



April 9, 2008

John Tompkins, VP of Sales  
HydroMassage

Dear John,

I really appreciate all the support you've given us during the HydroMassage launch in our corporate showcase club in Ypsilanti, MI. I don't think that any of us anticipated the success that we have had in only the first week of operation.

The club has a closing rate of 45% on HydroMassage for an unlimited \$15.00 membership after the first week with 61 signups. Rick and Jennifer assisted with the marketing and staff training and truly showed Powerhouse that they are committed to making this program work.

We have incorporated free 3 minute trials to all of our members and finish off all of our sales tours with a sample massage that seems to be increasing our closing percentages on memberships. Prospective members are more put at ease after the massage and are more relaxed and comfortable, which makes the closing process easier for our sales reps.

I can personally relate, because I remember getting off of a 5 hour flight, missing lunch and heading straight to your booth at the IHRSA tradeshow in San Diego. After ten minutes on the Hydromassage I had replaced my irritability with positive energy.

Overall, the process has been very smooth, thanks in large part to Rick Downes, who has gone the extra mile for Powerhouse. HydroMassage seems to be simple to operate and maintain, and is an easy way to add an extra \$15 to the monthly draft. The lease option makes it affordable to add an additional amenity to the club, which should pay itself off quickly...less than two days in the corporate showcase club.

We look forward to begin the rollout in our corporate owned locations and am happy to recommend the product to our Powerhouse Gym owners. Feel free to have your prospective clients contact our managers at the Ypsilanti location with any questions about the unit.

Best Regards,

Henry Dabish  
CEO  
Powerhouse Gyms International