

LOAN AGREEMENT

THIS LOAN AGREEMENT ("Loan Agreement"), dated as of this 12th day of September, 2017, is made by and between:

Lexington-Fayette Urban County Government,
an urban county government pursuant to KRS Chapter 67A
200 East Main Street
Lexington, Kentucky 40507 ("LFUCG")

and

Fusioncorp, LLC
a Kentucky Corporation
602 S Broadway

Lexington, KY 40508
("Borrower" or "Company")

and

Michael Baer
357 Masterson Station Dr Lexington, KY 40511

Daniel Boone
109 Briarwood rd, Versailles KY 40383

Justin Burnette
205 Twin Shores Court, Lexington, KY 40515

("Guarantors")

Recital

This Incentive Agreement provides for a loan in the amount of two hundred and fifty thousand dollars and zero cents (**\$250,000.00**) from LFUCG to Fusioncorp, LLC. (hereinafter the "Borrower" or the "Company") pursuant to Ordinance No. 153-2013 and its Jobs Fund Program as authorized by the Urban County Council in Resolution No. 745-2014. In order to induce LFUCG to enter into this Loan Agreement and to make the loan, the Borrower is willing and desires to make the warranties, covenants, and agreements contained and set forth herein.

SECTION 1 Definitions

As used in this Agreement:

“Accountant” shall mean the certified public accountant or firm of certified public accountants acting as the Company’s accountant.

An “Affiliate” of, or a Person “Affiliated” with, a specified Person, is a Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Person specified.

“Activation Period” shall mean the date certain that the Company has met the requirements of and has executed Exhibit A, which is attached hereto and incorporated herein by reference.

“Application” shall mean the Borrower’s application for funding under LFUCG’s Job Funding Program, and the schedule for job creation, which is attached hereto as Exhibit B and incorporated herein by reference.

“Compliance” shall mean the Company maintains the Jobs Requirement and Wage Requirement and otherwise complies with the provisions of this Agreement.

“Disbursement” shall mean the distribution of proceeds of the Loan by LFUCG to Borrower;

“Employee” shall mean a Kentucky resident who maintains a permanent, Full-Time Job (as further defined below) at the Project Site, which shall be located in Fayette County, Kentucky, as opposed a part-time employee or independent contractor.

“Event of Default” shall mean the happening of any one or more of the events which constitute an event of default under Section 6 of this Incentive Agreement.

“Full Time Job” shall mean a job held by a person employed in the capacity provided in the Application (Exhibit B) for a minimum of thirty-five (35) hours per week and subject to the Kentucky Individual Income Tax imposed by KRS 141.020 and the local occupational license fee.

“Guarantors” shall mean Michael Baer, Daniel Boone, and Justin Burnette, who shall provide a personal guaranty for the outstanding principal of loan and note for a time period of ten year from the disbursement of the loan proceeds.

“Guaranty” shall mean the guaranty agreement, signed by the Guarantors and attached as Exhibit E to this agreement, and shall include any renewal, replacement, extension, or notation thereof.

“Jobs Requirement” shall have the meaning set forth in Section 3.9 hereof;

“LFUCG” shall mean the Lexington-Fayette Urban County Government, an urban county government of the Commonwealth of Kentucky created pursuant to KRS chapter 67A.

“Loan” shall mean the loan in the principal amount of \$250,000.00 from LFUCG to the Borrower as further provided in Section 2 of this Loan Agreement, as evidenced by the Note attached as Exhibit C to this Agreement.

“Loan Documents” shall mean this Loan Agreement, the Note, the Application, and all other instruments or agreements related there to.

“Note” shall mean the promissory note attached as Exhibit C to this Agreement, and shall include any renewal, replacement, extension, or notation thereof.

“Person” shall mean any person, firm, trust, corporation, partnership, limited liability company, business organization, or other entity.

“Project” shall mean the certain project consisting of the Company’s acquisition, construction, equipping, and staffing of a facility within Fayette County, Kentucky.

“Project Site” shall mean the facility located at 602 S Broadway, Lexington, KY 40508 together with all improvements and fixtures attached thereto.

“Repayment Penalty” shall mean the repayment required in the Event of a default as further defined in Section 3.9 of this Agreement.

“Request for Disbursement” shall mean a written request to the LFUCG for the making of a disbursement of the proceeds of the Incentive, in form, substance, and detail satisfactory to the LFUCG.

SECTION 2
The Loan

LFUCG agrees to provide a Loan to the Borrower in accordance with the terms and condition of the Loan Documents, as follows:

2.1 Amount. The principal amount of the Loan shall be up to a maximum amount of two hundred and fifty thousand dollars and zero cents (**\$250,000.00**) as evidenced by the Note attached hereto and made a part hereof as Exhibit C.

2.2 Interest. Interest at the rate of two and twelve hundredths of one percent (2.12%) of the outstanding loan shall be assessed annually. However, should an Event of Default occur under the terms of this Agreement, additional interest in an amount of twelve percent (12%) from the date of default may be assessed at the sole discretion of LFUCG.

2.3 Disbursement. Disbursements of proceeds of the Loan shall be made by LFUCG to the Borrower in five draws. The first draw shall be one hundred thousand dollars and zero cents (\$100,000.00) upon activation of the incentive. The three (3) subsequent draws of thirty seven thousand and five hundred dollars and zero cents (\$37,500.00) shall be made upon notification of the hiring of the fourth, sixth, and eighth employees, respectively. Provided, however, that no more than one draw may be made

in any thirty (30) day period. The fifth and final disbursement shall be made thirty (30) days after the fourth (4) disbursement. Notwithstanding the preceding, no disbursements shall be made unless (i) this Agreement and all attachments hereto have been properly executed by the appropriate parties and returned to LFUCG (ii) all parties have satisfied the conditions precedent to the Loan set forth in Article 8 of this Agreement and in each of the other Loan Documents, and (iii) LFUCG has received properly completed and executed copies of Exhibits A and D not less than ten (10) days prior to the date requested for the disbursement, to which shall be attached any supporting documentation requested by LFUCG.

2.4 Installments of Principal and Interest. The Loan shall be repaid in thirty-nine (39) consecutive quarterly installments of principal and interest on the first day of each quarter and one (1) final quarterly payment for the balance of the principal and accrued interest. The first payment shall be due beginning three (3) months from the date of the initial disbursement of funds to Borrower. In the event of default, the balance due on the Note, together with accrued interest thereon shall be due and payable within ten (10) days of LFUCG providing Borrower with a written notice of demand of the balance owing.

2.5 Prepayment. The Borrower shall have the right at any time and without penalty to prepay the Note in whole or in part. Prepayments shall be applied first to accrued but unpaid interest, and then to installments of principal of the Loan in reverse order of their maturity. Prepayments shall not relieve the Borrower from the duty to make consecutive payments in the amount provided in Exhibit F, but shall operate to discharge the Borrower's obligation at an earlier date.

2.6 Late Charges. If the Borrower fails to pay any installment of principal or interest require under the Note within ten (10) days after the date such a payment first becomes due, the Borrower shall pay to LFUCG a late charge equal to five percent (5%) of such payment

2.7 Ceasing Disbursement. The LFUCG may, at its sole discretion, cease any future disbursement(s) should any Event of Default occur prior to that disbursement being sent.

2.8 Security. The Note and the Loan evidenced thereby are and shall be secured by the Guaranty, which is attached hereto and incorporated herein by reference as Exhibit E, which shall be delivered simultaneously with the execution of this Incentive Agreement by the Guarantors.

SECTION 3 General Covenants

The Borrower agrees that, until it has fully repaid the Loan, plus all other interests, penalties, fees, or charges due and owing hereunder, it shall preform, observe, and comply with each of the following:

3.1 Mergers, Sales, Transfers, Redemptions, and Other Dispositions of Assets, or Dissolution. The Company shall not, without the prior written consent of LFUCG (which consent shall not be unreasonably withheld): :

- (a) Liquidate or dissolve or take any action with a view toward liquidation or dissolution;
- (b) Substantially cease its business operations at the Project Site; or
- (c) Enter into any agreement for the assumption of the Incentive by any other Person.
- (d) Undertake a change in majority ownership, management, or control.

3.2 Financial Statements and Business Records. The Company shall keep true and complete financial records prepared with generally accepted accounting principles consistently applied, and keep business records in accordance with good business practices in the industry. The Company makes certain of its financial records publically available through filings with the U.S. Securities and Exchange Commission, which such records shall also be available to the LFUCG. The Company shall submit a letter annually to LFUCG stating its average annual employment at the Project Site.

3.3 Designation of Agent. The Company shall at all times have a properly designated agent, who is a resident of or has offices in the Commonwealth of Kentucky, to accept service of process. The Company shall notify LFUCG of the name and address of such agent and of any change in the name or address of such agent.

3.4 Taxes and Other Obligations. The Company shall pay as they become due, all taxes, assessments, governmental charges, levies, and any other claims (for example, for labor, materials, or supplies) which, if unpaid, might give rise to a lien or charge upon the Project Site or any other of the Company's property, unless the Company is contesting the same in good faith and has posted a bond protecting the same in such form and amount and with such parties as may be approved by LFUCG.

3.5 Use of Incentive Proceeds. The proceeds of the Incentive shall be used exclusively for the purposes described in the Application.

3.6 Properties and Insurance. The Company shall maintain its real property, buildings, and other fixed assets located at the Project Site in good condition, subject only to normal wear and tear, and make all necessary and proper repairs, renewals, and replacements, and shall comply with all material provisions of leases and other material agreements in order to prevent loss or forfeiture. All real property, personal property, or collateral located at the Project Site is and will remain insured against loss during the life of the Incentive. Failure to maintain insurance coverage as set forth herein shall constitute an Event of Default as set forth in Section 6 hereof.

3.7 Entity Existence. The Company shall preserve its entity existence as a validly organized business entity and shall be and remain qualified to do business in Kentucky and in all states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse effect on its ability to meet its obligations hereunder.

3.8 Compliance with Law. The Company shall comply in all material respects with all valid and applicable statutes, rules, and regulations of the United States of America, of the States thereof and their counties, municipalities, and other subdivisions, and of any other jurisdiction applicable to it, and the provisions of licenses issued to it, except where non-compliance (a) would not have a material adverse effect on the Company's ability to meet its obligations hereunder, or (b) shall be currently contested in good faith by appropriate proceedings, timely instituted, which shall operate to stay any order with respect to noncompliance.

3.9 Jobs and Wage Requirements. The Company shall create at least eight (8) new full time jobs, as defined Section One of this Agreement, which shall have a mean hourly wage of at least \$27.00, exclusive of all benefits and other forms of compensation, including without limitation bonuses and commissions, by no later than one year following the date of this Incentive Agreement, and further agrees to maintain said jobs for a period of ten (10) years, or until the entirety of the loan proceeds have been repaid, as further provided in Exhibit B and certified in the Compliance Form, attached as Exhibit D, Schedule 1.

Should the Company fail to create at least eight (8) full-time jobs within one year of the date of the Incentive Agreement, or allow any required full-time job to lapse for a period of more than fifteen (15) consecutive business days following one year of the date of the Incentive Agreement, LFUCG may elect either of the following remedies, which shall be in addition to any other remedies or damages LFUCG may be entitled to under law or equity:

(a) Repayment Penalty. LFUCG may require the Company to pay a monthly repayment penalty, which shall be calculated individually for each job that has not been created or maintained, or which has failed to satisfy the wage requirement provided herein, as follows:

$$\text{Step One: } \frac{\$27.00 - \text{Actual Average Hourly Wage}}{\$27.00} \times \frac{\text{Outstanding Principal}}{\text{Years Remaining}} = \text{Repayment Penalty}$$

Step Two: $\text{Repayment Penalty}/12 = \text{Monthly Repayment Penalty}$

Beginning fifteen (15) days after any full-time job required hereunder has been permitted to lapse, or has fallen below the wage requirement, LFUCG may elect to levy a monthly repayment penalty for any month in which the Company has, for at least one business day, failed to satisfy the Jobs or Wage Requirements established herein. All monthly repayment penalty payments shall be made within ten (10) days of receipt

of notice that a monthly repayment penalty is due. All monthly repayment penalty payments shall be credited to the Company's account and such amounts deducted from the principal and interest owed under this Incentive Agreement,

(b) Default. LFUCG may elect to treat the Company's failure to create or maintain full-time jobs as required hereunder for a period of more than fifteen (15) consecutive business days as an event of default, as defined in Section Five of this Agreement, entitling LFUCG to those remedies provided in Section Six of this Agreement.

As evidence of its compliance with this Agreement, the Company agrees to provide, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG, and except as otherwise required by law and specifically excluding any personally-identifiable information), a list of the new full time positions employed at the Project Site (Exhibit D, Schedule 1) and a report of each such employee's hourly salary, exclusive of all benefits and other forms of compensation, including without limitation bonuses and commissions, upon request, and shall submit such documentation to LFUCG with or without request one year after executing the activation certificate attached hereto, and annually thereafter.

3.10 Indemnification. The Company shall indemnify, defend, and save harmless the LFUCG and its boards, directors, officers, agents, and employees (the "Indemnitees") from all loss, liability, or expense (including the fees and expenses of in-house or outside counsel) directly arising out of or in connection with the Company's execution and performance of this Agreement except to the extent that such loss, liability, or expense is due to the gross negligence or willful misconduct of the Indemnitee. The Company acknowledges and agrees that this indemnity provision shall survive the termination of this agreement.

SECTION 4 Representations and Warranties

The Borrower hereby represents and warrants to LFUCG as follows (which warranties and representations shall be deemed to survive the execution of this Loan Agreement):

4.1 Existence. The Borrower is a duly organized and validly existing corporation under the laws of the Commonwealth of Kentucky qualified to do business in Kentucky and in all other states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse affect on Borrower's ability to meet its obligations hereunder. The Borrower shall preserve its entity existence as a corporation and shall be and remain qualified to do business in Kentucky and in all states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse affect on its ability to meet its obligations hereunder. The Borrower shall also preserve its entity existence as a corporation and shall be and remain qualified to do business in Fayette County, Kentucky.

4.2 Right to Act. The Borrower has the legal power, capacity, and right to execute and deliver all of the Loan Documents to which it is a party, and to observe and perform all of the provisions of the Loan Documents to which it is a party. Neither the Borrower's execution or delivery of the Loan Documents nor the performance or observance by the Borrower of the provisions of the Loan Documents violates any law applicable to it or otherwise constitute a default or a violation under, or result in the imposition of any lien under, or conflict with, or result in any breach of any of the provisions of, any existing contract or other obligation binding upon it or its property, with or without the passage of time or the giving of notice or both. The officer executing and delivering the Loan Documents to which Borrower is a party on behalf of the Borrower has been duly authorized to do so, and the Loan Documents to which it is a party referred to herein are legal, valid, and binding obligations of the Borrower enforceable in accordance with their respective terms, except to the extent enforceability thereof may be limited under applicable bankruptcy, moratorium, insolvency, or similar laws or by equitable principles.

4.3 Litigation and Taxes. No litigation or proceeding involving the Borrower is pending or overtly threatened in writing in any court or administrative agency, which would be reasonably likely to have a material adverse impact on the Borrower's financial condition or otherwise impair its ability to honor the commitments made herein (in each case after giving effect to applicable insurance coverage). The Borrower is not in default in the payment of any tax, nor is any assessment threatened in respect thereof (other than the assessment of ad valorem property taxes not yet due and payable), and has timely filed all federal, state, and local tax returns and has paid all taxes required to be paid therewith, except for matters being contested in good faith by appropriate proceedings, timely instituted.

4.4 Financial Statements. The Borrower's financial statements, heretofore furnished to LFUCG and/or its Economic Development Board, are true and complete in all material respects, have been prepared on the modified cash basis of accounting, omit no material contingent liabilities of any kind that are not disclosed or otherwise reflected therein, and fairly present its financial condition as of their dates and the results of the Borrower's operations for the respective fiscal period then ending. Since the date of their preparation, there has been no material adverse change in the Borrower's financial condition, properties, or businesses.

4.5 Default. No Event of Default exists under this Loan Agreement, nor shall any such default begin to exist immediately after the execution and delivery hereof.

4.6 Last Dollar In. Consistent with the representations in the Application, the Borrower does represent and certify that the financial incentives being provided by the LFUCG are necessary for the expansion to occur and are the last funds received from a public or private entity for the creation of the jobs provided in Section 3.9, above.

SECTION 5
Events of Default

Each of the following shall constitute an Event of Default under this Incentive Agreement:

5.1 Payments. The failure of the Borrower to make payments of principal or interest under the Note or this Loan Agreement when same shall be due and payable and the continuation of such failure for fifteen (15) days after such payment first becomes due.

5.2 Covenants and Agreement. If the Borrower violates, fails, or omits to perform or observe any non-monetary covenant, agreement, condition, or other provision contained or referred to in, or any non-monetary default occurs under, the Loan Documents to which it is a party, and such failure or omission shall not have been fully corrected within thirty (30) days (or such shorter grace period as may be provided in the particular instrument for the particular default) after LFUCG has given written notice thereof to the Borrower. Notice is considered given upon receipt.

5.3 Accuracy of Statements. If any representation, warranty, or other statement of fact contained herein, or in any of the other Loan Documents to which Borrower is a party or in any writing, certificate, report, or statement at any time furnished to LFUCG pursuant to or in connection with this Loan Agreement, or otherwise, shall be materially false or misleading in any respect or shall omit a material fact, whether or not made with knowledge of same.

5.4 Adverse Financial Change. If there should be any material adverse change in the financial condition of the Borrower, as determined in LFUCG's reasonable discretion, from its financial condition as shown on any financial statement supplied to LFUCG as referred to in Sections 3.2 or 4.4 of this Loan Agreement, and such adverse change is not fully corrected to LFUCG's satisfaction within thirty (30) days after written notice with respect thereto is provided to the Borrower from LFUCG.

5.5 Dissolution or Termination of Existence. If the Borrower or any person, firm, or corporation controlling the Borrower takes any action that is intended to result in the Company's termination, dissolution, or liquidation, or to cease operation of the Project for a period of at least three(3) months.

5.6 Solvency.

(a) If the Borrower shall (i) be adjudicated bankrupt, (ii) admit in writing its inability to pay its debts generally as they become due, (iii) make a general assignment for the benefit of creditors, or (iv) file a petition, or admit (by answer, default or otherwise) the material allegations of any petition filed against it, in bankruptcy under the federal bankruptcy laws (as in effect on the date this Loan Agreement, or as they may be amended from time to time), or under any other law for the relief of debtors, or for the discharge, arrangement or compromise of their debts.

(b) If a petition shall have been filed against the Borrower in proceedings under the federal bankruptcy laws (in effect on the day of this Loan Agreement, or as they may be amended from time to time) or under any other laws for the relief of debtors, or for the discharge, arrangement, or compromise of their debts, or any order shall be entered by any court of competent jurisdiction appointing a receiver, trustee, or liquidator of all or any material part of the Borrower's assets, and such petition or order is not dismissed or stayed within thirty (30) consecutive days after entry thereof.

5.7 Other Defaults. If any event would give another Person or entity the right to accelerate payments of material indebtedness for borrowed money or to proceed against the Project Site.

5.8 Loan Documents. If, for any reason, any of the Loan Documents to which Borrower is a party shall cease to be in full force and effect, or shall be declared null and void, or shall be contested by the Borrower as to the validity or enforceability thereof.

SECTION 6 Remedies Upon Default

Notwithstanding any contrary provisions or inference herein or elsewhere:

6.1 Acceleration; Assessment of Interest Rate. If any Event of Default shall occur under this Agreement, LFUCG shall have the right, in its sole discretion, to declare the entire remaining amount of the Loan immediately due and payable, along with interest as provided in Section 2.2 of this Agreement.

6.2 Exercise of Remedies. The rights and remedies of LFUCG under the Loan Documents shall be deemed to be cumulative and shall be in addition to all those rights and remedies afforded to LFUCG at law or in equity. Any exercise of any rights or remedies shall not be deemed to be an election of that right or remedy to the exclusion of any other right or remedy.

SECTION 7 Conditions Precedent

LFUCG's obligation to make the Loan shall be conditioned upon the fulfillment of the following conditions prior to the making of such Loan:

7.1 Representations, Warranties, and Covenants. Each and every representation, warranty, and covenant made by or on behalf of the Borrower in its application to LFUCG or relating to any of the Loan Documents to which it is a party or instruments or transactions contemplated thereby shall be true, complete, and correct on and as of the date the Loan is made and shall be so evidenced by a certificate executed by the Borrower's duly authorized officer, to be dated and delivered to LFUCG as of the closing date of this Loan.

7.2 No Defaults. There shall exist no Event of Default and no event which, with the giving of any notice or the passage of any period of time, constitutes an Event of Default.

7.3 Compliance. The Borrower shall have observed or complied with all provisions of this Loan Agreement.

7.4 Insurance Policy. The Borrower shall have submitted to LFUCG a copy of an applicable certificate, in customary form, with respect to the current insurance coverage on the Project Site.

7.5 Employment Waiver and Authorization. The Borrower hereby authorizes LFUCG to request that the Office of Employment and Training within the Department for Workforce Investment ("OET") furnish to LFUCG, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG), all information in the possession of OET concerning the number of people employed by the Borrower at the Project Site, and the number of hours worked by those employees. The Borrower hereby releases OET from any and all responsibility for disclosing to LFUCG the information requested in connection with this Loan Agreement.

7.6 Corporate Existence and Authorization. The Company shall provide, at the request of the LFUCG, an original Certificate of Good Standing or equivalent from the Kentucky Secretary of State's Office and copies of its Articles of Incorporation and any amendments thereto.

7.7 Successors and Assigns. Except as otherwise expressly provided herein, the terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of the parties hereto. This provision shall not be construed to permit assignment by the LFUCG or the Company of any of their respective rights and duties under this Agreement or the other Loan Documents.

SECTION 8 Interpretation

8.1 No Waivers; Multiple Exercise of Rights. No course of dealing in respect to, nor any omission or delay in the exercise of, any right, power, remedy, or privilege by LFUCG shall operate as a waiver thereof, nor shall any right, power, remedy, or privilege of LFUCG be exclusive of any other right, power, remedy, or privilege referred to herein or in any related document now or hereafter available at law, in equity, in bankruptcy, by statute, or otherwise. Each such right, power, remedy, or privilege may be exercised by LFUCG, and as often and in such order as LFUCG may deem expedient.

8.2 Time of the Essence. Time shall be of the essence in the performance of all the Borrower's obligations under the Loan Documents and the other instruments related hereto.

8.3 Binding Effect. The provisions of this Loan Agreement shall bind and benefit the Borrower and LFUCG and their respective successors and assigns, including each subsequent holder, if any; provided, however, that this paragraph shall not be construed to permit the assignment by the Borrower of its rights and obligations under this Loan Agreement without LFUCG's prior written consent.

8.4 Headings. The headings used in this Loan Agreement are for convenience of reference only, and shall not be considered in the interpretation or construction of this Loan Agreement.

8.5 Governing Law. The Loan Documents and the respective rights and obligations of the parties hereto shall be construed in accordance with and governed by the laws of the Commonwealth of Kentucky.

8.6 Jurisdiction and Venue. The parties hereto agree that any suit, action, or proceeding with respect to this Loan Agreement may only be brought in or entered by, as the case may be, (a) the courts of the Commonwealth of Kentucky situated in Lexington, Fayette County, Kentucky, and the parties hereby submit to the jurisdiction of such court for the purpose of any such suit, action, proceeding, or judgment and waive any other preferential jurisdiction by reason of domicile. The parties hereby irrevocably waive any objection that they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or related to this Loan Agreement and the Loan Documents to which Borrower is a party brought in the Courts of the Commonwealth of Kentucky situated in Lexington, Fayette County, Kentucky and also hereby irrevocably waive any claim that any such suit, action, or proceeding brought in any one of the above-described courts has been brought in an inconvenient forum.

8.7 Complete Agreement. This Loan Agreement and the other instruments referred to herein contain the entire agreement of the parties pertaining to its subject matter and supersede all prior written and oral agreements pertaining hereto.

8.8 Assignments or Modifications. The Borrower may not assign its rights under this Loan Agreement to any other party without the prior written consent of the LFUCG, which consent shall not be unreasonably withheld or delayed. This Loan Agreement may be modified only in a writing executed by LFUCG and the Borrower.

8.9 Severability. If any part, term, or provision of this Loan Agreement is held by any court to be unenforceable or prohibited by any law applicable to this Loan Agreement, the rights and obligations of the parties shall be construed and enforced with that part, term, or provision limited so as to make it enforceable to the greatest extent allowed by law, or, if it is totally unenforceable, as if this Loan Agreement did not contain that particular part, term, or provision.

SECTION 9 Notices

Any notice required or permitted to be given under this Loan Agreement shall be in writing and shall be deemed sufficiently given for all purposes if sent by registered mail, postage pre-paid and return receipt requested, or by electronic mail, in each case addressed to the intended recipient (a) as follows:

If to LFUCG: Chief Development Officer
Lexington-Fayette Urban County Government
200 East Main Street
Lexington, KY 40507
ATTN: Kevin Atkins

If to the Borrower: **Fusioncorp, LLC**
602 S Broadway
Lexington, KY 40508

or (b) such other address which any party hereto may specify by written notice to the other party in accordance with the terms of this Section 10, including electronic mail addresses as designated from time to time. Any registered mail notice shall be deemed effective as of three (3) business days after the mailing date of said notice.

SECTION 10
Survival of Covenants, Agreements,
Warranties, and Representations

All covenants, agreements, warranties, and representations made by the Borrower herein shall survive the making of the Incentive and the execution and delivery of the Loan Documents.

SECTION 11
Fees and Expenses;
Costs of Enforcement

If any Event of Default shall occur under the Loan Documents, the Borrower shall pay to LFUCG, to the extent allowable by applicable law, such amounts as shall be sufficient to reimburse LFUCG fully for all of its costs and expenses incurred in enforcing its rights and remedies under the Loan Documents, including without limitation LFUCG's reasonable legal fees and court costs. Such amounts shall be deemed evidenced by and secured by all the Loan Documents.

SECTION 12
Miscellaneous Provisions

12.1 **Term of Incentive Agreement.** The term of this Loan Agreement shall commence as of the Activation Period , and continue until the first date on which the Loan and all accrued interest thereon shall have been paid in full and the Borrower shall have paid or performed all its other obligations hereunder.

12.2 Incorporation by Reference. All exhibits, schedules, annexes, or other attachments to this Loan Agreement are incorporated into this Loan Agreement as if set out in full in the first place that reference is made thereto.

12.3 Multiple Counterparts. This Loan Agreement may be signed by each party upon a separate copy, and in such case one counterpart of this Loan Agreement shall consist of a sufficient number of such copies to reflect the signature of each party.


12.4 Waivers by the Borrower. The Borrower hereby waives, to the extent permitted by applicable law, (a) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, and notices of dishonor in connection with; and, (b) any requirement of diligence or promptness on the part of LFUCG in enforcement of its rights under the provisions of the Loan Documents.

IN WITNESS WHEREOF, the Lexington-Fayette Urban County Government and the Borrower have executed this Loan Agreement as of the day, month and year first above written.

**LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT**


By: _____
Printed Name: Jim Gray
Title: Mayor

COMPANY:


Fusioncorp, LLC
By:  _____
Printed Name: Michael Baer
Title: President

ATTEST:

Council Clerk



Michael Baer
As personal guarantor for
Fusioncorp, LLC



Daniel Boone
As personal guarantor for
Fusioncorp, LLC

Justin Burnette
As personal guarantor for
Fusioncorp, LLC

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF Fayette)

The foregoing Certificate was sworn to, subscribed and acknowledged before me on this 3rd day of September, 2017 by Michael Baer of **Fusioncorp, LLC**, for and on behalf of said company, which is registered to do business in Kentucky.

Juanne R. Reichard #556458
Notary Public
My commission expires: 5/9/2020

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF Fayette)

The foregoing Incentive Agreement was subscribed, sworn to and acknowledged before me by Michael Baer, individually and as a guarantor, this the 3rd day of Sept., 2017.

Juanne R. Reichard #556458
Notary Public
My commission expires: 5/9/2020

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF Fayette)

The foregoing Incentive Agreement was subscribed, sworn to and acknowledged before me by Daniel Boone, individually and as a guarantor, this the 13th day of Sept., 2017.

Juanne R. Reichard #556458
Notary Public
My commission expires: 5/9/2020

COMMONWEALTH OF KENTUCKY)

COUNTY OF Fayette)

The foregoing Incentive Agreement was subscribed, sworn to and acknowledged before me by Justin Burnette, individually and as a guarantor, this the 13th day of Sept., 2017.

Suzanne R. Reichard #55,458
Notary Public

My commission expires: 5/9/2020

EXHIBIT A

Activation Certificate

The undersigned, Michael Baer, in his/her capacity as President of Fusioncorp, LLC, a Kentucky Corporation which is registered to do business in Kentucky (the "Borrower") hereby certifies that:

1. The Project at 602 S Broadway, Lexington, KY 40508 in Fayette County, Kentucky, the expansion of which was facilitated in part by a Loan from the Lexington-Fayette Urban County Government (the "LFUCG") in the amount of two hundred and fifty thousand dollars and zero cents (\$250,000.00) is and shall continue to be occupied by the Company.
2. The Company will hire a total of eight (8) new permanent full-time jobs, as provided in the Loan Agreement entered by the Borrower, the Guarantors, and the LFUCG and has hired at least one (1) new permanent full-time employee at the time of execution of this Activation Certificate.
3. The company requests an initial disbursement of one hundred thousand dollars and zero cents (\$100,000.00) for expenses listed in the application.

IN WITNESS THEREOF, the undersigned has executed this certificate in his/her capacity as President of Fusioncorp, LLC, a Kentucky corporation which is registered to do business in Kentucky on this 12th day of September, 2017.

Fusioncorp, LLC

By: [Signature]
Printed Name: Michael Baer
Title: President

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF Fayette)

The foregoing Certificate was sworn to, subscribed and acknowledged before me on this 13th day of September, 2017, by Michael Baer of Fusioncorp, LLC, a Kentucky Corporation for and on behalf of said company, which is registered to do business in Kentucky.

[Signature] #556458
Notary Public
My commission expires: 5/9/2020

EXHIBIT C

PROMISSORY NOTE

Borrower: Fusioncorp, LLC, of 602 S Broadway, Lexington, KY 40508
(the "Borrower")

LFUCG: Lexington-Fayette Urban County Government of 200 E. Main
St, Lexington, KY, 40507 (the "LFUCG")

Principal Amount: \$250,000.00 USD

1. FOR VALUE RECEIVED, the Borrower promises to repay to the LFUCG the principal loaned to the Borrower pursuant to the terms of the Loan Agreement entered into by the parties on September 12th, 2017, (the "Loan Agreement"), up to the maximum sum of \$250,000.00 USD, plus interests, costs, and fees as provided herein.
2. Interest will be assessed at a rate of TWO AND TWELVE HUNDREDTHS (2.12%) of the outstanding principal per annum. However, should an Event of Default occur under the terms of the Loan Agreement, interest in an amount of twelve percentage points (12%) per annum may be assessed at the sole discretion of LFUCG.
3. Should an Event of Default occur under the terms of the Loan Agreement, the LFUCG shall have the right, in its sole discretion, to declare the entire remaining amount of the principal and interest immediately due and payable. In the case of the Borrower's default and the acceleration of the amount due by the LFUCG all amounts outstanding under this Note will bear interest of 12 percent per annum from the date of demand until paid.
4. At any time while not in default under this Note or the Incentive Agreement, the Borrower may pay the outstanding balance then owing under this Note, together with accrued interest thereon, to the LFUCG without further bonus or penalty.
5. All costs, expenses, and expenditures, including and without limitation the complete legal costs incurred by the LFUCG in enforcing this Note or the Incentive Agreement as a result of any default by the Borrower, will be added to the principal then outstanding and will immediately be paid by the Borrower.
6. If any term, covenant, condition, or provision of this Note is held by a court of competent jurisdiction to be invalid, void, or unenforceable, it is the parties' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Note will in no way be affected, impaired, or invalidated as a result.

7. This Note will be construed in accordance with and governed by the laws of the Commonwealth of Kentucky.
8. This Note will ensure to the benefit of and be binding upon the respective heirs, executors, administrators, successors, and assigns of the Borrower and the LFUCG. The Borrower waives presentment for payment, notice of non-payment, protest, and notice of protest.

IN WITNESS THEREOF, the undersigned has executed this certificate in his/her capacity as President & Co-Owner of Fusioncorp LLC, a Kentucky Limited Liability Company, on this 12th day of September 12th, 2017.

Fusioncorp LLC

By: 


Printed Name: Michael Baer

Title: President

COMMONWEALTH OF KENTUCKY)

COUNTY OF FAYETTE)

The foregoing Certificate was sworn to, subscribed and acknowledged before me on this 13th day of September, 2017 by Michael Baer of Fusioncorp LLC, for and on behalf of said company, which is registered to do business in Kentucky.

 #556458
Notary Public

My commission expires: 5/9/2020

EXHIBIT D

GUARANTY AGREEMENT

This is a personal guaranty by Michael Baer, whose mailing address is 357 Masterson Station Dr Lexington, KY 40511, Daniel Boone, whose mailing address is 109 Briarwood rd, Versailles KY 40383, and Justin Burnette whose mailing address is 205 Twin Shores Court, Lexington, KY 40515, (collectively the "Guarantors") running in favor of the Lexington-Fayette Urban County Government ("LFUCG") as security for the funds provided to Fusioncorp, LLC (the "Company") by LFUCG pursuant to the Incentive Agreement entered into by and between the Company and LFUCG on or about September 12th, 2017.

WHEREAS, the Company which is authorized to do business in the Commonwealth of Kentucky, and has a mailing address of 602 S Broadway, Lexington, Kentucky 40508 desires to transact business with and to obtain funding low interest loan from the LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, an urban county government of the Commonwealth of Kentucky created pursuant to KRS chapter 67A, whose mailing address is Lexington-Fayette Urban County Government, c/o Kevin Atkins, 200 East Main Street, Lexington, Kentucky 40507 ("LFUCG" or the "Government"), under the terms of the Loan Agreement dated September 12th, 2017 by and among LFUCG, the Company, and the Guarantors (the "Loan Agreement"), and as further evidenced by a promissory note in the principal amount of Two Hundred Fifty Thousand and NO/100 Dollars (\$250,000.00) (the "Note"); and

WHEREAS, LFUCG is unwilling to provide the subject loan unless the undersigned Guarantors shall absolutely, unconditionally, and jointly and severally guaranty to LFUCG the payment and performance of the obligations of the Company as set forth in the Loan Agreement and the Note.

NOW, THEREFORE, in consideration of the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Guarantors, and to induce LFUCG from time to time, in its discretion, to extend or continue credit to the Company under the Loan Agreement, and acknowledging that LFUCG, in extending such credit, shall rely on this Guaranty, Guarantors hereby for themselves and their respective heirs and assigns, personal representatives, successors (including, without limitation, by operation of law) and assigns, absolutely and unconditionally guarantee to LFUCG, as evidenced by the documents entered in connection with the Loan Agreement and Note ("Company's Documents") as if the terms and conditions of the Company's Documents have been restated herein in length, the prompt payment when due and at all times thereafter of any and all indebtedness and liabilities of the Company of every kind, nature, and character (including all renewals, extensions and modifications thereof, and whether created directly by LFUCG or acquired by assignment or otherwise, whether joint or several,

whether matured or unmatured, and whether absolute or contingent) to LFUCG under the Note, Incentive Agreement and other Company's Documents, including interest thereon as provided therein, reasonable attorneys' fees, and costs and expenses of collection incurred by LFUCG (all of which existing and future indebtedness of the Company to LFUCG are hereinafter collectively referred to as the "Obligations").

1. The maximum liability of the Guarantors under this Guaranty shall not exceed in the aggregate Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00), plus all accrued but unpaid interest, reasonable attorney's fees, and costs and expenses of collection of the Obligations.
2. This guaranty is an unconditional, absolute, and continuing guaranty and shall remain in full force and effect irrespective of any interruption of business relations between the Company and LFUCG.
3. Anything contained in this Guaranty Agreement to the contrary notwithstanding, this Guaranty Agreement shall terminate upon the payment in full of the Obligations.
4. LFUCG shall have the right of immediate recourse against Guarantors for full and immediate payment of the Obligations at any time after the Obligations, or any part thereof, have not been paid in full according to the tenor and under the terms of the instrument governing such Obligations, whether on demand, at fixed maturity, or maturity accelerated by reason of a default.
5. The Guarantors' liability under this Guaranty Agreement shall be direct and immediate, and not conditional or contingent upon the pursuit of any remedies against the Company, any other Guarantor, or any other person, nor against any security or liens available to the holder of the Note for payment. If the Note is partially paid through LFUCG's election to pursue any of its remedies, or if the Note is otherwise partially paid, Guarantors shall remain liable for the entire unpaid principal balance of, and all accrued but unpaid interest on the Note and for the other Obligations.
6. This is a guaranty of payment, not of collection, and Guarantors therefore agree that LFUCG shall not be obligated prior to seeking recourse against or receiving payment from Guarantors, to any of the following (although LFCUG may do so, in whole or in part, at its sole option), all of which are hereby unconditionally waived by Guarantors:

a. Take any steps whatsoever to collect from the Company or to file any claim of any kind against the Company;

b. Take any steps whatsoever to accept, perfect LFUCG's interest in, foreclose, realize on or deal in any manner with collateral security, if any, for the payment of the Obligations, or any other guaranty of the Obligations; or

c. In any other respect exercise any diligence whatever in collecting or attempting to collect any of the Obligations by any means. The liability of Guarantors for payment of the Obligations shall be absolute, and unconditional, and nothing whatsoever except actual full payment to LFUCG of all the Obligations shall operate to discharge Guarantors' liability hereunder. Accordingly, Guarantors unconditionally and irrevocably waive each and every defense which, under principles of guarantee or suretyship law, would otherwise operate to impair or diminish the liability of Guarantors.

7. Without limiting the generality of the foregoing, Guarantors agree that none of the following shall diminish or impair the liability of Guarantors in any respect (all of which may be done without notice to Guarantors of any kind):

a. Any extension, modification, indulgence, compromise, settlement or variation of the terms of any of the Obligations, or of any agreement entered into with Guarantors or any other person liable for any part of the Obligations;

b. The voluntary or involuntary discharge or release of any of the Obligations, or of any Guarantors or other person liable therefore, by reason of bankruptcy or insolvency laws or otherwise;

c. The acceptance or release, with or without substitution, by LFUCG of any collateral security or other guaranty, or collateral security for such other guaranty, or any exchange, settlement, compromise or extension with respect to any collateral security, other guaranty or collateral security for such other guaranty;

d. The application or allocation by LFUCG of payments, collections or credits on any portion of the Obligations regardless of what portion of the Obligations remains unpaid;

e. The creation of any new Obligations covered by this guaranty or renewal of any existing Obligations, or the amendment or modification of any provision or term of the Incentive Agreement, Note

or any other Company's Document, with or without notice to Guarantors;

f. The making of a demand, or absence of demand, for payment of the Obligations or giving, or failing to give, any notice of dishonor or protest or any other notice, including any notice regarding the disposition of any collateral acting as security for the incentive funding. Guarantors unconditionally waive:

i. Any subrogation of the rights of LFUCG against the Company, until all of the Obligations have been satisfied in full;

ii. Any acceptance of this guaranty; and

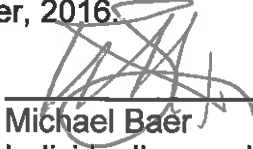
iii. Any set-offs of counterclaims against LFUCG which would impair LFUCG's rights against the Guarantor hereunder.

8. It is expressly understood and agreed that LFUCG shall have the right to select, in its absolute discretion, the portion of the Obligations to which this guaranty will apply, regardless of what portion of the Obligations remains unpaid; LFUCG may, at its sole option, release another Guarantor and may proceed against any Guarantor hereunder without impairing the liability of any other Guarantors of the Obligations or the right of contribution among the Guarantors. Guarantors consent to personal jurisdiction in any court in which enforcement of this guaranty may be sought.
9. No invalidity, irregularity or unenforceability of all or any part of the Obligations hereby guaranteed or of any security thereof shall affect, impair, or be a defense to this guaranty, and this guaranty is a joint and several, primary obligation of Guarantors.
10. Guarantors hereby grant to LFUCG a lien on and a continuing security interest in all instruments, documents, securities, cash, general intangibles, property, and the proceeds of any of the foregoing, owned by Guarantors or in which Guarantors have an interest, which now or hereafter are at any time in possession or control of LFUCG, or in transit by mail or carrier to or from LFUCG or in the possession of any third party on behalf of LFUCG, without regard to whether LFUCG received the same in pledge, for safekeeping, as agent for collection or transmission or otherwise, or whether LFUCG had conditionally released the same, all of which shall at all times constitute additional security for the Obligations of the Company and the obligations of Guarantors hereunder, and all of which may be applied at any time


without notice to the Company or to Guarantors to the Obligations of the company in such order as LFUCG may determine.

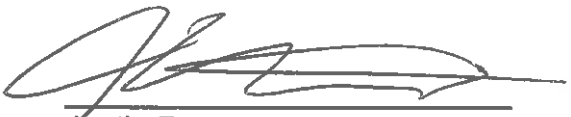
11. No amendment, modification, or waiver of this Guaranty Agreement shall be deemed to be made by LFUCG unless in writing signed by an authorized officer of LFUCG, and any such amendment, modification, or waiver shall be strictly construed. No waiver by LFUCG shall be construed or deemed to be a waiver of any other provision or condition of this guaranty or a waiver of a subsequent breach of the same provision or condition.
12. If any Guarantor is a corporation or limited liability company, such Guarantor warrants and represents to LFUCG that it is duly organized and existing under the laws of the state of incorporation or organization and is in good standing in every other state in which it does business, that the execution, delivery and performance of this guaranty are within its corporate or company powers, have been duly authorized, are not in contravention of law or the terms of its articles, bylaws or operating agreement, or of any indenture, agreement or undertaking to which it is a party or by which it is bound, and that the execution of this guaranty is in furtherance of the business purposes of such operation. The invalidity or unenforceability of any one or more provisions of this Guaranty Agreement shall not impair the validity and enforceability of all of the other provisions of this Guaranty Agreement.
13. This Guaranty Agreement, and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of the Commonwealth of Kentucky, and no defense given or allowed by the laws of any other state or country shall be interposed in any action hereon unless such defense is also given or allowed by the laws of the Commonwealth of Kentucky.
14. This Guaranty Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed on and the same Guaranty Agreement.

IN WITNESS WHEREOF, the undersigned Guarantors have executed this Guaranty Agreement, this 12th day of September, 2016.



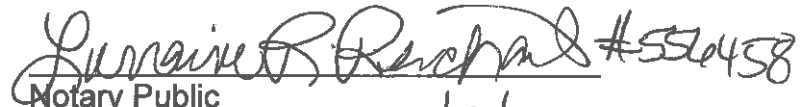
Michael Baer
Individually and as personal
Guarantor for Fusioncorp, LLC


Daniel Boone
Individually and as personal
Guarantor for Fusioncorp, LLC


Justin Burnette
Individually and as personal
Guarantor for Fusioncorp, LLC

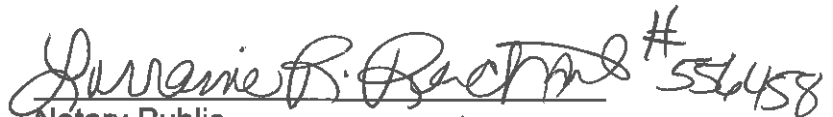
COMMONWEALTH OF KENTUCKY)
COUNTY OF Fayette)

The foregoing agreement was subscribed, sworn to and acknowledged before me on this 3rd day of Sept., 2016 by Michael Baer, individually and as a guarantor.

 #556458
Notary Public
My commission expires: 5/9/2020

COMMONWEALTH OF KENTUCKY)
COUNTY OF Fayette)

The foregoing agreement was subscribed, sworn to and acknowledged before me on this 12 day of Sept., 2017 by Daniel Boone, individually and as a guarantor.

 #556458
Notary Public
My commission expires: 5/9/2020

COMMONWEALTH OF KENTUCKY)
COUNTY OF Fayette)

The foregoing agreement was subscribed, sworn to and acknowledged before me on this 13 day of Sept, 2017 by Justin Burnette, individually and as a guarantor.

Suzanne R. Rector #556458

Notary Public

My commission expires: 5/9/2020

EXHIBIT D


Lexington-Fayette Urban County Government

JOBS Fund Compliance Report

Date: September 12, 2017	Report _____ of year _____
Company Name: Fusioncorp, LLC	Address: 602 S Broadway, Lexington, KY 40508
Project Location:	
Fund Program:	
Approved Length of Incentive (Years): 10	Approved Dollar Amount: \$250,000

Total Number of Jobs to be Created by the Agreement:	8	Median Hourly Wage: Mean Hourly Wage:	\$27/hr
Total Number of Jobs Currently Created by the Agreement:		Median Hourly Wage: Mean Hourly Wage:	
Total Number of Jobs Currently at Project Location:	6		
Total Payroll of New Jobs Created by the Agreement:	8		
Total Payroll:			

I, Michael Baer, hereby attest to the accuracy of the information provided above in accordance with the Loan Agreement and understand that the LFUCG retains the right to conduct an audit for purpose of verification.

Signature 	Title <i>President</i>
Print Name <i>Michael Baer</i>	Date <i>9/12/17</i>

Schedule 1 to Exhibit D

	<u>Employee Identification Name or Number</u>	<u>Employee Address</u>	<u>Date of Hire</u>	<u>Title</u>	<u>Hours Worked per Week</u>	<u>Annual Wage</u>
1.	Michael Baer	357 Masterson Station Dr, Lexington, KY 40511	9/11/17	President	40	\$100,000
2.	Justin Burnette	205 Twin Shores Court, Lexington, KY 40515	9/11/17	CTO	40	\$100,000
3.	Jacob Weyer	900 Literary Circle, Lexington, KY 40513	9/11/17	Lead Developer	40	\$60,000
4.	Adam Al-Dbhany	220 Briar Patch Lane, Frankfort, KY 40601	9/11/17	Developer	40	\$60,000
5.	Patrick Conrey	3499 Woodland Ave, Lexington, KY 40508	9/11/17	Developer	30 (then 40 in 6 weeks)	\$40,000
6.	Lynesy Jones	602 S MillSt, Lexington, KY 40508	9/11/17	Creative Director	40	\$62,100
7.	David Fatherree	4115 Eslmere Ave, Cincinnati, OH 45212	9/11/15	CSO	40	\$50,000 + Commission