

RESTATED  
HARDEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY  
GRANT AWARD AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_ day of March, 2014, by and between the Hardee County Industrial Development Authority, hereinafter referred to as "IDA," located at 107 East Main Street, Wauchula, Florida 33873, and Continuum Labs, Inc., a Nevada corporation, authorized to do business in the State of Florida, hereinafter referred to as the "Grantee," located at 2818 Cypress Ridge Boulevard 150, Wesley Chapel, Florida 33544.

WHEREAS, the IDA, pursuant to the *Mosaic South Fort Meade Mine Development Agreement*, is authorized to provide funding of economic development in the County; and,

WHEREAS, the IDA has determined that the Grantee is qualified for participation in the IDA grant program; and,

WHEREAS, the IDA agreed to fund Life-Sync Technologies, LLC, hereinafter referred to as "Life-Sync," by and through Grant Award Agreement dated October 11, 2011; and,

WHEREAS, the obligations of Life-Sync were assumed by Grantee, by and through the execution and delivery of the Assignment and Modification Agreement dated October 9, 2012; and,

WHEREAS, IDA and Grantee modified the Agreement by and through execution and delivery of First Amendment to Assignment and Modification Agreement dated December 17, 2013; and,

WHEREAS, the IDA completed the original funding commitment to Life-Sync, and Grantee, through Assignment and Modification Agreement dated October 9, 2012, including funding provided by First Amendment to Assignment and Modification Agreement dated December 17, 2013; and,

WHEREAS, Grantee has continuously made monthly presentation reports to the IDA pursuant to previous agreement and amendment describing and refining the evolution of the project; and,

WHEREAS, the nature and scope of the project has become more specific and defined focusing on development of the company and deployment of the primary product, CareSync; and,

WHEREAS, the CareSync product is continuing to be developed and marketed with expectation of significant and independent revenue generating capacity, including sales revenue, collateral value funding and investment contribution; and,

WHEREAS, the successful deployment of this product into the market is anticipated to produce certain minimum levels of job creation in Hardee County, Florida, including ancillary positive economic development; and,

WHEREAS, the IDA deems the funding of this Grantee in accordance with this Agreement to be a public purpose; and,

WHEREAS, the IDA, in a duly-noticed meeting held on \_\_\_\_\_, 2014, voted to continue additional funding conditioned by certain job creation by and attainment of external funding level into Grantee for the CareSync product development, as set forth in this Agreement.

In consideration of the premises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree to this Restatement of the Grant Award Agreement, as follows:

1.0. Incorporation of Recitals. The above-stated recitals are hereby incorporated as if fully set forth herein.

2.0. Parties. The parties and their respective addresses for purposes of this Agreement are as follows:

Hardee County Industrial  
Development Authority  
107 East Main Street  
Wauchula, Florida 33873  
Phone: 863/773-3030  
Facsimile: 863/773-4915

Continuum Labs, Inc.  
2818 Cypress Ridge Blvd. 150  
Wesley Chapel, FL 33544  
Phone: 863/658-3728  
Facsimile: 813/466-7493

3.0. Administrator. The Agreement Administrator is *William R. Lambert*. The Grant Agreement manager for the Grantee is *Travis Bond*. All approvals referenced in this Agreement must be obtained from the Agreement Administrators/Managers or their designees.

In the event that a different Agreement Administrator/Grant Agreement Manager is designated by either party after execution of this Agreement, notice of the name, address and telephone number of the new Agreement Administrator/Manager shall be delivered in writing to the other party, and said notification shall be attached to originals of this Agreement.

4.0. Term of Agreement. The term of this Agreement shall commence upon full execution of this Agreement and continue through December 31, 2025. Grantee may extend the term for an additional five (5) years by giving

written notice of election to do so at least ninety (90) days prior to the expiration of the original term.

5.0. Grantee Description. The Grantee is Continuum Labs, Inc., a Nevada corporation, authorized to do business in the State of Florida.

6.0. Project Description. The original award to Life-Sync was based on demonstration by Life-Sync to have sufficient acumen and expertise to develop and incubate economic diversity in Hardee County, Florida. This diversity would be achieved through development of “web-based solutions,” including application development, managing, securing, storing and sharing information.

The IDA has completed its original commitment for funding the project with \$7.25 million. Life-Sync’s obligations were assumed by Grantee through the acquisition of Life-Sync’s primary product, BlueWater. Grantee began operations in Hardee County in October 2012 and occupied a portion of the Technology Center (Tech River) in January of 2013. Grantee has initiated development of the Technology Center in the ensuing time frame but has focused primarily on the refinement and development of the ensuing BlueWater product, CareSync.

The initial acquisition of the property and retrofit took almost one year longer than originally expected, and the delays in occupancy created interruptions in the Technology Center business incubation. Today, the project has evolved into continued development, product refinement and product deployment of CareSync into the national market place. CareSync describes its product and service as a *“focus on building user-friendly, easy-to-use*

*applications, and combine them with exceptional services to help people take control of their healthcare information, experience better medical visits, and collaboratively manage health with family, care teams, and providers.”*

7.0. Grantee Deliverables.

(a) Grantee shall pay rent for space in the Tech River building monthly in the amount of \$1,000.00 per month, commencing on October 1, 2014, which rent is due on the first of each month thereafter until June 30, 2015.

(b) IDA and Grantee will mutually agree on commercially reasonable rental terms to commence July 1, 2015, to include an option for Grantee to purchase the Tech River property on terms mutually acceptable to both parties.

(c) Grantee shall employ at least thirty-six (36) full-time equivalent (FTE) positions located in Hardee County, Florida, no later than December 31, 2014.

(d) Grantee shall “self-fund” operations through external financial contributions, including but not limited to, loans, sales, contribution and contract revenues of at least \$3 million by December 31, 2014.

(e) Grantee shall employ, create, fill and maintain a total of at least forty (40) full-time equivalent (FTE) positions located in Hardee County, Florida, no later than May 1, 2015.

(f) Grantee shall demonstrate “self-funding” of operations through external financial contributions, including but not limited to, loans, sales, contribution, and contract revenues, of at least \$2 million by May 30, 2015.

(g) Grantee shall make presentations to the IDA no less than quarterly to update IDA as to status on marketing efforts and sales.

(h) Grantee, upon request by the Administrator, and within a reasonable time period, shall allow the Administrator to inspect supporting documentation demonstrating performance as to deliverables.

(i) Grantee shall deliver redacted records necessary to substantiate deliverables agreed to in this “restatement” to the IDA following the end of this Agreement, cessation, termination or closeout of the project. IDA shall retain such records in accordance with state and federal law.

(j) Grantee, upon request by the IDA, and within a reasonable time period, shall allow the IDA to inspect and review all records received or created pursuant to this Agreement.

(k) The job requirements in Sections 7.0(c) and 7.0(e) and self-funding (Grantee contribution) requirements in Sections 7.0(d) and 7.0(f) shall be confirmed by and through “agreed upon procedures” performed by Clifton Larsen Allen, or other firm approved by the IDA. The agreed upon procedures are attached as Exhibit “A” hereto.

(l) Grantee shall continue to develop, deploy and market the CareSync product and/or other web-based technology and services.

(m) Grantee shall use commercially reasonable efforts to work cooperatively with the IDA to fulfill its objective of complete utilization of the Tech River facility through the increased occupation of space by Grantee or recruitment of suitable tenants into underutilized or vacant space.

(n) Grantee shall execute and deliver to IDA a performance based note in the amount of \$9.25 million in the form attached hereto as Exhibit “B.”

7.1. Grantee remuneration to IDA.

(a) The remuneration obligation set forth in paragraph 7.1(b) shall be reduced with completion of deliverables as set forth below:

(1) Beginning January 1, 2016, and continuing for ten (10) consecutive years, the total remuneration obligation (\$9.25 million or the sum of the amounts actually contributed by IDA pursuant to original Life-Sync grant award, Assumption and Modification Agreement with Continuum, First Amendment to Assignment and Modification Agreement, and this Restated Agreement) may be reduced and/or satisfied through job creation calculated as follows:

Average Annual Employment	Multiplier X Gross Hardee County Payroll
150+	200%
100 - 149	175%
75 - 99	150%
50 - 74	125%
40 - 49	100%
35 - 39	75%
31 - 34	50%
25 - 30	25%
*Less than 25 = default	

For the purposes of this section, job creation verification of employment shall be submitted for the previous year through signed affidavit of job creation by the Grantee and certified by “agreed to procedures” verification with UCT-6 or Federal W-4 transmittals.

Such verification will be presented to the IDA for acknowledgment of reduction in grant deliverables obligation and satisfaction of remuneration obligation on an annual basis in any monthly or special-called meeting prior to June 15 of each ensuing job creation computation year.

At the end of such ten (10) year period, failure to complete the grant deliverables obligation creates default.

Partial year credit shall be computed at the most recently completed quarter preceding any partial year computation in the same manner as stated in this section.

(b) In the event Grantee is sold, or all or substantially all of its assets are sold, including but not limited to, the CareSync product, and the purchaser thereof elects to move the above-described FTE's out of Hardee County, Florida, remuneration to the IDA shall be paid by Grantee to the IDA. The remuneration shall be in an amount, payable lump-sum, calculated by reducing the total IDA investment in this product (\$9.25 million sum of the amounts actually contributed by the IDA pursuant to original Life-Sync grant award, Assumption and Modification Agreement with Continuum, First Amendment to Assignment and Modification Agreement, and this Restated Agreement) by one dollar for every payroll dollar invested in Hardee County by Grantee from the effective date of this Agreement forward. For example, if the IDA's total project investment (Life-Sync and Continuum) at date of sale is \$10 million, and the Grantee can demonstrate \$1 million per year in payroll dollars



paid in Hardee County, and sale occurs in year 5 after effective date hereof, Grantee shall remunerate the IDA \$5 million.

(c) Any contract for sale referenced above shall include a provision disclosing the obligation set forth in (b) above.

(d) The Grantee may at any time elect to buy out the remuneration obligation by paying lump sum the amount remaining due after application of credit as set forth in (a) above.

7.2. Public Records. The Grantee shall comply with the provisions of Chapter 119 of the Florida Statutes applicable to this Agreement as the same may be limited or construed by other applicable law. It is expressly understood that IDA may unilaterally terminate this Agreement for the Grantee's refusal to comply with the applicable provisions of Chapter 119 of the Florida Statutes. The Grantee shall provide notice to IDA of each request it receives for a public record in connection with this Agreement by forwarding that request to [info@hardeemail.com](mailto:info@hardeemail.com) within one (1) business day after receipt or as soon as practicable, but in no event later than three (3) business days after receipt of the request. If the Grantee submits records to IDA that are confidential and exempt from public disclosure as trade secrets pursuant to Section 288.075(3) of the Florida Statutes or proprietary confidential business information pursuant to Section 288.075(4) of the Florida Statutes, such records should be marked accordingly by the Grantee prior to submittal to IDA. In the event that IDA's claim of exemption asserted in response to the Grantee's assertion of confidentiality is challenged in a court of

law, the Grantee shall defend, assume and be responsible for all fees, costs and expenses in connection with such challenge.

### 7.3. Grantee Representations.

(a) Grantee represents that it is a duly-organized and active corporation authorized to do business in the State of Florida.

(b) The Grantee has all necessary power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Grantee. This Agreement has been duly-executed and delivered by the Grantee and, assuming the due authorization, execution and delivery of this Agreement by IDA, constitutes the legal, valid and binding obligation of the Grantee, enforceable against the Grantee in accordance with its terms (subject to applicable bankruptcy, insolvency, moratorium, reorganization, or similar laws affecting the rights of creditors generally and the availability of equitable remedies).

(c) The execution and delivery by the Grantee of this Agreement and the performance by it of the transactions contemplated hereby do not (i) conflict with or result in a breach of any provision of the Grantee's certificate of incorporation, certificate of formation, bylaws, operating agreement or similar constitutive document, (ii) result in violation or breach of or constitute a default (or an event which, with or without notice or lapse of time or both, would constitute a default) under, or result in the termination, modification,

cancellation or acceleration under the terms, conditions, or provisions of any of the Grantee's indentures, material agreements or other material instruments or (iii) violate any applicable law or regulation. The Grantee has not been convicted of a "public entity crime" (as such term is defined in Section 287.133 of the Florida Statutes) nor has the Grantee been placed on the "discriminatory vendor list" (as such term is defined in Section 287.134 of the Florida Statutes).

#### 8.0. IDA Obligations.

(a) IDA shall provide funding in the amount of \$1 million, subject to Grantee's satisfaction of the requirements in Sections 7.0(c) and 7.0(d). The IDA is not obligated to make payment until such time as Grantee has certified in writing (due on or before December 31, 2014), confirmed by agreed upon procedures in accordance with Section 7.0(k), that such grant requirements have been met, but in no event must IDA contribute before October 15, 2014.

(b) IDA shall provide additional funding in the amount of \$1 million, subject to Grantee's satisfaction of the requirements in Sections 7.0(e) and 7.0(f). The IDA is not obligated to make payment until such time as Grantee has certified in writing (due on or before May 1, 2015), confirmed by agreed upon procedures in accordance with Section 7.0(k), that such grant requirements have been met, but in no event must IDA contribute before May 30, 2015.

(c) IDA shall provide a format for all required reports, and assist the Grantee in completing reports satisfactory to the IDA.

(d) IDA funding obligations are conditioned upon IDA receiving annual funding in 2014 and 2015 pursuant to *Mosaic Agreement*. The IDA funding obligations are further conditioned upon satisfactory findings/results of “Agreed Upon Procedures” with respect to all prior Grant awards, to be determined in the sole and absolute discretion of the IDA.

(e) The Agreement Administrator, or his appointed designee or successor, may review the progress of this project with the assistance of legal counsel for the purpose of reporting back to the IDA Board.

(f) Neither the IDA nor any person acting on its behalf shall retain or share any intellectual property or proprietary information in the course of this Agreement.

9.0. Notices. Any notices, demands, requests or other communication shall be effective only if in writing and shall be deemed to have been properly and timely delivered if such notice is delivered by overnight carrier or certified or registered mail, return receipt requested, in which case the notice shall be deemed delivered upon receipt. If hand-delivered, then upon delivery.

10.0. Termination of this Agreement.

(a) This Agreement may be terminated by IDA or Grantee upon failure of the Grantee or IDA, respectively, to comply with any material term or condition of this Agreement or terminated by IDA upon written notice from Grantee of its decision either not to proceed with the project described in Section 6.0 or to proceed with that project in a location outside of Hardee County, Florida.

(b) Any party claiming a material breach or default of this Agreement must provide written notice as defined within this Agreement. Upon receiving notice of the alleged material breach or default, said party shall have thirty (30) days to cure any alleged default. In the event that any alleged material breach or default is not cured within thirty (30) days, this Agreement shall be considered terminated upon delivery of written notice.

#### 10.1. Events of Default.

(a) The following shall each constitute an event of default under this Agreement:

- (1) Grantee's failure to abide by the terms and conditions of this Agreement; or
- (2) Grantee's filing (voluntary or involuntary) of a petition for bankruptcy for protection under any chapter of the bankruptcy code; or
- (3) Grantee's failure to create, fill and maintain at least twenty-five (25) full-time equivalent positions located in Hardee County, Florida.

#### 10.2. Remedies Upon Default.

(a) Upon default by Grantee, and upon failure by Grantee to cure same upon notice by IDA, IDA may demand repayment of all sums awarded and distributed through this Agreement and through previous grant award agreements referenced above totaling \$9.25 million. In the event Grantee fails or refuses to repay the \$9.25 million upon demand, IDA may bring legal action (in law or equity or both) against Grantee to recover the grant funds awarded. Additionally, IDA may bring legal action against the Grantee's principal

identified in Exhibit “B” hereto, if the default would constitute a breach of the terms and provisions of Exhibit “B.”

(c) Upon default, IDA may seek injunctive relief, and Grantee hereby agrees the same may be sought by IDA without the requirement of posting bond.

#### 12.0. Legal Requirements.

This Agreement is executed and entered into in Hardee County, Florida, and will be construed, performed, and enforced in all respects in accordance with the laws and rules of the State of Florida. Each party will perform its obligations in accordance with the terms and conditions of this Agreement. Any and all litigation arising under this Agreement shall be brought in the appropriate court in Hardee County, Florida. The parties, however, agree to participate in mediation prior to the commencement of any legal action pursuant to this Agreement. There are no intended third party beneficiaries to this Agreement.

13.0. Non-Discrimination. The Grantee will not discriminate against any employee employed in the performance of this Agreement, or against any applicant for employment because of age, ethnicity, religious belief, disability, national origin, or sex. The Grantee shall insert a similar provision in all subcontracts for services by this Agreement.

14.0. Attorneys’ Fees. In any litigation (even through appellate level) or proceeding to enforce or interpret any term or provision of this Agreement, or if IDA must hire counsel to protect its interest in bankruptcy proceeding filed by

Grantee, the prevailing party shall be entitled to an award of its reasonable attorneys' fees from the non-prevailing party.

15.0. Restriction Against Assignment. No part of this Agreement shall be assigned, subcontracted or delegated by either party to a third party without the prior written consent of the other party. For greater certainty, Grantee's conversion from a Nevada corporation to a Florida or Delaware corporation (whether by conversion or merger) shall not be deemed an assignment, subcontract or delegation of this Agreement, and such successor entity shall have all of Grantee's rights and obligations under this Agreement, to the same extent as if it were originally a party to this Agreement.

16.0. Enforceability. If any term or provision of this Agreement is found to be illegal and unenforceable, the remainder of the Agreement will remain in full force and effect, and such term of provision will be deemed stricken.

17.0. Waiver. The failure of either party to this Agreement to object to or to take affirmative action with respect to any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach, or of any future violation, breach or wrongful conduct.

18.0. Modification. This writing contains the entire Agreement of the parties. No representations were made or relied upon by either party, other than those that are expressly set forth. No agent, employee, or other representative of either party is empowered to alter any of the terms of this Agreement, unless done in writing and signed by an authorized officer of the Grantee and the authorized agent of IDA.

19.0. Entire Agreement. This instrument, which hereby incorporates Exhibit “A” and Exhibit “B,” embodies the entire Agreement of the parties. There are no provisions, terms, conditions, or obligations other than those contained in this Agreement, and this Agreement supersedes all previous communication, representation, or agreement, either verbal or written, between the parties. No amendment will be effective unless reduced to writing and signed by the parties.

20.0. Indemnification. The Grantee hereby agrees to indemnify, defend and hold harmless the IDA and its agents, officers, directors and employees, from any and all liability arising from, or otherwise associated with, any damage(s) or claim for damages, whether the same be for property damage, personal injury, wrongful death, or any other claim in tort, contract, or under any other theory, as it relates to the CareSync product or provision of services to any CareSync customer.

21.0. Reaffirmation of Prior Obligations. Grantee hereby reaffirms all contractual commitments made in Life-Sync Agreement dated October 11, 2011, Assignment and Modification Agreement dated October 9, 2012, and First Amendment to Assignment and Modification Agreement dated December 17, 2013, except as specifically restated and modified herein. It is the intent of the parties hereto to preserve the repayment obligation (in accordance with the provisions of Exhibit “B” hereto) in the cumulative amount of \$9.25 million as set forth in Exhibit “B” hereto.



22.0. Duplicate Originals. This Agreement is executed in duplicate originals.

[SIGNATURE PAGES TO FOLLOW]

DRAFT 2 - 3/12/14

SIGNATURE PAGE

HARDEE COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
Vanessa Hernandez, Chairperson

Signed in the presence of:

\_\_\_\_\_  
*Signature of First Witness*

\_\_\_\_\_  
*Printed Name of First Witness*

\_\_\_\_\_  
*Signature of Second Witness*

\_\_\_\_\_  
*Printed Name of Second Witness*

SIGNATURE PAGE

CONTINUUM LABS, INC.,  
a Nevada corporation

By: \_\_\_\_\_  
Travis Bond, President

Signed in the presence of:

\_\_\_\_\_  
*Signature of First Witness*

\_\_\_\_\_  
*Printed Name of First Witness*

\_\_\_\_\_  
*Signature of Second Witness*

\_\_\_\_\_  
*Printed Name of Second Witness*

