



Contract No.: FLE.MIR.080217

Merchandising Licensing Agreement

ZAG AMERICA, LLC MERCHANDISE LICENSE AGREEMENT & SCHEDULES

The following are the Merchandise License Agreement Schedules ("**Schedules**") dated August 1, 2017 ("**Effective Date**") between **Zag America, LLC** located at 1845 Flower Street, Glendale, California 91201, USA ("**Licensor**") and Flexmetal SL ("**Licensee**") as further identified on Schedule A hereto. Capitalized terms used in these Schedules shall have the same meaning as defined within these Schedules or the Agreement, as applicable.

SCHEDULE A – LICENSEE INFORMATION

Licensee Legal Name: Flexmetal SL
Attention: Rosa Soteras, e-mail: rsoteras@flemetal.com
Licensee Address: Pol. St. Margarita II – C/Albeert Einstein 36, 08223 Terrasa, Barcelona, Spain
Licensee Facsimile: N/A
Licensee Telephone Number: +34-937862157
State/Country Licensee Organized: Spain
VAT#: ESB58358128

SCHEDULE B – GRANT OF LICENSE; CHANNELS OF DISTRIBUTION

Rights Granted: Non-Exclusive

Permitted Channels of Distribution:

Type of Retailer	Definition and Examples
Mass Market Retailers	Retailers with a nationwide distribution that offer products for sale with an emphasis on price rather than aesthetics, in a broad assortment of unrelated product categories.
Party Stores	Stores that specialize in the sale of party goods.
Toy Store - Chain	Stores that offer for sale primarily toys.
Toy Store - Specialty	Stores with small scale distribution that offer for sale primarily toys.

SCHEDULE C-PROPERTY

Property: Miraculous™ (Series Title and Trademark) – Tales of Ladybug & Cat Noir

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SCHEDULE D – LICENSED PRODUCTS

	Licensed Product	Description/or Restriction
Main Category	Sub Category	
Party goods	Mylar balloons	N/A

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MARKETING INTRODUCTION DATES

Marketing Introduction Date: August 2017 (Ref. – Section 7)

On-Shelf Date: September 2017 (Ref. – Section 7)

If Marketing Introduction Dates or On-Shelf Dates vary based on the Licensed Products, parties agree to define in writing, the Licensed Products On-Shelf dates by Sub Category as defined in Schedule L below.

SCHEDULE E - TERRITORY

Territory: Russia

SCHEDULE F – TERM OF AGREEMENT

Commencement Date: August 1, 2017 (Ref. – Section 7)

Expiration Date: August 31, 2019 (Ref. – Section 7)

SCHEDULE G – GUARANTEED ROYALTIES

A non-refundable recoupable Guaranteed Royalties Payment of Ten Thousand United States Dollars (U.S. \$10,000.00) payable as follows:

- (i) U.S. \$5,000.00 upon Execution of this Agreement;
- (ii) U.S. \$5,000.00 on or before December 1, 2017;

SCHEDULE H – ROYALTY RATES

Percentage Royalties—Non-F.O.B. Sales: 12% of the Net Sales Price on all non-F.O.B. Sales of the Licensed Products.

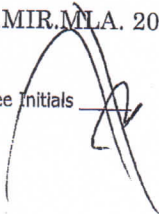
Percentage Royalties—F.O.B. Sales: 14% of the Net Sales Price on all F.O.B. Sales of the Licensed Products.

SCHEDULE I – MARKETING COMMITMENT

Marketing Expense Commitment: N/A

Partnership Efforts: Licensee agrees to support Licensor's ongoing marketing of the brand in conjunction with ZAG's efforts within the retail and trade community; such activities and participation to include ZAG's use of product concepts, prototypes, production samples supplied by Licensee for Licensor's and Licensee's tradeshow, retail and public relations selling and promotion efforts, including but not limited, to Las Vegas Licensing Expo and

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Licensee Initials 

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(n) **No Injunctive Relief.** The Licensee acknowledges that no breach of this Agreement by Licensor will result in irreparable harm to the Licensee, and Licensee will be adequately compensated by monetary damages for any breach of this Agreement by Licensor.

(o) **Force Majeure.** Neither party shall be liable for failure to perform any obligation under this Agreement when such failure is caused by or results from strike, boycott, sanctions, acts of God, terrorism, authority of law, embargo, insurrection or war, inability to obtain materials or any other cause beyond their respective control ("**Force Majeure**"). If a Force Majeure prevents performance by one party for more than 90 days, the other party shall have the right to terminate this Agreement by providing the other party with written notice of termination.

(p) **Counterparts.** This Agreement may be executed in one or more counterparts, and by different parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by email shall be as effective as delivery of a manually executed counterpart of this Agreement.

(q) **No Third-Party Beneficiaries.** This Agreement is for the sole benefit of the parties and their permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under this Agreement.

(r) **Licensee Acknowledgment.** The Licensee by executing this Agreement acknowledges that it has reviewed and understands all provisions of this Agreement and is bound thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

LICENSOR
Zag America, LLC

By: _____

Name: Jeremy Zag

Title: CEO

Date: 8/28/17

LICENSEE
Flexmetal SL

By: _____

Name: Juan Tarazona

Title: Administrador

Date: 21/08/2017

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