard Philosophy and Technology, and well versed in the materials, in particular those Hubbard Writings pertaining to ethics and justice. The decision of the arbitrator or arbitrators shall be final. Arbitration shall not be required with respect to any matter in connection with which injunctive relief or specific performance is sought by all or any of the parties hereto.

c. DCI, subject to the decision in arbitration, shall have the authority to assess and collect monetary fines from CENTER, in amounts that are commensurate with the circumstances. DCI shall also have the right, as a last resort after all other measures have proven unsuccessful, to terminate the right of CENTER to use the Marks.

d. If CENTER ever falls into hostile hands or engages in or condones propaganda against the Marks or Hubbard Philosophy and Technology, or organizations delivering Hubbard Philosophy and Technology, or LRH, or fails to render services to its staff or employees, or if it conducts itself in such a way as to endanger the name or repute of DCI, DFI, IGN or LRH, or involves DCI, DFI, IGN or LRH or any of their

agents or representatives in public litigation, this license is subject to cancellation.

9. REGISTRATIONS AND RECORDINGS

Upon the written request of IGN, CENTER shall execute and deliver to IGN any license agreements, registered user agreements, and other documents that IGN deems necessary or desirable for the purpose of registering or recording this Agreement or the rights of either party under this Agreement, in any country on this planet. CENTER shall assign to IGN or cancel (at IGN's option), any registrations or agreements of CENTER that are in conflict with IGN's ownership of any of the Marks or registrations.

10. LACK OF AGENCY

Neither party shall be deemed to be the agent, joint venturer, or partner of the other, or of IGN or DFI, and neither shall have the authority to act in behalf of the other for IGN or DFI in any matter, including acceptance of service of process.

11. GOVERNING LAW

This Agreement shall be deemed to have been made in the State of California, United State of America, and shall be interpreted according to and governed by the laws of the State of California, United States of America.

12. ASSIGNABILITY AND BINDING EFFECT

a. This Agreement is personal to CENTER, and the rights and obligations hereunder shall not be assignable or otherwise transferable by CENTER, in whole or in part, without the prior written approval of DCI. In the event of any attempted assignment or transfer by CENTER of its rights under this Agreement, whether voluntary or involuntary, all rights of CENTER with respect to the Marks shall immediately terminate.

b. This Agreement shall be binding upon and for the benefit of the successors, assigns and legal representatives of DCI.

13. SEVERABILITY

If any provision of this Agreement should be asserted to be invalid or unenforceable as contrary to public policy or for any other reason, that provision (a) if capable of any other construction shall be so construed, and (b) if finally adjudicated to be invalid or unenforceable shall be severed from this Agreement and deleted. In either event, the

remaining provisions of this Agreement shall remain in full force and effect.

14. MARKING AND USE PURSUANT TO APPLICABLE LAWS

CENTER shall use the Marks strictly in accordance with the laws of the Country in which it is operating.

CENTER

_____
Name:
Title:

_____
Name:
Title:

DIANETICS CENTERS INTERNATIONAL

_____
Name:
Title:

_____
Name:
Title: