

**Stream2Sea
Sub-Grant Agreement**

THIS AGREEMENT ("Agreement") by and between the Hardee County Industrial Development Authority (the "IDA"), a dependent special district and Stream2Sea, Incorporated ("Stream2Sea"), a privately held company, is set forth as follows:

RECITALS

WHEREAS, The Hardee County Economic Development Authority ("EDA"), an Independent Special District was created by the Florida Legislature to solicit, rank and fund grants for economic development for and in the geographic boundaries of Hardee County, Florida; and

WHEREAS, The IDA, a dependent Special District was created by the Florida Legislature to foster and promote economic development in Hardee County, Florida, activated by resolutions 84-10 and 96-31 of the Hardee County Board of County Commissioners; and

WHEREAS, Stream2Sea, a new skincare cosmetic company, is dependent upon the availability and access to a manufacturing "fill-line"; and

WHEREAS, the EDA has previously funded, during the September 2013, funding cycle, a grant to the IDA to procure a facility to locate, create and operate a business development incubator/accelerator hereinafter referred to as "Innovation Place" (Attached as **Exhibit A** grant award agreement); and

WHEREAS, the "Innovation Place" facility has been acquired and sufficiently retrofitted to recruit and accommodate the development of businesses dependent upon a publicly owned, privately contracted "fill-line;" and

WHEREAS, the EDA has continued funding to the IDA to sustain the development of "Innovation Place", through a budgeted appropriation for the development of Stream2Sea (See **Exhibit A**); and

WHEREAS, the management of “fill-line” manufacturing requires specific training and certifications generally available in the private sector, necessitating private contractual management (To be contracted through RFP process); and

WHEREAS, the owner of Stream2Sea has previously demonstrated an ability to create and sustain jobs in Hardee County; and

WHEREAS, the “Innovation Place” project, inclusive of tenants funded by grants provided through the EDA to the IDA, has been ranked as a priority by the Cities and County elected officials and approved by the EDA and IDA members; and

WHEREAS, Stream2Sea has agreed to comply with certain conditions and deliver certain performance, including measurable job creation/retention and economic diversity in the local economy, in consideration for receiving these benefits; and

WHEREAS, the parties believe it is in the best public interest to enter into this Agreement for the reasons set forth above; and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises herein, the parties agree as follows:

1. RECITALS:

The above stated recitals are hereby incorporated by reference.

2. IDA COMMITMENTS:

The IDA will facilitate the orderly development of Innovation Place and its tenants, including the management of the grant funds. The IDA agrees to provide funding consistent with the EDA grant agreement as follows:

- a.** To provide funding to Stream2Sea consistent with the EDA approved budget in the amount of up to \$397,000.00 See attached approved budget (**Exhibit A**).

- b. To make observations and recommendations for overall grant compliance and Stream2Sea development progress to the EDA.
- c. To work with the County Staff delegated administrative duties for the EDA.

At any time during the term of this agreement, the commitment to continue advanced funding by the IDA is conditioned upon sufficiency of EDA reimbursements, all as determined by the IDA in its sole and absolute discretion.

3. STREAM2SEA COMMITMENTS:

Stream2Sea agrees to adhere to EDA grant award requirements and further agrees as follows:

- a. Stream2Sea is committed to developing a positive atmosphere for the orderly development and job creation aspects of this agreement in Hardee County
- b. Bring business experience and knowledge of new product development and introduction into the market place.
- c. Provide for the employment of necessary personnel to effectuate the success of the Stream2Sea product line from production thru marketing.
- d. Co-operate and enter into agreements with the contracted fill-line operator to fill 100% of Stream2Sea product.
- e. Expend funding according to the budgeted appropriations.
- f. Stream2Sea, in conjunction with the fill-line shall create and maintain, in the aggregate, at least Ten ("10") new employment positions in Hardee County by June 30, 2016 (priority in hiring shall be given to Hardee County residents). These new positions shall have a cumulative wage average at least 20% above the state of Florida minimum wage rate for each period. The obligation of the company shall be to make its best efforts to maintain or increase employment levels in accordance with the following schedule:

(1) 5 jobs by August 1, 2015

(2) 7 jobs by December 31, 2015

(3) 10 jobs by June 30, 2016

The number of jobs created by Stream2Sea shall include jobs created by the fill line contractor at a ratio equal to the Stream2Sea production units divided by the total production units of the fill line for any employment reporting period.

- g. Stream2Sea shall submit with each funding request, documentation substantiating the request as follows:
1. Draw Advance – detailed description of manner in which funds are to be spent, in accordance with approved budget in grant award agreement. The initial advance shall be limited to operational and or capital expenditures expected to be incurred in the ensuing 30-day period. Subsequent advances may be considered on a case by case basis. No additional advance will occur without proof of expenditure of any previous advance.
 2. Draw Reimbursement- detailed description of expenditure by production of redacted receipts, invoices, canceled checks, bank statements, payroll records or any other information deemed necessary by the IDA.
 3. Stream2Sea shall maintain such records as are reasonably deemed necessary by the IDA and Hardee County auditors, or such other persons or entities designated by the IDA, to ensure proper accounting for the expenditure of funds provided under this Agreement and for the performance by each of them under this Agreement.

4. COMPLIANCE VERIFICATION

No later than 30 days from the end of each quarter, the combined employment of the fill-line and Stream2Sea shall be reported to the IDA office with redacted employment records, reflecting Hardee County employment reported to either the State Unemployment division (RT-6 form) or redacted form 941 quarterly report to the Social Security Administration/IRS; until such time the business or the IDA mutually agrees to terminate this requirement. In no event shall it continue beyond 60 months from the date of this agreement.

5. REMUNERATION OBLIGATION

a. JOB REQUIREMENTS

As set forth in Section 3.f. above, annually during the term of this Agreement, through December 31, 2020, Stream2Sea must deliver to the IDA an Annual Compliance Verification within 30 days demonstrating its Job Requirements have been met for the year just ended. The consequences to Stream2Sea of satisfying, failing to satisfy or exceeding its respective Job Requirements is as follows:

1. COMPLIANCE WITH JOB REQUIREMENTS

If an Annual Compliance Verification demonstrates that Stream2Sea's Job Requirement has been met for the year just ended, then Stream2Sea will be deemed to have met its obligations for such preceding year and no remuneration shall be due.

2. FAILURE TO MEET JOB REQUIREMENT

- a.** If the cumulative Annual Compliance Verification of employment demonstrates that Stream2Sea's Job Requirement has not been met for the year just ended, then the IDA may require Stream2Sea to pay remuneration in the amount of Two Thousand Five Hundred Dollars (\$2,500) per job for every employment position by which it is short that year.
- b.** Any action, event or circumstance resulting in a failure to meet job creation requirements may, at the option of the IDA, result in demand for and legal action to require reimbursement of the grant funds according to the schedule as set forth in Exhibit B.
- c.** Any outstanding remuneration obligation under this agreement shall be paid no later than December 31, 2020.

3. EXCEEDING JOB REQUIREMENT

Exceeding the job requirements is the objective of the grant program. Accelerated reduction in the remuneration obligation may be available upon demonstration of job creation in excess of the requirements in the sole and absolute discretion of the IDA.

4. CREDIT FOR EXTERNAL FUNDING

One of the IDA's primary objectives under this Agreement is to support the development of Innovation Place fill-line operation as an incubator for business and manufacturing in Hardee County, Florida. Procuring external funding independent from IDA/EDA funding directly benefits the County. External funding that results in additional capital investment or job creation may be used to accelerate reduction in the remuneration obligation as set forth in Exhibit B.

6. IDA INSPECTION RIGHTS

(a) DUTY TO MAINTAIN RECORDS/ RECORDS RETENTION

1. Stream2Sea shall maintain accounting and business records in accordance with this agreement for a period of five (5) years or until full and final resolution of all inspections, reviews or litigation matters, whichever time period is longer.
2. Appropriate "audit trails" for any ensuing reviews shall be maintained by Stream2Sea and the fill-line operator to provide accountability for updates and changes to personnel and financial systems. "Audit Trails" maintained by the subjects of inspections or reviews, will at a minimum, identify the changes made, the individual making the change and the date the change was made.

An adequate history of transactions shall be maintained by Stream2Sea to permit any inspection/review of the system by tracing the activities of individuals through the system.

Stream2Sea agrees that failure to maintain adequate “audit trails” and corresponding documentation shall create a presumption that compliance with this agreement was not met.

(b) ACCESS

Stream2Sea shall grant access to all paper and electronic records, books, documents, accounting procedures, practices or any other items relevant to the performance of this agreement to the IDA and auditors of the State of Florida and Hardee County, or such other persons or entities designated by the IDA in accordance with all applicable State and Federal laws, regulations or directives for the purposes of inspecting and reviewing such books and records.

Notwithstanding the foregoing, it is recognized that the purpose for which access is to be granted is to monitor compliance with the express obligations of Stream2Sea hereunder, and that it would severely adversely affect the very objectives of this Agreement if confidential, proprietary technical or business data were to be released or become available to the public as a result of any examination by or on behalf of the IDA or State. Accordingly, Stream2Sea may require, that the IDA and its representatives, to the extent permitted by law, follow protocols designed to protect such information as confidential pursuant to Florida Statute 288.075.

(c) LOCATION

Any such inspection or review shall be conducted at Stream2Sea’s principal place of business during normal business hours and at the IDA’s expense, provided all costs incurred by the IDA in conducting any such inspection or review shall be reimbursed by Stream2Sea as applicable, in the event such inspection or review reveals a material discrepancy in the compliance with this Agreement.

(d) REIMBURSEMENT

If any inspection or review reveals that Stream2Sea's reports for the applicable period are not accurate for such period and that additional amounts were owed to the IDA above what was paid or discharged with credits, then Stream2Sea shall resolve the deficiency within 30 days with the IDA.

(e) CORRECTIVE ACTION PLAN

If any inspection or review reveals any discrepancies or inadequacies which must be corrected to maintain compliance with this Agreement, Stream2Sea agrees within thirty (30) calendar days after its receipt of the findings, to propose and submit to the IDA a corrective action plan. The plan shall identify steps to correct such discrepancies or inadequacies, subject to the approval of the IDA.

Such party shall complete the corrective action approved by IDA within thirty (30) calendar days after the IDA approves the corrective action plan, at the sole cost of the applicable party.

7. REPORTS

Stream2Sea shall provide to the IDA periodic status reports in accordance with Innovation Place Policies and Procedures Manual, as adopted and amended from time to time. These reports shall be utilized by the IDA when reporting progress on the development of Innovation Place to the EDA or BOCC.

8. USE AND RETENTION OF LOCAL SUPPLIERS

Stream2Sea and direct subcontractors will use reasonable efforts to use qualified Hardee County, Florida-based suppliers to provide products and services under this Agreement, provided however, Stream2Sea and other subcontractors may in its sole discretion, select suppliers and contractors based on program needs, scientific criteria, and industry standards.

9. INDEMNITY AND HOLD HARMLESS

Stream2Sea shall defend, acquit, discharge, indemnify, release and hold harmless the IDA its employees, employees of The Hardee County Economic Development Council, Inc., IDA officers, agents and assigns from any and all liability, claims, suits, actions and loss, arising from or otherwise associated with, its occupation and use of Innovation Place, whether the claim be in law or in equity or both, including, but not limited to, litigation costs and attorneys' fees.

10. DEFAULTS AND REMEDIES

Each of the following acts, omissions or occurrences of Stream2Sea shall constitute an act of default under this agreement:

a. FAILURE TO ESTABLISH A BUSINESS

If Stream2Sea fails to establish a sustainable business for the purposes and in accordance with the terms of this agreement, all funds distributed pursuant to this Agreement will be subject to an immediate refund to the IDA in accordance with the Schedule as set forth in Exhibit B.

b. FAILURE TO PAY FOR JOB REQUIREMENT DEFICIT

Stream2Sea as applicable, shall have sixty (60) days after receiving written notice from the IDA demanding payment of outstanding damages owed by such party under "Job Requirement" section of this agreement in which to pay such outstanding damages; provided, that if such damages are the subject of a good faith dispute, such period shall be extended until thirty (30) days after such dispute is resolved. If the responsible party does not pay after this period, all amounts that could potentially be claimed under Section 5.a.2.a. for such party's failure to meet its future job obligations shall become due and payable immediately on demand of the IDA.

c. FAILURE TO PROVIDE VERIFICATION

If after the end of a calendar year Stream2Sea fails to provide an Annual Compliance Verification by the deadline, the IDA may make a good faith estimate, based on information available, of the Employment Positions at the Innovation Place, as applicable, as of December 31, of that year and, if the estimated Employment Positions fall short of the Job Requirement, the IDA may require corresponding remuneration in accordance with this agreement.

11. INTEREST ON OVERDUE PAYMENTS

Any overdue payment (Pursuant to Section 5.a. 2.a.), owed by Stream2Sea, shall accrue interest at 4% per annum.

12. GENERAL PROVISIONS

1. AUTHORITY

Each party represents that it has obtained all necessary authority to enter into this Agreement.

2. RELATIONSHIP OF PARTIES

The parties will perform their respective obligations under this Agreement as independent contractors and not as agents, employees, partners, joint ventures, or representatives of the other party. No party can make representations or commitments that bind any other party.

3. LIMITATION OF LIABILITY

In no event will any party be liable to any other party for any indirect, special, punitive, exemplary, incidental or consequential damages. This limitation will apply regardless of whether or not the other party has been advised of the possibility of such damages.

4. TERM

The term of this Agreement commences on the Effective Date of the Agreement and continues until the later of December 31, 2020, or satisfaction of any remaining remuneration obligation, unless terminated earlier pursuant to the terms of this Agreement.

5. TERMINATION FOR CAUSE

Either party may terminate this Agreement for Cause upon thirty (30) days prior written notice to the other party. "Cause" is any failure to perform a material obligation under this Agreement within the specified time taking into consideration grace periods set forth herein; including a material breach of a Funding Condition. This Agreement may not be terminated if the alleged Cause is cured within the specified period.

6. DISPUTE RESOLUTION AND APPLICABLE LAW

a. INFORMAL MEETINGS

The parties' representatives will meet as needed to implement the terms of this Agreement and will make a good faith attempt to informally resolve any disputes.

b. MEDIATION

In the event a dispute arises under this agreement, either party may request the matter be mediated prior to filing suit in accordance with Florida law.

c. APPLICABLE LAW AND VENUE

This Agreement is made and entered into in the State of Florida, and this Agreement and all disputes arising out of or relating thereto shall be governed by the laws of the state of Florida, without regard to any otherwise applicable conflict of law rules or requirements that would require or permit the application of the law of another jurisdiction.

The parties agree that any action, suit, litigation or other proceeding arising out of or in any way relating to this Agreement, or the matters referred to herein, shall be commenced exclusively in the Circuit Court in and for Hardee County, Florida and hereby irrevocably and unconditionally consent to the exclusive jurisdiction of this court for the purpose of prosecuting and/or defending such litigation.

13. PUBLICITY

The parties agree to cooperate fully to coordinate with each other in connection with all press releases and publications regarding this Agreement.

14. NO WAIVER OF SOVEREIGN IMMUNITY

Nothing in this agreement may be construed to be a waiver of the sovereign immunity of any government entity to suit.

15. MISCELLANEOUS PROVISIONS

1. COUNTERPARTS

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in establishing proof of this Agreement to produce or account for more than one such counterpart.

2. MERGER

This document constitutes the final entire agreement between the parties and supersedes any and all prior oral or written communication, representation or agreement relating to the subject matter of this Agreement.

3. SEVERABILITY

Any term in this Agreement prohibited by, or unlawful or unenforceable under, any applicable law or jurisdiction is void without invalidating the remaining terms of this said Agreement. However, where the provisions of any such applicable law may be waived, they are hereby waived by a party, as the case may be, to the fullest extent permitted by the law, and the affected terms are enforceable in accordance with the parties' original intent.

4. SURVIVAL OF PROMISES

Notwithstanding any expiration, termination or cancellation of this Agreement, the rights and obligations pertaining to payment or repayment of funds and/or remuneration obligation, confidentiality, disclaimers and limitation of liability, indemnification, and any other provision implying survivability will remain in effect after this Agreement ends.

5. BINDING EFFECT

This Agreement and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of the parties and their successors and assigns and all other agencies, departments, divisions, governmental entities, public corporations and other entities which shall be successors to each of the parties or which shall succeed to or become obligated to perform or become bound by any of the covenants, agreements or obligations hereunder of each of the parties hereto.

6. SUCCESSORS AND ASSIGNS

Stream2Sea may assign its rights and obligations under this Agreement, with written consent of the IDA which may not be unreasonably withheld.

7. FORCE MAJEURE

The parties shall not be required to perform any obligation under this Agreement or be liable or responsible for any loss or damage resulting from its failure to perform so long as performance is delayed by force majeure or acts of God, including but not limited to strikes, lockouts or labor shortages, embargo, riot, war, revolution, terrorism, rebellion, insurrection, flood, natural disaster, or interruption of utilities from external causes.

8. NOTICE

All notices, requests, demands and other communications will be in writing and will be deemed given and received (i) on the date of delivery when delivered by hand, (ii) on the following business day when sent by confirmed simultaneous telecopy or email, (iii) on the following business day when sent by receipted overnight courier, or (iv) three (3) business days after deposit in the United States Mail when mailed by registered or certified mail, return receipt requested, first class postage prepaid, as follows:

If to the IDA to:
William R. Lambert Jr. – Director
107 East Main Street
Wauchula, FL 33873
(863)773-4915 fax
bill.lambert@hardeemail.com
info@hardeemail.com

With Copy to:
Kenneth B. Evers
424 West Main Street
Wauchula, FL 33873
(866)547-4362 fax
office@hardeelaw.com

If to Stream2Sea to:
Autumn Blum
P.O. Box 907
Wauchula, FL 33873
autumn@stream2sea.com

9. INTELLECTUAL PROPERTY RIGHTS

It is further understood that this Agreement does not grant the IDA any right to acquire intellectual property transferred to or developed by Stream2Sea.

10. INCUBATOR POLICIES AND PROCEDURES

The parties hereby agree to abide by the incubator policies and procedures adopted and amended from time to time. To the extent any provision of this agreement conflicts with any provision of the incubator policies and procedures, the provision of this agreement shall prevail.

11. ATTORNEYS' FEES

In any action or proceeding to enforce or interpret this agreement or any provision hereof, the prevailing party shall be entitled to an award of its reasonable attorneys' fees, including but not limited to bankruptcy and appellate proceedings.

12. EFFECTIVE DATE

The effective date of this agreement is , 2016.

The parties have caused this Economic Development Agreement to be executed by their duly authorized representatives as of the date first specified above.

Hardee County Industrial Development Authority

By: Vanessa Hernandez, Chairperson

Stream2Sea, Inc.

By: Autumn Blum, President

DRAFT

**INNOVATION PLACE
FILL LINE MANAGEMENT CONTRACT
DEBUT DEVELOPMENT**

THIS AGREEMENT ("Agreement") by and between the Hardee County Industrial Development Authority (the "IDA"), a dependent special district and Debut Development, LLC ("DD"), a privately held company, is set forth as follows:

RECITALS

WHEREAS, The Hardee County Economic Development Authority ("EDA"), an Independent Special District was created by the Florida Legislature to solicit, rank and fund grants for economic development for and in the geographic boundaries of Hardee County, Florida; and

WHEREAS, The IDA, a dependent Special District was created by the Florida Legislature to foster and promote economic development in Hardee County, Florida, activated by resolutions 84-10 and 96-31 of the Hardee County Board of County Commissioners; and

WHEREAS, the EDA has funded, as a result of being ranked according to law (SB3110); and approved by the EDA and IDA members to procure a facility to locate, create and operate a business development incubator/accelerator hereinafter referred to as "Innovation Place" (See **Exhibit A**); and

WHEREAS, the EDA has continued funding to the IDA to sustain the development of "Innovation Place", through a budgeted appropriation for the development of the "fill line" (Budget included in Exhibit A); and

WHEREAS, the management of "fill-line" manufacturing requires specific training and certifications generally available in the private sector, necessitating private contractual management; and

WHEREAS, the IDA has advertised a request for proposal (RFP) soliciting entities for the marketing and management of the manufacturing production "fill line" at the Hardee County Incubator, Innovation Place (See **Exhibit B**); and

WHEREAS, DD was the only respondent to the RFP that was advertised on 2/20/15, 2/26/15 and 3/5/15 (See **Exhibit C**); and

WHEREAS, the parties believe it is in the best public interest to enter into this Agreement for the reasons set forth above; and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises herein, the parties agree as follows:

1. RECITALS:

The above stated recitals are hereby incorporated by reference.

2. IDA COMMITMENTS:

The IDA will facilitate the orderly development of Innovation Place and its tenants, including the management of the grant funds. The IDA agrees to provide funding consistent with the EDA grant agreement as follows:

- a. To provide funding consistent with the EDA grant agreement for the development, marketing, management and operating expenses of the fill line located at Innovation Place consistent with the EDA approved budget as amended from time to time, in the amount of up to \$294,220.00 See attached approved budget (**Exhibit A**)
- b. To consult with DD, including observations and recommendations for overall grant compliance and Innovation Place development progress to the EDA.
- c. To lease space and equipment on a monthly basis adequate for the existing and future operation of the “fill line”, including the following terms:
 - (1) Space computed on an annual basis, at a market rate of \$6.00/sq. ft. for the air-conditioned “fill line” manufacturing area, \$4.00/sq. ft. for

the air-conditioned warehouse/office space and \$2.00/sq. ft. for non-air-conditioned space.

- (2) Equipment on an annual basis computed based on a 10-year amortization of the IDA's gross investment in said equipment.
- (3) Utilities related to the "fill line" manufacturing operation area shall be paid by DD
- (4) Any and all other commercially reasonable terms and conditions required by the IDA.

- d. At any time during the term of this agreement, the commitment to continue funding by the IDA is conditioned upon sufficiency of EDA reimbursements, all as determined by the IDA in its sole and absolute discretion.

3. DEBUT DEVELOPMENT COMMITMENTS:

DD agrees to adhere to EDA grant award requirements and further agrees as follows:

- a. To maintain an atmosphere consistent with the orderly development and job creation aspects of this agreement in Hardee County.
- b. To provide and utilize knowledge of operating protocols related to the chemical and physical aspects of any and all products anticipated to be produced and marketed from the facility including cosmetic and "OTC" (over the counter) drug manufacturing from inception thru production, including shipping to the end user.
- c. To create and maintain an effective marketing strategy including advertising, web site development and maintenance, social media, print media, and other such mediums including media liaison for the fill line services. Any ancillary marketing may be provided by separate contract with individual customers of the fill line.
- d. To recruit customers in order to maximize occupancy of production fill line, including working with tenants to promote a marketing and growth strategy of their brands.

- e. To acquire and maintain all necessary licenses and conduct all operations in accordance with local, state and federal laws and regulations.
- f. To provide for the employment of necessary personnel to effectuate the success of the fill line at Innovation Place
- g. To enter into written agreements with the companies for production of products for which the fill line can accommodate and has the capability to produce.
- h. To create and maintain in conjunction with Stream2Sea (DD's hiring/employee selection is its sole and absolute discretion without input from Stream2Sea), in the aggregate, at least Ten ("10") new employment positions in Hardee County by June 30, 2016 (priority in hiring shall be given to Hardee County residents). These new positions shall have a cumulative wage average at least 20% above the state of Florida minimum wage rate for each period. The obligation of the company shall be to make its best efforts to maintain or increase employment levels in accordance with the following schedule:
 - (1) 5 jobs by August 1, 2015
 - (2) 7 jobs by December 31, 2015
 - (3) 10 jobs by June 30, 2016DD shall maintain such jobs created until such time that Stream2Sea's remuneration obligation is satisfied. The aggregate job creation requirement shall be transferable to any ensuing or subsequent contractors.
- i. To be bound by and perform each commitment made in the RFP attached as **Exhibit B**.
- j. To provide quarterly evaluation and reporting of program goals, objectives, successes, and risks to all stakeholders related to the fill-line.

- k. To adhere to the Innovation Place Policies and Procedures as amended from time to time See **Exhibit D**.
1. To submit with each funding request, documentation substantiating the request as follows:
 - (1) Draw Advance – detailed description of manner in which funds are to be spent, in accordance with approved budget in grant award agreement. The initial advance shall be limited to operational and or capital expenditures expected to be incurred in the ensuing 30-day period. Subsequent advances may be considered on a case by case basis. No additional advance will occur without proof of expenditure of any previous advance.
 - (2) Draw Reimbursement- detailed description of expenditure by production of redacted receipts, invoices, canceled checks, bank statements, payroll records or any other information deemed necessary by the IDA.
 - (3) “DD” shall maintain such records as are reasonably deemed necessary by the IDA and Hardee County auditors, or such other persons or entities designated by the IDA, to ensure proper accounting for the expenditure of funds provided under this Agreement and for the performance by each of them under this Agreement.

4. COMPLIANCE VERIFICATION

No later than 30 days from the end of each quarter, the combined employment of the fill-line and Stream2Sea and any other grant amendments related to “fill line” job creation requirements, as amended or modified, shall be reported to the IDA office with redacted employment records, reflecting Hardee County employment reported to either the State Unemployment division (RT-6 form) or redacted form 941 quarterly report to the Social Security Administration/IRS; until such time the business or the IDA mutually agrees to terminate this requirement. In no event shall it continue beyond the term of this agreement.

5. IDA INSPECTION RIGHTS

(a) DUTY TO MAINTAIN RECORDS/ RECORDS RETENTION

1. DD shall maintain accounting and business records in accordance with this agreement for a period of five (5) years or until full and final resolution of all inspections, reviews or litigation matters, whichever time period is longer.
2. Appropriate “audit trails” for any ensuing reviews shall be maintained by DD, as the “fill line” operator to provide accountability for updates and changes to personnel and financial systems. “Audit Trails” maintained by the subjects of inspections or reviews, will at a minimum, identify the changes made, the individual making the change and the date the change was made.

An adequate history of transactions shall be maintained by DD to permit any inspection/review of the system by tracing the activities of individuals through the system.

DD agrees that failure to maintain adequate “audit trails” and corresponding documentation shall create a presumption that compliance with this agreement was not met.

(b) ACCESS

DD shall grant access to all paper and electronic records, books, documents, accounting procedures, practices or any other items relevant to the performance of this agreement to the IDA and auditors of the State of Florida and Hardee County, or such other persons or entities designated by the IDA in accordance with all applicable State and Federal laws, regulations or directives for the purposes of inspecting and reviewing such books and records.

Notwithstanding the foregoing, it is recognized that the purpose for which access is to be granted is to monitor compliance with the express obligations of DD hereunder, and that it would severely adversely affect the very objectives of this Agreement if confidential, proprietary technical or business data were to be released or become available to the public as a result of any examination by or on behalf of the IDA or State. Accordingly,

DD may require, that the IDA and its representatives, to the extent permitted by law, follow protocols designed to protect such information as confidential pursuant to Florida Statute 288.075.

(c) LOCATION

Any such inspection or review shall be conducted at DD's principal place of business during normal business hours and at the IDA's expense, provided all costs incurred by the IDA in conducting any such inspection or review shall be reimbursed by DD as applicable, in the event such inspection or review reveals a material discrepancy in the compliance with this Agreement.

(d) REIMBURSEMENT

If any inspection or review reveals that DD's reports for the applicable period are not accurate for such period and that additional amounts were owed to the IDA above what was paid or discharged with credits, then DD shall resolve the deficiency within 30 days with the IDA.

(e) CORRECTIVE ACTION PLAN

If any inspection or review reveals any discrepancies or inadequacies which must be corrected to maintain compliance with this Agreement, DD agrees within thirty (30) calendar days after its receipt of the findings, to propose and submit to the IDA a corrective action plan. The plan shall identify steps to correct such discrepancies or inadequacies, subject to the approval of the IDA.

Such party shall complete the corrective action approved by IDA within thirty (30) calendar days after the IDA approves the corrective action plan, at the sole cost of the applicable party.

6. REPORTS

DD shall provide to the IDA periodic status reports independently or in conjunction with Stream2Sea or any ensuing additional tenants, in accordance with Innovation Place Policies and Procedures Manual, as adopted and amended from time to time. These reports shall be utilized by the IDA when reporting progress on the development of Innovation Place to the EDA or BOCC.

7. USE AND RETENTION OF LOCAL SUPPLIERS

DD and direct subcontractors will use reasonable efforts to use qualified Hardee County, Florida-based suppliers to provide products and services under this Agreement, provided however, DD and other subcontractors may in its sole discretion, select suppliers and contractors based on program needs, scientific criteria, and industry standards.

8. INDEMNITY AND HOLD HARMLESS

DD shall defend, acquit, discharge, indemnify, release and hold harmless the IDA, its employees, employees of The Hardee County Economic Development Council, Inc. (EDC), IDA officers, agents and assigns from any and all liability, claims, suits, actions and loss, arising from or otherwise associated with, its occupation and use of Innovation Place, whether the claim be in law or in equity or both, including but not limited to litigation costs and attorneys' fees.

9. DEFAULTS

- a. In the event DD fails to perform any commitment or obligation set forth in this agreement, the same shall constitute a default hereunder.
- b. The filing of a petition for bankruptcy protection by DD or any of its successors or assigns. (Voluntary or involuntary) shall constitute a default under this agreement.

10. GENERAL PROVISIONS

1. AUTHORITY

Each party represents that it has obtained all necessary authority to enter into this Agreement.

2. RELATIONSHIP OF PARTIES

The parties will perform their respective obligations under this Agreement as independent contractors and not as agents, employees, partners, joint ventures, or representatives of the other party. No party can make representations or commitments that bind any other party.

3. LIMITATION OF LIABILITY

In no event will any party be liable to any other party for any indirect, special, punitive, exemplary, incidental or consequential damages. This limitation will apply regardless of whether or not the other party has been advised of the possibility of such damages.

4. TERM

The term of this Agreement commences on the Effective Date of the Agreement and continues until the later of December 31, 2019, or satisfaction of any remaining remuneration obligation of Stream2Sea, unless terminated earlier pursuant to the terms of this Agreement.

5. TERMINATION FOR CAUSE

Either party may terminate this Agreement for Cause upon thirty (30) days prior written notice to the other party. "Cause" is any failure to perform a material obligation under this Agreement within the specified time taking into consideration grace periods set forth herein; including a material breach of a Funding Condition. This Agreement may not be terminated if the alleged Cause is cured within the specified period.

6. DISPUTE RESOLUTION AND APPLICABLE LAW

a. INFORMAL MEETINGS

The parties' representatives will meet as needed to implement the terms of this Agreement and will make a good faith attempt to informally resolve any disputes.

b. MEDIATION

In the event a dispute arises under this agreement, either party may request the matter be mediated prior to filing suit in accordance with Florida law.

c. APPLICABLE LAW AND VENUE

This Agreement is made and entered into in the State of Florida, and this Agreement and all disputes arising out of or

relating thereto shall be governed by the laws of the state of Florida, without regard to any otherwise applicable conflict of law rules or requirements that would require or permit the application of the law of another jurisdiction.

The parties agree that any action, suit, litigation or other proceeding arising out of or in any way relating to this Agreement, or the matters referred to herein, shall be commenced exclusively in the Circuit Court in and for Hardee County, Florida and hereby irrevocably and unconditionally consent to the exclusive jurisdiction of this court for the purpose of prosecuting and/or defending such litigation.

11. PUBLICITY

The parties agree to cooperate fully to coordinate with each other in connection with all press releases and publications regarding this Agreement.

12. NO WAIVER OF SOVEREIGN IMMUNITY

Nothing in this agreement may be construed to be a waiver of the sovereign immunity of any government entity to suit.

13. MISCELLANEOUS PROVISIONS

1. COUNTERPARTS

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in establishing proof of this Agreement to produce or account for more than one such counterpart.

2. MERGER

This document constitutes the final entire agreement between the parties and supersedes any and all prior oral or written communication, representation or agreement relating to the subject matter of this Agreement.

3. SEVERABILITY

Any term in this Agreement prohibited by, or unlawful or unenforceable under, any applicable law or jurisdiction is void without invalidating the remaining terms of this said Agreement. However, where the provisions of any such applicable law may be waived, they are hereby waived by a party, as the case may be, to the fullest extent permitted by the law, and the affected terms are enforceable in accordance with the parties' original intent.

4. SURVIVAL OF PROMISES

Notwithstanding any expiration, termination or cancellation of this Agreement, the rights and obligations pertaining to payment or repayment of funds and/or remuneration obligation, confidentiality, disclaimers and limitation of liability, indemnification, and any other provision implying survivability will remain in effect after this Agreement ends.

5. BINDING EFFECT

This Agreement and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of the parties and their successors and assigns and shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns and all other agencies, departments, divisions, governmental entities, public corporations and other entities which shall be successors to each of the parties or which shall succeed to or become obligated to perform or become bound by any of the covenants, agreements or obligations hereunder of each of the parties hereto.

6. SUCCESSORS AND ASSIGNS

DD may assign its rights and obligations under this Agreement, with written consent of the IDA which may not be unreasonably withheld.

7. FORCE MAJEURE

The parties shall not be required to perform any obligation under this Agreement or be liable or responsible for any loss or damage resulting from its failure to perform so long as performance is delayed by force majeure or acts of God, including but not limited to strikes, lockouts or labor shortages, embargo, riot, war, revolution, terrorism, rebellion, insurrection, flood, natural disaster, or interruption of utilities from external causes.

8. NOTICE

All notices, requests, demands and other communications will be in writing and will be deemed given and received (i) on the date of delivery when delivered by hand, (ii) on the following business day when sent by confirmed simultaneous telecopy or email, (iii) on the following business day when sent by receipted overnight courier, or (iv) three (3) business days after deposit in the United States Mail when mailed by registered or certified mail, return receipt requested, first class postage prepaid, as follows:

If to the IDA to:

William R. Lambert Jr. – Director
107 East Main Street
Wauchula, FL 33873
(863)773-4915 fax
bill.lambert@hardeemail.com
info@hardeemail.com

With Copy to:

Kenneth B. Evers
424 West Main Street
Wauchula, FL 33873
(866)547-4362 fax
office@hardeelaw.com

If to Debut Development to:

Kristin Giuliani
Vanessa Thomas
P. O. Box 1854
Wauchula, FL 33873
kristin@debutdevelopmentllc.com

9. INTELLECTUAL PROPERTY RIGHTS

It is further understood that this Agreement does not grant the IDA any right to acquire intellectual property transferred to or developed by DD.

10. INCUBATOR POLICIES AND PROCEDURES

The parties hereby agree to abide by the incubator policies and procedures adopted and amended from time to time. To the extent any provision of this agreement conflicts with any provision of the incubator policies and procedures, the provision of this agreement shall prevail.

11. ATTORNEYS' FEES

In any action or proceeding to enforce or interpret this agreement or any provision hereof, the prevailing party shall be entitled to an award of its reasonable attorneys' fees, including but not limited to bankruptcy and appellate proceedings.

12. EFFECTIVE DATE

The effective date of this agreement is the date upon which the agreement is fully executed by both parties.

The parties have caused this Economic Development Agreement to be executed by their duly authorized representatives as of the date first specified above.

Hardee County Industrial Development Authority

Date: _____

By: Vanessa Hernandez, Chairperson

Debut Development, LLC

Date: _____

By: Kristin Giuliani

**Peace River Paddle Sports & Kuleana Adventures, Inc.
Sub-Grant Agreement**

THIS AGREEMENT ("Agreement") by and between the Hardee County Industrial Development Authority (the "IDA"), a dependent special district and Peace River Paddle Sports & Kuleana Adventures, Inc. ("PRP/KA"), a privately held company, is set forth as follows:

RECITALS

WHEREAS, The Hardee County Economic Development Authority ("EDA"), an Independent Special District was created by the Florida Legislature to solicit, rank and fund grants for economic development for and in the geographic boundaries of Hardee County, Florida; and

WHEREAS, The IDA, a dependent Special District was created by the Florida Legislature to foster and promote economic development in Hardee County, Florida, activated by resolutions 84-10 and 96-31 of the Hardee County Board of County Commissioners; and

WHEREAS, the EDA has previously funded, during the September 2013, funding cycle, a grant to the IDA to procure a facility to locate, create and operate a business development incubator/accelerator hereinafter referred to as "Innovation Place" (Attached as **Exhibit A** grant award agreement); and

WHEREAS, the EDA has continued funding to the IDA to sustain the development of "Innovation Place", and the facility has been acquired and sufficiently retrofitted to accommodate the manufacturing needs of PRP/KA and to serve as an operating base for PRP/KA; (See **Exhibit A**); and

WHEREAS, the "Innovation Place" project, inclusive of tenants funded by grants provided through the EDA to the IDA, has been ranked as a priority by the Cities and County elected officials and approved by the EDA and IDA members; and

WHEREAS, PRP/KA has agreed to comply with certain conditions and deliver certain performance, including measurable job creation/retention and economic diversity in the local economy, in consideration for receiving these benefits; and

WHEREAS, the parties believe it is in the best public interest to enter into this Agreement for the reasons set forth above; and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises herein, the parties agree as follows:

1. RECITALS:

The above stated recitals are hereby incorporated by reference.

2. IDA COMMITMENTS:

The IDA will facilitate the orderly development of Innovation Place and its tenants, including the management of the grant funds. The IDA agrees to provide funding consistent with the EDA grant agreement as follows:

- a. To provide funding to PRP/KA consistent with the EDA approved budget in the amount of \$200,000.00 for the initial first cycle of funding.
- b. To provide funding to PRP/KA consistent with the EDA approved budget in the amount of \$187,957.00 for the second funding cycle.
- c. To provide funding to PRP/KA consistent with the EDA approved budget in the amount of up to \$100,000.00 for the third funding cycle.
- d. To make observations and recommendations for overall grant compliance and PRP/KA development progress to the EDA.
- e. To work with the County Staff delegated administrative duties for the EDA.

At any time during the term of this agreement, the commitment to continue advanced funding by the IDA is conditioned upon sufficiency of EDA reimbursements, all as determined by the IDA in its sole and absolute discretion.

3. PEACE RIVER PADDLE SPORTS AND KULEANA ADVENTURES COMMITMENTS:

PRP/KA agrees to adhere to EDA grant award requirements and further agrees as follows:

- a. PRP/KA is committed to developing a positive atmosphere for the orderly development and job creation aspects of this agreement in Hardee County.
- b. Bring business experience and knowledge of new product development and introduction into the market place.
- c. Provide for the employment of necessary personnel to effectuate the success of the PRP/KA product line from production thru marketing.
- d. Enter into agreements with "Innovation Place" to lease space for production of manufactured products in accordance with the intent of the grant.
- e. Expend funding according to the budgeted appropriations.
- f. PRP/KA shall create and maintain, in the aggregate, at least three ("3") employment positions in Hardee County by June 30, 2016 (priority in hiring shall be given to Hardee County residents). The obligation of the company shall be to make its best efforts to maintain or increase employment levels throughout this agreement.
- g. The initial term of this agreement will be for a three (3) month period, after which time, the IDA will evaluate the sustainability of the project. Funding will be continued based upon the final decision of the EDA board. For the term of the three-month period, funding will be for the manufacturing of 10 boats set at \$47,900.00, based on and in accordance with the approved budget (See Exhibit A). The manufacturing of 10 boats will be completed within the three (3) month period.

PRP/KA shall submit with each funding request, documentation substantiating the request as follows:

1. Draw Advance – detailed description of manner in which funds are to be spent, in accordance with approved budget in grant award agreement. The initial advance shall be limited to operational and or capital expenditures expected to be incurred in the ensuing 30-day period. Subsequent advances may be considered on a case by case basis. No additional advance will occur without proof of expenditure of any previous advance.

2. Draw Reimbursement- detailed description of expenditure by production of redacted receipts, invoices, canceled checks, bank statements, payroll records or any other information deemed necessary by the IDA.
3. PRP/KA shall maintain such records as are reasonably deemed necessary by the IDA and Hardee County auditors, or such other persons or entities designated by the IDA, to ensure proper accounting for the expenditure of funds provided under this Agreement and for the performance by each of them under this Agreement.

4. COMPLIANCE VERIFICATION

No later than 30 days from the end of each quarter, PRP/KA shall report to the IDA office with redacted employment records, reflecting Hardee County employment reported to either the State Unemployment division (RT-6 form) or redacted form 941 quarterly report to the Social Security Administration/IRS; until such time the business or the IDA mutually agrees to terminate this requirement. In no event shall it continue beyond 60 months from the date of this agreement. Such employment shall be based on a 2080 hour FTE year and consideration will be given to cumulative fractional employment.

5. REMUNERATION OBLIGATION

a. JOB REQUIREMENTS

As set forth in Section 3.f. above, annually during the term of this Agreement, through December 31, 2020, PRP/KA must deliver to the IDA an Annual Compliance Verification within 30 days demonstrating its Job Requirements have been met for the year just ended. The consequences to PRP/KA of satisfying, failing to satisfy or exceeding its respective Job Requirements is as follows:

1. COMPLIANCE WITH JOB REQUIREMENTS

If an Annual Compliance Verification demonstrates that PRP/KA's Job Requirement has been met for the year just ended, then PRP/KA will be deemed to have met its obligations for such preceding year and no remuneration shall be due.

2. FAILURE TO MEET JOB REQUIREMENT

- a. If the cumulative Annual Compliance Verification of employment demonstrates that PRP/KA's Job Requirement has not been met for the year just ended, then the IDA may require PRP/KA to pay remuneration in the amount of Two Thousand Five Hundred Dollars (\$2,500) per job for every employment position by which it is short that year.
- b. Any action, event or circumstance resulting in a failure to meet job creation requirements may, at the option of the IDA, result in demand for and legal action to require reimbursement of the grant funds according to the schedule as set forth in Exhibit B.
- c. Any outstanding remuneration obligation under this agreement shall be paid no later than December 31, 2020.

3. EXCEEDING JOB REQUIREMENT

Exceeding the job requirements is the objective of the grant program. Accelerated reduction in the remuneration obligation may be available upon demonstration of job creation in excess of the requirements in the sole and absolute discretion of the IDA.

4. CREDIT FOR EXTERNAL FUNDING

One of the IDA's primary objectives under this Agreement is to support the development of Innovation Place fill-line operation as an incubator for business and manufacturing in Hardee County,

Florida. Procuring external funding independent from IDA/EDA funding directly benefits the County. External funding that results in additional capital investment or job creation may be used to accelerate reduction in the remuneration obligation as set forth in Exhibit B.

6. IDA INSPECTION RIGHTS

(a) DUTY TO MAINTAIN RECORDS/ RECORDS RETENTION

1. PRP/KA shall maintain accounting and business records in accordance with this agreement for a period of five (5) years or until full and final resolution of all inspections, reviews or litigation matters, whichever time period is longer.
2. Appropriate “audit trails” for any ensuing reviews shall be maintained by PRP/KA to provide accountability for updates and changes to personnel and financial systems. “Audit Trails” maintained by the subjects of inspections or reviews, will at a minimum, identify the changes made, the individual making the change and the date the change was made.

An adequate history of transactions shall be maintained by PRP/KA to permit any inspection/review of the system by tracing the activities of individuals through the system.

PRP/KA agrees that failure to maintain adequate “audit trails” and corresponding documentation shall create a presumption that compliance with this agreement was not met.

(b) ACCESS

PRP/KA shall grant access to all paper and electronic records, books, documents, accounting procedures, practices or any other items relevant to the performance of this agreement to the IDA and auditors of the State of Florida and Hardee County, or such other persons or entities designated by the IDA in accordance with all applicable State and Federal laws, regulations or directives for the purposes of inspecting and reviewing such books and records.

Notwithstanding the foregoing, it is recognized that the purpose for which access is to be granted is to monitor compliance with the express obligations of PRP/KA hereunder, and that it would severely adversely affect the very objectives of this Agreement if confidential, proprietary technical or business data were to be released or become available to the public as a result of any examination by or on behalf of the IDA or State. Accordingly, PRP/KA may require, that the IDA and its representatives, to the extent permitted by law, follow protocols designed to protect such information as confidential pursuant to Florida Statute 288.075.

(c) LOCATION

Any such inspection or review shall be conducted at PRP/KA's principal place of business during normal business hours and at the IDA's expense, provided all costs incurred by the IDA in conducting any such inspection or review shall be reimbursed by PRP/KA as applicable, in the event such inspection or review reveals a material discrepancy in the compliance with this Agreement.

(d) REIMBURSEMENT

If any inspection or review reveals that PRP/KA's reports for the applicable period are not accurate for such period and that additional amounts were owed to the IDA above what was paid or discharged with credits, then PRP/KA shall resolve the deficiency within 30 days with the IDA.

(e) CORRECTIVE ACTION PLAN

If any inspection or review reveals any discrepancies or inadequacies which must be corrected to maintain compliance with this Agreement, PRP/KA agrees within thirty (30) calendar days after its receipt of the findings, to propose and submit to the IDA a corrective action plan. The plan shall identify steps to correct such discrepancies or inadequacies, subject to the approval of the IDA.

Such party shall complete the corrective action approved by IDA within thirty (30) calendar days after the IDA approves the corrective action plan, at the sole cost of the applicable party.

7. REPORTS

PRP/KA shall provide to the IDA periodic status reports in accordance with Innovation Place Policies and Procedures Manual, as adopted and amended from time to time. These reports shall be utilized by the IDA when reporting progress on the development of Innovation Place to the EDA or BOCC.

8. USE AND RETENTION OF LOCAL SUPPLIERS

PRP/KA and direct subcontractors will use reasonable efforts to use qualified Hardee County, Florida-based suppliers to provide products and services under this Agreement, provided however, PRP/KA and other subcontractors may in its sole discretion, select suppliers and contractors based on program needs, scientific criteria, and industry standards.

9. INDEMNITY AND HOLD HARMLESS

PRP/KA shall defend, acquit, discharge, indemnify, release and hold harmless the IDA, its employees, employees of The Hardee County Economic Development Council, Inc., IDA officers, agents and assigns from any and all liability, claims, suits, actions and loss, arising from or otherwise associated with, its occupation and use of Innovation Place, whether the claim be in law or in equity or both, including, but not limited to, litigation costs and attorneys' fees.

10. DEFAULTS AND REMEDIES

Each of the following acts, omissions or occurrences of PRP/KA shall constitute an act of default under this agreement:

a. FAILURE TO ESTABLISH A BUSINESS

If PRP/KA fails to establish a sustainable business for the purposes and in accordance with the terms of this agreement, all funds distributed pursuant to this Agreement will be subject to an immediate refund to the IDA in accordance with the Schedule as set forth in Exhibit B.

b. FAILURE TO PAY FOR JOB REQUIREMENT DEFICIT

PRP/KA as applicable, shall have sixty (60) days after receiving written notice from the IDA demanding payment of outstanding damages owed by such party under "Job Requirement" section of this agreement in which to pay such outstanding damages; provided, that if such damages are the subject of a good faith dispute, such period shall be extended until thirty (30) days after such dispute is resolved. If the responsible party does not pay after this period, all amounts that could potentially be claimed under Section 5.a.2.a. for such party's failure to meet its future job obligations shall become due and payable immediately on demand of the IDA.

c. FAILURE TO PROVIDE VERIFICATION

If after the end of a calendar year PRP/KA fails to provide an Annual Compliance Verification by the deadline, the IDA may make a good faith estimate, based on information available, of the Employment Positions, as applicable, as of December 31, of that year and, if the estimated Employment Positions fall short of the Job Requirement, the IDA may require corresponding remuneration in accordance with this agreement.

11. INTEREST ON OVERDUE PAYMENTS

Any overdue payment (Pursuant to Section 5.a. 2.a.), owed by PRP/KA, shall accrue interest at 4% per annum.

12. GENERAL PROVISIONS

1. AUTHORITY

Each party represents that it has obtained all necessary authority to enter into this Agreement.

2. RELATIONSHIP OF PARTIES

The parties will perform their respective obligations under this Agreement as independent contractors and not as agents, employees, partners, joint ventures, or representatives of the other party. No party can make representations or commitments that bind any other party.

3. LIMITATION OF LIABILITY

In no event will any party be liable to any other party for any indirect, special, punitive, exemplary, incidental or consequential damages. This limitation will apply regardless of whether or not the other party has been advised of the possibility of such damages.

4. TERM

The term of this Agreement commences on the Effective Date of the Agreement and continues until the later of December 31, 2019, or satisfaction of any remaining remuneration obligation, unless terminated earlier pursuant to the terms of this Agreement.

5. TERMINATION FOR CAUSE

Either party may terminate this Agreement for Cause upon thirty (30) days prior written notice to the other party. "Cause" is any failure to perform a material obligation under this Agreement within the specified time taking into consideration grace periods set forth herein; including a material breach of a Funding Condition. This Agreement may not be terminated if the alleged Cause is cured within the specified period.

6. DISPUTE RESOLUTION AND APPLICABLE LAW

a. INFORMAL MEETINGS

The parties' representatives will meet as needed to implement the terms of this Agreement and will make a good faith attempt to informally resolve any disputes.

b. MEDIATION

In the event a dispute arises under this agreement, either party may request the matter be mediated prior to filing suit in accordance with Florida law.

c. APPLICABLE LAW AND VENUE

This Agreement is made and entered into in the State of Florida, and this Agreement and all disputes arising out of or

relating thereto shall be governed by the laws of the state of Florida, without regard to any otherwise applicable conflict of law rules or requirements that would require or permit the application of the law of another jurisdiction.

The parties agree that any action, suit, litigation or other proceeding arising out of or in any way relating to this Agreement, or the matters referred to herein, shall be commenced exclusively in the Circuit Court in and for Hardee County, Florida and hereby irrevocably and unconditionally consent to the exclusive jurisdiction of this court for the purpose of prosecuting and/or defending such litigation.

13. PUBLICITY

The parties agree to cooperate fully to coordinate with each other in connection with all press releases and publications regarding this Agreement.

14. NO WAIVER OF SOVEREIGN IMMUNITY

Nothing in this agreement may be construed to be a waiver of the sovereign immunity of any government entity to suit.

15. MISCELLANEOUS PROVISIONS

1. COUNTERPARTS

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in establishing proof of this Agreement to produce or account for more than one such counterpart.

2. MERGER

This document constitutes the final entire agreement between the parties and supersedes any and all prior oral or written communication, representation or agreement relating to the subject matter of this Agreement.

3. SEVERABILITY

Any term in this Agreement prohibited by, or unlawful or unenforceable under, any applicable law or jurisdiction is void without invalidating the remaining terms of this said Agreement. However, where the provisions of any such applicable law may be waived, they are hereby waived by a party, as the case may be, to the fullest extent permitted by the law, and the affected terms are enforceable in accordance with the parties' original intent.

4. SURVIVAL OF PROMISES

Notwithstanding any expiration, termination or cancellation of this Agreement, the rights and obligations pertaining to payment or repayment of funds and/or remuneration obligation, confidentiality, disclaimers and limitation of liability, indemnification, and any other provision implying survivability will remain in effect after this Agreement ends.

5. BINDING EFFECT

This Agreement and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of the parties and their successors and assigns and shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns and all other agencies, departments, divisions, governmental entities, public corporations and other entities which shall be successors to each of the parties or which shall succeed to or become obligated to perform or become bound by any of the covenants, agreements or obligations hereunder of each of the parties hereto.

6. SUCCESSORS AND ASSIGNS

PRP/KA may assign its rights and obligations under this Agreement, with written consent of the IDA which may not be unreasonably withheld.

7. FORCE MAJEURE

The parties shall not be required to perform any obligation under this Agreement or be liable or responsible for any loss or damage resulting from its failure to perform so long as performance is delayed by force majeure or acts of God, including but not limited to strikes, lockouts or labor shortages, embargo, riot, war, revolution, terrorism, rebellion, insurrection, flood, natural disaster, or interruption of utilities from external causes.

8. NOTICE

All notices, requests, demands and other communications will be in writing and will be deemed given and received (i) on the date of delivery when delivered by hand, (ii) on the following business day when sent by confirmed simultaneous telecopy or email, (iii) on the following business day when sent by receipted overnight courier, or (iv) three (3) business days after deposit in the United States Mail when mailed by registered or certified mail, return receipt requested, first class postage prepaid, as follows:

If to the IDA to:

William R. Lambert Jr. – Director
107 East Main Street
Wauchula, FL 33873
(863)773-4915 fax
bill.lambert@hardeemail.com
info@hardeemail.com

With Copy to:

Kenneth B. Evers
424 West Main Street
Wauchula, FL 33873
(866)547-4362 fax
office@hardeelaw.com

If to Peace River Paddle Sports & Kuleana Adventures, Inc. to:

Trey Flemer
P O Box 1015
Wauchula, Florida 33873
(863)832-2102 phone
tflemer@gmail.com

9. INTELLECTUAL PROPERTY RIGHTS

It is further understood that this Agreement does not grant the IDA any right to acquire intellectual property transferred to or developed by PRP/KA.

10. INCUBATOR POLICIES AND PROCEDURES

The parties hereby agree to abide by the incubator policies and procedures adopted and amended from time to time. To the extent any provision of this agreement conflicts with any provision of the incubator policies and procedures, the provision of this agreement shall prevail.

11. ATTORNEYS' FEES

In any action or proceeding to enforce or interpret this agreement or any provision hereof, the prevailing party shall be entitled to an award of its reasonable attorneys' fees, including but not limited to bankruptcy and appellate proceedings.

12. EFFECTIVE DATE

The effective date of this agreement is XX, 2016.

The parties have caused this Economic Development Agreement to be executed by their duly authorized representatives as of the date first specified above.

Hardee County Industrial Development Authority

By: Vanessa Hernandez, Chairperson

Peace River Paddle Sports & Kuleana Adventures, Inc.

By: Trey Flemer, President

Category	April	May	June	Total
Equipment and Supplies	\$ 300.00	\$ 300.00	\$ 300.00	\$ 900.00
Overhead	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,500.00
Staffing	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 22,500.00
Marketing	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 4,500.00
Product Development	\$ 14,500.00			\$ 14,500.00
Annual Total	\$ 24,300.00	\$ 9,800.00	\$ 9,800.00	\$ 43,900.00

**Bees and Botanicals, Inc.
Sub-Grant Agreement**

THIS AGREEMENT ("Agreement") by and between the Hardee County Industrial Development Authority (the "IDA"), a dependent special district and Bees and Botanicals, Inc. ("BB"), a privately held company, is set forth as follows:

RECITALS

WHEREAS, The Hardee County Economic Development Authority ("EDA"), an Independent Special District was created by the Florida Legislature to solicit, rank and fund grants for economic development for and in the geographic boundaries of Hardee County, Florida; and

WHEREAS, The IDA, a dependent Special District was created by the Florida Legislature to foster and promote economic development in Hardee County, Florida, activated by resolutions 84-10 and 96-31 of the Hardee County Board of County Commissioners; and

WHEREAS, the EDA has previously funded, during the September 2013, funding cycle, a grant to the IDA to procure a facility to locate, create and operate a business development incubator/accelerator hereinafter referred to as "Innovation Place" (Attached as **Exhibit A** grant award agreement); and

WHEREAS, the EDA has continued funding to the IDA to sustain the development of "Innovation Place", and the facility has been acquired and sufficiently retrofitted to accommodate the manufacturing needs of BB; (See **Exhibit A**); and

WHEREAS, the "Innovation Place" project, inclusive of tenants funded by grants provided through the EDA to the IDA, has been ranked as a priority by the Cities and County elected officials and approved by the EDA and IDA members; and

WHEREAS, BB has agreed to comply with certain conditions and deliver certain performance, including measurable job creation/retention and economic diversity in the local economy, in consideration for receiving these benefits; and

WHEREAS, the parties believe it is in the best public interest to enter into this Agreement for the reasons set forth above; and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises herein, the parties agree as follows:

1. RECITALS:

The above stated recitals are hereby incorporated by reference.

2. IDA COMMITMENTS:

The IDA will facilitate the orderly development of Innovation Place and its tenants, including the management of the grant funds. The IDA agrees to provide funding consistent with the EDA grant agreement as follows:

- a. To provide funding to BB consistent with the EDA approved budget in the amount of up to \$239,575.00
- b. To make observations and recommendations for overall grant compliance and BB development progress to the EDA.
- c. To work with the County Staff delegated administrative duties for the EDA.

At any time during the term of this agreement, the commitment to continue advanced funding by the IDA is conditioned upon sufficiency of EDA reimbursements, all as determined by the IDA in its sole and absolute discretion.

3. BEES AND BOTANICALS COMMITMENTS:

BB agrees to adhere to EDA grant award requirements and further agrees as follows:

- a. BB is committed to developing a positive atmosphere for the orderly development and job creation aspects of this agreement in Hardee County.

- b. Bring business experience and knowledge of new product development and introduction into the market place.
- c. Provide for the employment of necessary personnel to effectuate the success of the BB product line from production thru marketing.
- d. Enter into agreements with Debut Development to provide for production and manufacturing of products within "Innovation Place", in accordance with the intent of the grant.
- e. Expend funding according to the budgeted appropriations.
- f. BB shall create and maintain, in the aggregate, at least three ("3") new employment positions in Hardee County by December 31, 2016 (priority in hiring shall be given to Hardee County residents). The obligation of the company shall be to make its best efforts to maintain or increase employment levels in accordance with the following schedule:

- (1) 1 Full Time Equivalent (FTE) jobs by June 1, 2016
- (2) 1 FTE's by September 30, 2016
- (3) 1 FTE's by December 31, 2016

BB shall submit with each funding request, documentation substantiating the request as follows:

- 1. Draw Advance – detailed description of manner in which funds are to be spent, in accordance with approved budget in grant award agreement. The initial advance shall be limited to operational and or capital expenditures expected to be incurred in the ensuing 30 day period. Subsequent advances may be considered on a case by case basis. No additional advance will occur without proof of expenditure of any previous advance.
- 2. Draw Reimbursement- detailed description of expenditure by production of redacted receipts, invoices, canceled checks, bank statements, payroll records or any other information deemed necessary by the IDA.
- 3. BB shall maintain such records as are reasonably deemed necessary by the IDA and Hardee County auditors, or such other persons or entities designated by the IDA, to ensure proper accounting for the expenditure of funds provided under

this Agreement and for the performance by each of them under this Agreement.

4. COMPLIANCE VERIFICATION

No later than 30 days from the end of each quarter, BB shall report to the IDA office with redacted employment records, reflecting Hardee County employment reported to either the State Unemployment division (RT-6 form) or redacted form 941 quarterly report to the Social Security Administration/IRS; until such time the business or the IDA mutually agrees to terminate this requirement. In no event shall it continue beyond 60 months from the date of this agreement. Such employment shall be based on a 2080 hour FTE year and consideration will be given to cumulative fractional employment.

5. REMUNERATION OBLIGATION

a. JOB REQUIREMENTS

As set forth in Section 3.f. above, annually during the term of this Agreement, through December 31, 2020, BB must deliver to the IDA an Annual Compliance Verification within 30 days demonstrating its Job Requirements have been met for the year just ended. The consequences to BB of satisfying, failing to satisfy or exceeding its respective Job Requirements is as follows:

1. COMPLIANCE WITH JOB REQUIREMENTS

If an Annual Compliance Verification demonstrates that BB's Job Requirement has been met for the year just ended, then BB will be deemed to have met its obligations for such preceding year and no remuneration shall be due.

2. FAILURE TO MEET JOB REQUIREMENT

- a. If the cumulative Annual Compliance Verification of employment demonstrates that BB's Job Requirement has not been met for the year just ended, then the IDA may require BB to pay remuneration in the amount of Two Thousand Five Hundred Dollars (\$2,500) per job for every employment position by which it is short that year.
- b. Any action, event or circumstance resulting in a failure to meet job creation requirements may, at the option of the IDA, result in demand for and legal action to require reimbursement of the grant funds according to the schedule as set forth in Exhibit B.
- c. Any outstanding remuneration obligation under this agreement shall be paid no later than December 31, 2020.

3. EXCEEDING JOB REQUIREMENT

Exceeding the job requirements is the objective of the grant program. Accelerated reduction in the remuneration obligation may be available upon demonstration of job creation in excess of the requirements in the sole and absolute discretion of the IDA.

4. CREDIT FOR EXTERNAL FUNDING

One of the IDA's primary objectives under this Agreement is to support the development of Innovation Place fill-line operation as an incubator for business and manufacturing in Hardee County, Florida. Procuring external funding independent from IDA/EDA funding directly benefits the County. External funding that results in additional capital investment or job creation may be used to accelerate reduction in the remuneration obligation as set forth in Exhibit B.

6. IDA INSPECTION RIGHTS

(a) DUTY TO MAINTAIN RECORDS/ RECORDS RETENTION

1. BB shall maintain accounting and business records in accordance with this agreement for a period of five (5) years or until full and final resolution of all inspections, reviews or litigation matters, whichever time period is longer.
2. Appropriate “audit trails” for any ensuing reviews shall be maintained by BB to provide accountability for updates and changes to personnel and financial systems. “Audit Trails” maintained by the subjects of inspections or reviews, will at a minimum, identify the changes made, the individual making the change and the date the change was made.

An adequate history of transactions shall be maintained by BB to permit any inspection/review of the system by tracing the activities of individuals through the system.

BB agrees that failure to maintain adequate “audit trails” and corresponding documentation shall create a presumption that compliance with this agreement was not met.

(b) ACCESS

BB shall grant access to all paper and electronic records, books, documents, accounting procedures, practices or any other items relevant to the performance of this agreement to the IDA and auditors of the State of Florida and Hardee County, or such other persons or entities designated by the IDA in accordance with all applicable State and Federal laws, regulations or directives for the purposes of inspecting and reviewing such books and records.

Notwithstanding the foregoing, it is recognized that the purpose for which access is to be granted is to monitor compliance with the express obligations of BB hereunder, and that it would severely adversely affect the very objectives of this Agreement if confidential, proprietary technical or business data were to be released or become available to the public as a result of any examination by or on behalf of the IDA or State. Accordingly, BB may require, that the IDA and its representatives, to the extent permitted

by law, follow protocols designed to protect such information as confidential pursuant to Florida Statute 288.075.

(c) LOCATION

Any such inspection or review shall be conducted at BB's principal place of business during normal business hours and at the IDA's expense, provided all costs incurred by the IDA in conducting any such inspection or review shall be reimbursed by BB as applicable, in the event such inspection or review reveals a material discrepancy in the compliance with this Agreement.

(d) REIMBURSEMENT

If any inspection or review reveals that BB's reports for the applicable period are not accurate for such period and that additional amounts were owed to the IDA above what was paid or discharged with credits, then BB shall resolve the deficiency within 30 days with the IDA.

(e) CORRECTIVE ACTION PLAN

If any inspection or review reveals any discrepancies or inadequacies which must be corrected to maintain compliance with this Agreement, BB agrees within thirty (30) calendar days after its receipt of the findings, to propose and submit to the IDA a corrective action plan. The plan shall identify steps to correct such discrepancies or inadequacies, subject to the approval of the IDA.

Such party shall complete the corrective action approved by IDA within thirty (30) calendar days after the IDA approves the corrective action plan, at the sole cost of the applicable party.

7. REPORTS

BB shall provide to the IDA periodic status reports in accordance with Innovation Place Policies and Procedures Manual, as adopted and amended from time to time. These reports shall be utilized by the IDA when reporting progress on the development of Innovation Place to the EDA or BOCC.

8. USE AND RETENTION OF LOCAL SUPPLIERS

BB and direct subcontractors will use reasonable efforts to use qualified Hardee County, Florida-based suppliers to provide products and services under this Agreement, provided however, BB and other subcontractors may in its sole discretion, select suppliers and contractors based on program needs, scientific criteria, and industry standards.

9. INDEMNITY AND HOLD HARMLESS

BB shall defend, acquit, discharge, indemnify, release and hold harmless the IDA, its employees, employees of The Hardee County Economic Development Council, Inc., IDA officers, agents and assigns from any and all liability, claims, suits, actions and loss, arising from or otherwise associated with, its occupation and use of Innovation Place, whether the claim be in law or in equity or both, including, but not limited to, litigation costs and attorneys' fees.

10. DEFAULTS AND REMEDIES

Each of the following acts, omissions or occurrences of BB shall constitute an act of default under this agreement:

a. FAILURE TO ESTABLISH A BUSINESS

If BB fails to establish a sustainable business for the purposes and in accordance with the terms of this agreement, all funds distributed pursuant to this Agreement will be subject to an immediate refund to the IDA in accordance with the Schedule as set forth in Exhibit B.

b. FAILURE TO PAY FOR JOB REQUIREMENT DEFICIT

BB as applicable, shall have sixty (60) days after receiving written notice from the IDA demanding payment of outstanding damages owed by such party under "Job Requirement" section of this agreement in which to pay such outstanding damages; provided, that if such damages are the subject of a good faith dispute, such period shall be extended until thirty (30) days after such dispute is resolved. If the responsible party does not pay after this period, all amounts that could potentially be claimed under Section 5.a.2.a. for such party's failure to meet its future job obligations shall become due and payable immediately on demand of the IDA.

c. FAILURE TO PROVIDE VERIFICATION

If after the end of a calendar year BB fails to provide an Annual Compliance Verification by the deadline, the IDA may make a good faith estimate, based on information available, of the Employment Positions, as applicable, as of December 31, of that year and, if the estimated Employment Positions fall

short of the Job Requirement, the IDA may require corresponding remuneration in accordance with this agreement.

11. INTEREST ON OVERDUE PAYMENTS

Any overdue payment (Pursuant to Section 5.a. 2.a.), owed by BB, shall accrue interest at 4% per annum.

12. GENERAL PROVISIONS

1. AUTHORITY

Each party represents that it has obtained all necessary authority to enter into this Agreement.

2. RELATIONSHIP OF PARTIES

The parties will perform their respective obligations under this Agreement as independent contractors and not as agents, employees, partners, joint ventures, or representatives of the other party. No party can make representations or commitments that bind any other party.

3. LIMITATION OF LIABILITY

In no event will any party be liable to any other party for any indirect, special, punitive, exemplary, incidental or consequential damages. This limitation will apply regardless of whether or not the other party has been advised of the possibility of such damages.

4. TERM

The term of this Agreement commences on the Effective Date of the Agreement and continues until the later of December 31, 2020, or satisfaction of any remaining remuneration obligation, unless terminated earlier pursuant to the terms of this Agreement.

5. TERMINATION FOR CAUSE

Either party may terminate this Agreement for Cause upon thirty (30) days prior written notice to the other party. "Cause" is any failure to perform a material obligation under this Agreement within the specified time taking into consideration grace periods set forth herein; including a material breach of a Funding Condition. This Agreement may not be terminated if the alleged Cause is cured within the specified period.

6. DISPUTE RESOLUTION AND APPLICABLE LAW

a. INFORMAL MEETINGS

The parties' representatives will meet as needed to implement the terms of this Agreement and will make a good faith attempt to informally resolve any disputes.

b. MEDIATION

In the event a dispute arises under this agreement, either party may request the matter be mediated prior to filing suit in accordance with Florida law.

c. APPLICABLE LAW AND VENUE

This Agreement is made and entered into in the State of Florida, and this Agreement and all disputes arising out of or relating thereto shall be governed by the laws of the state of Florida, without regard to any otherwise applicable conflict of law rules or requirements that would require or permit the application of the law of another jurisdiction.

The parties agree that any action, suit, litigation or other proceeding arising out of or in any way relating to this Agreement, or the matters referred to herein, shall be commenced exclusively in the Circuit Court in and for Hardee County, Florida and hereby irrevocably and unconditionally consent to the exclusive jurisdiction of this court for the purpose of prosecuting and/or defending such litigation.

13. PUBLICITY

The parties agree to cooperate fully to coordinate with each other in connection with all press releases and publications regarding this Agreement.

14. NO WAIVER OF SOVEREIGN IMMUNITY

Nothing in this agreement may be construed to be a waiver of the sovereign immunity of any government entity to suit.

15. MISCELLANEOUS PROVISIONS

1. COUNTERPARTS

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in establishing proof of this Agreement to produce or account for more than one such counterpart.

2. MERGER

This document constitutes the final entire agreement between the parties and supersedes any and all prior oral or written communication, representation or agreement relating to the subject matter of this Agreement.

3. SEVERABILITY

Any term in this Agreement prohibited by, or unlawful or unenforceable under, any applicable law or jurisdiction is void without invalidating the remaining terms of this said Agreement. However, where the provisions of any such applicable law may be waived, they are hereby waived by a party, as the case may be, to the fullest extent permitted by the law, and the affected terms are enforceable in accordance with the parties' original intent.

4. SURVIVAL OF PROMISES

Notwithstanding any expiration, termination or cancellation of this Agreement, the rights and obligations pertaining to payment or repayment of funds and/or remuneration obligation, confidentiality, disclaimers and limitation of liability, indemnification, and any other provision implying survivability will remain in effect after this Agreement ends.

5. BINDING EFFECT

This Agreement and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of the parties and their successors and assigns and shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns and all other agencies, departments, divisions, governmental entities, public corporations and other entities which shall be successors to each of the parties or which shall succeed to or become obligated to perform or become bound by any of the covenants, agreements or obligations hereunder of each of the parties hereto.

6. SUCCESSORS AND ASSIGNS

BB may assign its rights and obligations under this Agreement, with written consent of the IDA which may not be unreasonably withheld.

7. FORCE MAJEURE

The parties shall not be required to perform any obligation under this Agreement or be liable or responsible for any loss or damage resulting from its failure to perform so long as performance is delayed by force majeure or acts of God, including but not limited to strikes, lockouts or labor shortages, embargo, riot, war, revolution, terrorism, rebellion, insurrection, flood, natural disaster, or interruption of utilities from external causes.

8. NOTICE

All notices, requests, demands and other communications will be in writing and will be deemed given and received (i) on the date of delivery when delivered by hand, (ii) on the following business day when sent by confirmed simultaneous telecopy or email, (iii) on the following business

day when sent by receipted overnight courier, or (iv) three (3) business days after deposit in the United States Mail when mailed by registered or certified mail, return receipt requested, first class postage prepaid, as follows:

If to the IDA to:

William R. Lambert Jr. – Director
107 East Main Street
Wauchula, FL 33873
(863)773-4915 fax
bill.lambert@hardeemail.com
info@hardeemail.com

With Copy to:

Kenneth B. Evers
424 West Main Street
Wauchula, FL 33873
(866)547-4362 fax
office@hardeelaw.com

If to Bees and Botanicals, Inc. to:

Leslie Cantu
P O Box 1015
Wauchula, Florida 33873
(863)735-1679 phone
sjcantu@yahoo.com

9. INTELLECTUAL PROPERTY RIGHTS

It is further understood that this Agreement does not grant the IDA any right to acquire intellectual property transferred to or developed by BB.

10. INCUBATOR POLICIES AND PROCEDURES

The parties hereby agree to abide by the incubator policies and procedures adopted and amended from time to time. To the extent any provision of this agreement conflicts with any provision of the incubator policies and procedures, the provision of this agreement shall prevail.

11. ATTORNEYS' FEES

In any action or proceeding to enforce or interpret this agreement or any provision hereof, the prevailing party shall be entitled to an award of its reasonable attorneys' fees, including but not limited to bankruptcy and appellate proceedings.

12. EFFECTIVE DATE

The effective date of this agreement is , 2016.

The parties have caused this Economic Development Agreement to be executed by their duly authorized representatives as of the date first specified above.

Hardee County Industrial Development Authority

By: Vanessa Hernandez, Chairperson

Bees and Botanicals, Inc.

By: Leslie Cantu, President

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement (Lease) is entered into on this ____ day of, 201X, by and between Hardee County Industrial Development Authority, hereinafter "Landlord" and South East Modular Manufacturing a Florida corporation, hereinafter "Tenant". Landlord is the owner of land and improvements at 897 South 6th Avenue, Wauchula, Florida. Landlord makes available for lease, XX ____ square feet of space in a commercial building designated as "Innovation Place" (Leased space) at a rate of \$2.00 per square foot. A sketch of the leased space is attached hereto.

Landlord desires to lease the Leased space to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the provisions set forth herein.

THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, it is agreed:

Term

The Initial Term of the Lease shall begin on the ____ day of _____, 2016 and continue for a period of one year, ending on the ____ day of _____, 2017. Rent payments shall commence on the ____ day of _____, 201X, and shall continue each month thereafter through the term of the lease. The Tenant shall have an option to renew this lease for a one-year period upon written notice to Landlord at least sixty (60) days prior to the expiration of the initial term.

Rent.

The rent will be \$____/month, plus sales tax.

Rent payments shall be made to:

Hardee County Industrial Development Authority
P. O. Box 458
Wauchula, Florida 33873

The rental for any renewal lease term, if created as permitted under this Lease, shall be increased 3% per year.

Rent is due on the first of the month and late after the 5th.

Description of Premises; Terms; Use

Lessor leases to Lessee, for a term of (1) year (s) as defined in term above, commencing on XX, 201X, the premises located at Innovation Place, County of Hardee, State of Florida, as described as follows:

For use by the Lessee for manufacturing of raw material for product development, packaging of finished product, shipping of finished product and product development through formulation. The premises shall be used for no other purpose other than that specified in this lease without prior written approval from the Lessor.

Lessee shall comply with all the sanitary laws, ordinances, and rules, orders of appropriate governmental authorities, and Innovation Place Policies and Procedures, affecting the occupancy and operation of the premises, and the curtilage thereto, during the term of this lease.

Prohibited Uses.

Notwithstanding the forgoing, Tenant shall not use the Leased space for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

Sublease and Assignment

Tenant shall have the right without Landlord's consent, to assign this Lease to a business with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets.

Except as set forth above, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's written consent, such consent not to be unreasonably withheld or delayed.

Repairs

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased space. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased space damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease.

Alterations and Improvements

Tenant, at Tenant's expense, shall have the right, upon obtaining Landlord's written consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased space from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased space, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and

temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased space by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that Tenant shall repair, at Tenant's expense, all damage to the Leased space caused by such removal.

The IDA shall recognize improvements to the office area located within the leased space made by the Tenant. Credit for improvements will be applied to the lease payment.

Property Taxes

Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased space, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased space. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased space.

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Insurance

If the Leased space or any other part of the Building is damaged by fire or other casualty resulting from any act of negligence by Tenant or by any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

Landlord shall maintain fire and extended coverage insurance on the Building and the Leased space in such amount as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased space.

Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the particular activities of each in the Building with the premiums thereon fully paid on or before due date. Such insurance policy shall be issued by and binding upon an insurance company with a financial strength rating by A.M. Best of "A" or better, and shall afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph.

Utilities

Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased space during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased space is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges.

Tenant shall pay all such utility charges prior to the due date. Tenant acknowledges that the Leased space is designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, over load the wiring or interfere with electrical services to other tenants.

Signs

Following Landlord's written consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

Entry

Landlord shall have the right to enter upon the Leased space at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business.

Parking

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas for Tenant and Tenant's agents

Damage and Destruction

If the Leased space or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects, such damage or defects not being the result of any act of negligence by Tenant or by any of Tenant's agents, employees or invitees, that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by written notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased space, and if such damage does not render the Leased space unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased space is inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant.

Default

In the event of a default made by Tenant in the payment of rent when due to Landlord, Tenant shall have five (5) days after receipt of written notice thereof to cure such default. In the event of a default made by Tenant in any of the other covenants or conditions to be kept, observed and performed by Tenant, Tenant shall have thirty (30) days after receipt of written notice thereof to cure such default. In the event that the Tenant shall fail to cure any default within the time allowed under this paragraph, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased space is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

Quiet Possession

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

Condemnation

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased space unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

Subordination

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased space, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased space of the Building. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

Notice

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

Landlord:
Hardee County Industrial Development Authority
P. O. Box 458
Wauchula, FL 33873

Tenant:
South East Modular Manufacturing

Wauchula, FL 33873

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

Brokers

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

Waiver

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

Memorandum of Lease

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

Headings

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

Consent

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

Performance

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of 3 percent (3%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the un-reimbursed balance plus accrued interest to Tenant on demand.

Compliance with Law

Tenant and Landlord each shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

Attorney's Fees

In any action or proceeding to enforce or interpret this agreement, the prevailing party shall be entitled to an award of its reasonable attorneys' fees. This provision shall apply to appellate proceedings as well. If the landlord hires an attorney to protect its interest in a bankruptcy filing by the tenant, landlord shall be entitled to recover reasonable attorneys' fees in that instance as well.

Final Agreement

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Landlord

Hardee County Industrial Development Authority

By: _____

Witness: _____

Witness: _____

South East Modular Manufacturing

By: _____

Witness: _____

Witness: _____

Landlord: P. O. Box 458
Wauchula, Florida 33873

Tenant: Wauchula, Florida 33873

Exhibit "A"

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COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement (Lease) is entered into on this ____ day of, 201X, by and between Hardee County Industrial Development Authority, hereinafter "Landlord" and Debut Development, LLC a Florida corporation, hereinafter "Tenant". Landlord is the owner of land and improvements at 897 South 6th Avenue, Wauchula, Florida. Landlord makes available for lease, 4,788 plus 12,910XX of warehouse__ square feet of space in a commercial building designated as "Innovation Place" (Leased space). A sketch of the leased space is attached hereto.

Landlord desires to lease the Leased space to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the provisions set forth herein.

THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, it is agreed:

Term

The Initial Term of the Lease shall begin on the ____ day of _____, 201X and continue for a period of one year, ending on the ____ day of _____, 201X. Rent payments shall commence on the ____ day of _____, 201X, and shall continue each month thereafter through the term of the lease. The Tenant shall have an option to renew this lease for a one year period upon written notice to Landlord at least sixty (60) days prior to the expiration of the initial term.

Rent.

The rent will be \$____/month, plus sales tax.

Rent payments shall be made to:

Hardee County Industrial Development Authority
P. O. Box 458
Wauchula, Florida 33873

The rental for any renewal lease term, if created as permitted under this Lease, shall be increased 3% per year.

Rent is due on the first of the month and late after the 5th.

Description of Premises; Terms; Use

Lessor leases to Lessee, for a term of () years as defines in term above, commencing on XX, 201X, the premises located at Innovation Place, County of Hardee, State of Florida, as described as follows:

For use by the Lessee for manufacturing of raw material for product development, packaging of finished product, shipping of finished product and product development through formulation. The premises shall be used for no other purpose other than that specified in this lease without prior written approval from the Lessor.

Lessee shall comply with all the sanitary laws, ordinances, and rules, orders of appropriate governmental authorities, and Innovation Place Policies and Procedures, affecting the occupancy and operation of the premises, and the curtilage thereto, during the term of this lease.

Lessee shall be given credit for number of jobs produced during the term of this lease as follows:

Prohibited Uses.

Notwithstanding the forgoing, Tenant shall not use the Leased space for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

Sublease and Assignment

Tenant shall have the right without Landlord's consent, to assign this Lease to a business with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets.

Except as set forth above, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's written consent, such consent not to be unreasonably withheld or delayed.

Repairs

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased space. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased space damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease.

Alterations and Improvements

Tenant, at Tenant's expense, shall have the right, upon obtaining Landlord's written consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased space from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased space, and

fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased space by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that Tenant shall repair, at Tenant's expense, all damage to the Leased space caused by such removal.

Property Taxes

Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased space, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased space. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased space.

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Insurance

If the Leased space or any other part of the Building is damaged by fire or other casualty resulting from any act of negligence by Tenant or by any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

Landlord shall maintain fire and extended coverage insurance on the Building and the Leased space in such amount as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased space.

Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the particular activities of each in the Building with the premiums thereon fully paid on or before due date. Such insurance policy shall be issued by and binding upon an insurance company with a financial strength rating by A.M. Best of "A" or better, and shall afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph.

Utilities

Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased space during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased space is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges.

Tenant shall pay all such utility charges prior to the due date. Tenant acknowledges that the Leased space is designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, over load the wiring or interfere with electrical services to other tenants.

Signs

Following Landlord's written consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

Entry

Landlord shall have the right to enter upon the Leased space at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business.

Parking

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas for Tenant and Tenant's agents

Damage and Destruction

If the Leased space or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects, such damage or defects not being the result of any act of negligence by Tenant or by any of Tenant's agents, employees or invitees, that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by written notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased space, and if such damage does not render the Leased space unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased space is inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant.

Default

In the event of a default made by Tenant in the payment of rent when due to Landlord, Tenant shall have five (5) days after receipt of written notice thereof to cure such default. In the event of a default made by Tenant in any of the other covenants or conditions to be kept, observed and performed by Tenant, Tenant shall have thirty (30) days after receipt of written notice thereof to cure such default. In the event that the Tenant shall fail to cure any default within the time allowed under this paragraph, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased space is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

Quiet Possession

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

Condemnation

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased space unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

Subordination

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased space, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased space of the Building. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

Notice

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

Landlord:
Hardee County Industrial Development Authority
P. O. Box 458
Wauchula, FL 33873

Tenant:
Debut Development, LLC, a Florida corporation

Wauchula, FL 33873

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

Brokers

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

Waiver

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

Memorandum of Lease

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

Headings

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

Consent

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

Performance

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of 3 percent (3%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the un-reimbursed balance plus accrued interest to Tenant on demand.

Compliance with Law

Tenant and Landlord each shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

Attorney's Fees

In any action or proceeding to enforce or interpret this agreement, the prevailing party shall be entitled to an award of its reasonable attorneys' fees. This provision shall apply to appellate proceedings as well. If the landlord hires an attorney to protect its interest in a bankruptcy filing by the tenant, landlord shall be entitled to recover reasonable attorneys' fees in that instance as well.

Final Agreement

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Landlord

Hardee County Industrial Development Authority

By: _____

Witness: _____

Witness: _____

Debut Development, LLC, a Florida corporation

By: _____

Witness: _____

Witness: _____

Landlord: P. O. Box 458
Wauchula, Florida 33873

Tenant:
Wauchula, Florida 33873

Exhibit "A"

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