

**THE ESCROW AGREEMENT SHOULD BE SUBMITTED ON BANK LETTERHEAD  
(Required by health studio that receives funds for future services prior to its opening)**

**Health Studio Escrow Agreement**

This agreement, dated \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, is made between \_\_\_\_\_(Legal Name and Address of Health Studio) hereinafter called HEALTH STUDIO and \_\_\_\_\_(Name and Address of Florida Bank or Trust Co.) hereinafter called AGENT:

**W I T N E S S E T H**

**WHEREAS, HEALTH STUDIO** is a "health studio" as defined by section 501.0125, Florida Statutes, and **WHEREAS, HEALTH STUDIO** is, or intends to become, a seller of health studio services, subject to the provisions of section 501.016(7), Florida Statutes, and an escrow account is required to be maintained by **HEALTH STUDIO**, and **WHEREAS, HEALTH STUDIO** desires to employ the services of **AGENT** as its escrow agent, and **WHEREAS, AGENT** agrees to provide such services, and **WHEREAS**, the purpose of the escrow account established hereby is to make refunds to consumers in the event that **HEALTH STUDIO** fails to complete its facility by \_\_\_\_\_.  
(date of opening)

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the delivery and sufficiency of which is stipulated by both parties, the parties agree as follows:

1. The above recitals are correct and are hereby incorporated by reference and made a part hereof.
2. **HEALTH STUDIO** agrees to deposit with **AGENT** all funds received by **HEALTH STUDIO** for health studio services, whether by contract or otherwise, which are received by **HEALTH STUDIO** prior to completion of the facilities of **HEALTH STUDIO** and the commencement of full operations by **HEALTH STUDIO**. **HEALTH STUDIO** shall have full responsibility for depositing such funds with **AGENT** and **AGENT** shall not be in any way responsible to assure **HEALTH STUDIO** is depositing such funds with **AGENT** in compliance with applicable law or this Agreement.
3. **AGENT** agrees to establish and maintain all funds deposited by **HEALTH STUDIO** pursuant to this Agreement in account number \_\_\_\_\_, an escrow account separate and apart from all other of **HEALTH STUDIO'S** accounts, if any, with **AGENT**.
4. **HEALTH STUDIO** agrees that, concurrent with the deposit of funds with **AGENT** as provided herein, **HEALTH STUDIO** shall, at the time of each such deposit, provide **AGENT** with the name and address of each consumer, together with the sum received from each consumer who has purchased future services from **HEALTH STUDIO**. **AGENT** shall thereafter provide to each consumer a monthly statement of his or her funds in such account until such account is no longer required by law. **HEALTH STUDIO** shall pay **AGENT** the reasonable costs of preparing and providing such statements, including the cost of mailing or other service.
5. **AGENT** agrees to disburse escrowed funds, together with accrued interest, if any, on the completion of all or part of the **HEALTH STUDIO** facility's improvements, in the following manner:
  - i. One-third of the deposited funds shall be distributed to **HEALTH STUDIO** upon completion of one-half of the proposed improvement.
  - ii. Two-thirds of the deposited funds shall be distributed to **HEALTH STUDIO** upon completion of three-fourths of the proposed improvement.
  - iii. The balance of the funds including accrued interest, if any, shall be distributed to **HEALTH STUDIO** thirty (30) days following certification of occupancy denoting completion and full operation of the facility.
6. **AGENT** shall accept, as evidence of partial or total completion, the written certificate of a licensed architect, engineer or contractor that the improvements have been completed in accordance with the original and amended plans and specifications.
7. Notwithstanding anything to the contrary contained herein, if the facility of **HEALTH STUDIO** is not completed and in operation after one year from the date of establishment of the escrow account, **AGENT** shall thereupon distribute all remaining escrowed funds, together with any interest earned, to each consumer on whose behalf funds were deposited, in the amount of such deposit, plus interest, if any. If part of the deposited funds have been distributed to

**HEALTH STUDIO** because of partial completion in compliance with paragraph 5, above, distribution shall be made pro rata to each consumer based on the proportion of each consumer's deposit to the funds then remaining in the escrow account maintained by **AGENT**.

8. **HEALTH STUDIO** agrees to pay **AGENT** a fee for its services in accordance with the Letter Agreement attached and incorporated as Exhibit (1).
9. Copies of original plans and specifications for the **HEALTH STUDIO** improvement or construction are attached and incorporated as Exhibit (2). **HEALTH STUDIO** will promptly furnish **AGENT** with any amendment to such plans and specifications, which amendment will be incorporated into Exhibit (2).
10. **AGENT** is authorized to invest funds escrowed pursuant to this Agreement only in such a manner and in such instruments or obligations as will preserve all principal amounts deposited. **AGENT** shall be liable for any loss of principal funds deposited.
11. **AGENT** shall be under no duty to determine whether information furnished by **HEALTH STUDIO** concerning consumers (i.e. their name, address, amount paid, etc.) is correct, or whether deposits made with **AGENT** accurately reflect all funds received by **HEALTH STUDIO** for future health studio service contracts. The actions of **AGENT** expressly will be based only on information supplied to **AGENT** by **HEALTH STUDIO** and **AGENT** is not required to verify such information to determine the identity, address, or amount paid, by any consumer entitled to protection under sections 501.012 – 501.019, Florida Statutes, and the rules promulgated thereunder.
12. **HEALTH STUDIO** agrees to hold **AGENT** harmless and indemnify it against any and all liability, cost or expense, including, but not limited to, attorneys fees and court costs, arising from, pertaining to, resulting from or related to this Agreement.
13. This Agreement shall be binding upon the heirs, successors, and assigns of the parties hereto.
14. This Agreement may be enforced by an affected consumer or the Florida Department of Agriculture and Consumer Services, according to law.
15. In the event of a dispute between **HEALTH STUDIO** and **AGENT** or between a consumer and **HEALTH STUDIO** relative to the disbursement of funds, **AGENT** may withhold disbursement until directed to do otherwise by agreement of the parties to the dispute or by an order of a court of competent jurisdiction.

**IN WITNESS WHEREOF**, the parties have executed this Agreement the date and year first above written.

Corporate Seal \_\_\_\_\_ by \_\_\_\_\_  
*(Health Studio)* *(include Title or Authority)*

Corporate Seal \_\_\_\_\_ by \_\_\_\_\_  
*(Agent)* *(include Title or Authority)*

**Witnesses:**

by \_\_\_\_\_  
*(include Title or Authority)*

**Witnesses:**

**HEALTH STUDIO**

**AGENT**

\_\_\_\_\_