



LEASE AGREEMENT

This Lease Agreement (the “Lease”) is made and entered into effective on the 1st day of _____, 20___, by and between the **City of Mason, Ohio**, an Ohio municipal corporation, 6000 Mason-Montgomery Road, Mason, Ohio 45040 (hereinafter referred to as “Lessor”) and **mDynamik, LLC**, an Ohio limited liability company, its successors, assigns or affiliated companies (hereinafter referred to as “Lessee”).

RECITALS:

- A. Lessor and Lessee have a mutual interest advocating Lessor as competitive and desirable environment for the location of high-growth startup technology companies consistent with Lessor’s economic development goals and strategies. Lessor envisions branding the City of Mason, Ohio as a technology hub to attract an eventual critical mass of small start-up companies locating in its corporation boundaries due to attractive resources, neighboring businesses, visibility, skilled workforce and community quality of life; and
- B. Lessee is committed to assisting with implementing steps toward the technology hub vision and intends to express such commitment by formalizing the location of their start-up company in the City of Mason, Ohio and looking for a long-term real estate location to grow, prosper and create jobs within the City of Mason; and
- C. Lessee’s investment in locating their business operations and jobs within the City of Mason, Ohio and commitment to technology and bio health sector business growth activities involving their company and the recruitment of others represents an estimated return on the Lessor’s investment of real estate through this Lease; and
- D. Lessor and Lessee desire to enter into this Lease to more fully define their rights and obligations with respect to the occupancy of the Property.

In consideration of the premises and mutual covenants and promises contained herein, the sufficiency of which is hereby acknowledged by the parties, the Lessor and the Lessee hereby agree as follows:

1. Real Estate. In consideration of the covenants and agreements hereinafter contained, Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the Property commonly known as: three office space rooms, other office open spaces, storage areas in their current “AS IS”

condition, and approximately one half of all common area (corridors and restroom) conference room together consisting of approximately 765 square feet, located on the first floor, and parking area at the Mason Municipal Center, 6000 Mason-Montgomery Road, Mason, Ohio 45040, which is more particularly identified in Exhibit A (Floor Plan) and Exhibit B (Tenant Parking) attached hereto and incorporated herein by reference (the "Property"). The Tenant Parking is not exclusively for the use of Lessee and shall be available for other outside uses and functions as needed. The lease of the Property shall be subject to all easements and conditions and restrictions of record. Lessee shall operate its business primarily based upon the identified normal business hours of Lessor and shall be entitled to occupancy outside of said business hours. Primary access for Lessee's employees to Lessee's offices shall be the side employee entrance near north parking lot identified in Exhibit B. All entrances shall be securely closed at all times. Lessee acknowledges that it has limited clients and customers visiting the Lessee's offices. As necessary, Lessee's clients and customers may use the employee entrance near the north parking lot to access the Lessee's office and shall be accompanied by an employee of the Lessee. At all times, Lessee's clients and customers shall park in the area identified in Exhibit B. Lessee acknowledges that the use of other of Lessor's rooms and spaces, including conference rooms, class rooms, and atrium space shall be coordinated through the Lessor and in accordance with Lessor's reservation procedures. Lessor and its Broker shall have the right to market, show, and lease the additional square feet and co-locate an additional Tenant in the remaining space in its sole discretion. Notwithstanding the foregoing, in the event that Broker brings an interested Tenant to Lessor, Lessee may have the first option to request in writing, within two (2) business days of such notification by Lessor, to acquire the remaining amount of square footage of the Property at the rental amounts stated herein and subject to all provisions of this Lease.

2. Term. Subject to the terms and conditions herein, the term of this Lease shall be for six (6) months effective on the 1st day of March 2012 and terminating on the 31st day of July, 2012, (the "Term"). An extension of the initial Term is outlined in paragraph 4 below. If Lessee remains in possession of the Property after the initial Term and first extended term, if any, Lessee shall be deemed to be a Tenant on a month-to-month basis only subject to all of the remaining terms and conditions of this Lease. In the event that Lessee has vacated the Property prior to the end of either the initial Term or the extended Term, and Lessee has not complied with either the provisions of paragraph 5 or 6 below, then Lessee shall pay to Lessor the Rent as defined in paragraph 3 and 15 (b) below, as applicable.

3. Rent and Security Deposit. The parties acknowledge that the retail market rate of rental of the Property is \$14.00 per square foot plus \$5.00 for operating expenses, for a total of \$19.00 per square foot (amount of rent due in the event of Lessee's failure to comply with paragraphs 5 and 6

is calculated and set forth in paragraph 15(b) below). Subject to the provisions of paragraph 5 below, during the Term, Lessee shall pay to Lessor semi-annual rent in arrears in the amount of \$3,060.00 (the "Rent"), which shall be deemed as the full rent owed so long as Lessee complies with the terms and conditions as set forth in paragraph 5 below, and as set forth in the Escrow Agreement, attached hereto as Exhibit C, which rent shall be due and payable at the end of the six month period in the semi-annual installment of \$3,060.00, which is a reduced rate of \$8.00 per square foot, for the initial Term and the Extended Term, if any. The Rent shall be payable by Lessee to Lessor on a bi-annual basis and in arrears on or before the end of each six month period. If the initial Term is extended pursuant to paragraph 4 below. All rent shall be paid to Lessor at the address specified in paragraph 18 below. If either Rent payment is more than five (5) days late, Lessee shall pay a late charge equal to five percent (5%) of the overdue Rent payment. Lessee shall pay the Rent when and as it becomes due, unless the Property is destroyed or rendered untenable by fire or other casualty in which event Lessee's obligation for further payment of Rent shall be controlled by paragraph 11 herein.

4. Extension of Term. The initial Term may be renewed for an additional six (6) month term terminating on January 31, 2013 (the "Extended Term"). For the Extended Term, if any, Lessee shall pay to Lessor rent in the amount of \$3,060.00 (the "Rent") which rent shall be due and payable on the last day of the Extended Term. Additional six month extension terms shall be allowable contingent on notice by the Tenant and agreement by the Landlord that this meets with city economic objectives. In the event that Lessee becomes a month to month tenant after a period of 12 consecutive months, rent shall be paid at the retail market rate of \$1,212 per month. Lessee shall exercise such renewal option for the Extended Term, if at all, by giving written notice to Lessor not less than thirty (30) days prior to the expiration of the initial Term.

5. Lease Reduction Opportunity. Lessor and Lessee shall meet, within 45 days of lease approval, to discuss, further define and approve the mutually agreed upon action steps to be taken for implementation of the opportunities set forth in items (a) through (c) below. The satisfactory compliance with these provisions shall be in the sole discretion of Lessor. It is understood and acknowledged that this Lease represents an investment in economic development by Lessor by providing a business location and return on that investment for the City of Mason, Ohio for a commitment to a high growth start up technology, as described in the attached Exhibit D (about mDynamik), to locate short and long term business and jobs in the City of Mason. In addition to the terms of paragraph 6 below, rent payments due, pursuant to paragraphs 3 and 4 above, shall be further reduced in the event that Lessee:

(a) Provides consulting on and conduct activities including branding and reputation, marketing collaboration within any mDynamik campaign to promote business attraction for technology companies like mDynamik to choose the City of Mason, Ohio.

(b) Explore the use of the new mDynamik technology within the wellness and healthcare industry and apply it to the needs and goals of the City of Mason. Find cost savings and value that can be applied to the economic model and City operations.

(c) Explore collaboration with other similar tech companies to increase exposure and opportunities to create critical mass of technology investment within the City of Mason.

6. Conditions of Lease Payment Forgiveness. The rent payments due, pursuant to paragraphs 3 and 4 above, shall be forgiven in full by Lessor, only in the event that Lessee, during the Term, or the Extended Term, if any, locates its business offices within the corporation boundaries of the City of Mason, Ohio, which boundaries are more particularly described in Exhibit E (Mason Corporation Boundary Limits), and continues business operations for a period of one to two years contingent upon employment objectives. Lessee shall provide Lessor, in the form of a fully executed lease agreement evidencing such lease of property within the Mason corporation boundary limits and within 30 days of providing the same to Lessor, shall receive a full refund of any rents paid to Lessor under the terms of this Lease. Should the Lessee present sufficient evidence of a two-year lease within the Mason corporate limits prior to the due date of the Term or Extended Term, then that payment will not be due to the Lessor under the terms of this Lease.

7. Taxes and Assessments. Lessor hereby covenants and agrees to pay any and all real estate taxes and assessments associated with the Property. For purposes of this Lease, the term real estate taxes and assessments shall mean any and all real estate taxes, assessments, license fees, excise fees, special assessments and other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen of any kind and nature whatsoever (including, but not limited to, assessments for public improvements or benefits), which may be levied or assessed for each calendar year during the Term of this Lease, against the land and improvements thereon comprising the Property or relating to the operation or use thereof.

8. Insurance.

(a) Lessor shall, at Lessor's sole cost and expense, keep insured all buildings, structures and improvements on the Property against loss or damage by fire, lightning, wind storm, explosion, damage from aircraft and vehicles, and smoke

damage as well as all other risks as are covered by the endorsement commonly referred to as extended coverage, plus vandalism and malicious mischief, insuring the building and improvements in an amount equal to the full insurable value of such Property.

- (b) Lessee shall name Lessor, and its respective officers, agents and employees, as additional insured for all risks, in an amount not less than One million and no/100 dollars (\$1,000,000.00) per occurrence, Two million and no/100 dollars (\$2,000,000.00) aggregate liability. Each policy shall be endorsed to provide a minimum of 10 days advance notice of cancellation to said additional insured. Lessee shall furnish a certificate of insurance to Lessor. Said coverage shall remain in force for the duration of this Agreement. Provided, however, Lessor may require increases in liability coverage to equal or exceed Lessor's own level of liability coverage, having regard for the circumstances. Lessor shall further have the right to approve the Carrier furnishing such coverage. Lessee shall provide Lessor with copies of proof that the Lessor is named as an insured.
- (c) Lessee shall, at Lessee's sole cost and expense, maintain insurance for Lessee's contents. Lessor shall not be responsible for any damages to Lessee's contents.
- (d) Lessor and Lessee agree that insurance carried or required to be carried by either of them against loss or damage to Property by fire, flood, earthquake, acts of terrorism, acts of war or other casualty shall contain a clause whereby the insurer waives its rights to subrogation against the other party, its elected officials, directors, employees, volunteers, and agents.

9. Use of Property. Lessee shall use and occupy the Property for business offices, subject to the terms and conditions of this Lease. Lessee shall, at its sole cost and expense, promptly comply with all applicable laws, ordinances and orders, rules, regulations and requirements of all governmental authorities pertaining to its use and occupancy of the Property and the buildings, improvements and equipment thereof. Lessee covenants and agrees that it will not use or permit to be used any part of the Property for any dangerous, noxious or offensive trade or business and will not cause or maintain any nuisance in, at or on the Property and the land upon which it is situated. Lessee shall not use the Property or permit the Property to be used in any manner which will result in an

increase in the rates of insurance thereon or which would endanger life or property. Lessee shall not commit or permit any waste of the Property. Lessee further agrees not to use or permit the Property to be used for any immoral or illegal purpose.

10. Repair and Maintenance. Lessee will, at all times and at its own expense and cost, keep the interior non-structural portions of the buildings and improvements on the Property in good condition and repair, reasonable wear and tear excepted. Lessor shall be responsible for exterior maintenance and structural portions of the buildings and improvements, HVAC, snow removal, janitorial needs and waste removal. Lessee shall not make any structural changes to the Property or any of its buildings without Lessor's express written consent.

11. Damage or Destruction.

- (a) Lessee is solely responsible for all tangible and intangible personal property, located on the Property, that belongs to Lessee or its agents, employees, licensees, or invitees.
- (b) In the event that any structure situated upon the Property is partially damaged or partially rendered untenable by fire, other casualty or unavoidable accident, Lessor shall proceed as promptly as practicable thereafter to restore such structure to its former condition and, during the period of such restoration, the Rent to be paid hereunder, shall be reduced in an amount, to be agreed upon by the parties, which shall reflect the extent to which Lessee, during the period of restoration, has been denied full access to and use of the Property. Notwithstanding the foregoing, in the event that the Property has been damaged and Lessor has determined that it will take longer than sixty (60) days in order to restore the Property to where it is suitable for use by the Lessee, Lessee shall have the option to terminate this Agreement and its obligations hereunder only as to Rent but not obligations in 5 and 6.
- (c) In the event that any structure upon the Property should be damaged or rendered untenable by fire, other casualty or unavoidable accident, to such an extent that Lessors do not wish to restore the Property to its former condition, but instead, elect to proceed to raze and remove the building or buildings from the Property, then either Lessor or Lessee may terminate this Lease. Upon such termination, neither party shall be liable for payment of termination fees,

damages or expenses, and Lessor and Lessee shall be relieved of any obligation hereunder. Any notice of Lessor or Lessee to terminate this Lease shall be by written notice given to the other party as soon as practicable after the damage or destruction, but in no event later than fifteen days after such damage or destruction.

- (d) Upon termination of this Agreement and occupancy for any reason, all unattached trade fixtures and alterations shall be removed from Lessor's Property and the interior of said Property shall be returned in substantially the same condition as existed as of the date of Lessee's occupancy, to the reasonable satisfaction of Lessor, all at the sole cost and expense of Lessee.

12. Additions or Improvements. Lessee agrees that all additions, fixtures, improvements and repairs made upon the Property by Lessee shall thereafter become the Property of Lessor unless it is mutually agreed that any equipment necessary to the conduct of Lessee's business which Lessee attaches to or installs in the building without the intention to make the same a permanent installation and which can be detached and removed without damage to the Property shall remain the sole property of Lessee and may be removed by it upon the termination of the Lease.

During the term of this agreement, primary city contact shall be Richard Fair, Service Director, 513.229.8520 or rfair@masonoh.org.

13. Lessor's Access to Property. Lessor shall be entitled to access to the Property at any reasonable time or times for the purpose of inspecting the condition thereof. Except in the case of emergency, Lessor shall provide Lessee notice of intent in the event that Lessor must enter the Property.

14. Quiet Enjoyment. Unless terminated as otherwise provided herein, Lessee, if it has not violated any of the terms and conditions of this Lease, shall lawfully, peacefully and quietly hold, occupy and enjoy the Property during the term hereof without any let, hindrance, ejection or molestation by Lessors or by any person or persons lawfully claiming under them.

15. Default. (a) If Lessee shall at any time default in the payment of any installment of Rent or any other payments due hereunder and such default shall continue for a period of ten (10) days upon Lessor's written notice or if Lessee defaults in the observance or performance of any of the other conditions or covenants contained in this lease and fails to correct any such default within thirty

(30) days of such written notice or if Lessee shall be declared a bankrupt or have a receiver or trustee appointed for it, then Lessee shall be deemed to be in default of this Lease. In the event of Lessee's default, Lessor, in addition to any remedies available to it at law or in equity, shall have the option at any time thereafter, without any demand or notice, to reenter the Property, with or without process of law and may expel, remove and eject Lessee and any other person occupying the Property, using such force as may be necessary in doing so, and may repossess and enjoy the Property and such reentry shall not result in a forfeiture of the Rent to be paid by Lessee or as a release of Lessee from any of the covenants or conditions of this Lease.

(b) In the event that Lessee fails to comply with the provisions of paragraphs 5 and 6 at the termination of the Lease, then Lessee shall be responsible for payment in full to Lessor of the full retail market value of \$19.00 per square foot, \$3,060 per month for the term of occupancy under this Lease.

16. Successors and Assigns. This Lease shall inure to the benefit of and be binding upon the parties, their successors and assigns.

17. Assignment and Subletting. Lessee shall not sublet or assign the Property or transfer or mortgage this Lease or any right or interest therein, without in each case receiving the prior written consent from the Lessor. Any transfer of this Lease from Lessee by merger, consolidation, liquidation or otherwise by operation of law shall constitute an assignment for the purpose of this Lease and shall require the written consent of Lessor which shall not be unreasonably withheld or delayed. It is anticipated that as Lessee grows its business, they may amend their business structure to a suitable taxable entity, in which event Lessor and Lessee will execute an Assignment and Assumption Agreement for the obligations contained herein.

18. Notice. Any notice by either party to the other shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified mail in a postage paid envelope addressed to each of the parties as follows:

LESSOR: Eric Hansen, City Manager City of Mason, Ohio
6000 Mason Montgomery Road
Mason, Ohio 45040

LESSEE: _____
mDynamik, LLC
6000 Mason Montgomery Road

Mason, Ohio 45040

19. Governing Law/Authority. This Lease shall be governed by, construed and enforced in accordance with the laws of the State of Ohio. **This Lease shall not be recorded.** Lessee hereby represents that it has the requisite authority to enter into this legally binding Lease.

20. Broker Commission. There is not a broker involved in this transaction.

21. Entire Agreement. This Lease and all Exhibits hereto contain the entire Agreement and understandings between the parties with respect to the subject matter hereof. There are no oral understandings, terms or conditions and neither party has relied upon any such representations, express or implied which are not contained in this Lease. All prior understandings, terms or conditions, including, but not limited to the Temporary Occupancy Agreement, as amended, are deemed merged in this Lease and of no further force or effect.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year first above written.

City of Mason, Ohio, Lessor

By: _____
Eric Hansen, City Manager

State of Ohio)
County of Warren) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 2012, by Eric Hansen, City Manager.

Notary Public
My Commission expires: _____

mDynamik , LLC

By: _____

State of Ohio)
County of Warren) SS:

The foregoing instrument was acknowledged before me this _____ day of _____,
by _____ of mDynamik, LLC., an Ohio limited liability, on behalf of the company, as
duly authorized.

Notary Public

My Commission expires: _____

APPROVED:

Jeffrey D. Forbes, Law Director

This instrument prepared by: Wood & Lamping, LLP.

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EXHIBIT D

About mDynamik

mDynamik leverages mobile and social technologies to improve health. The company is in development of their core consumer product offering due to be launched mid-summer 2012. Through these mobile applications, mDynamik is working to bring hospitals, providers and patients together with expected benefits from an engaging experience to support healthy behaviors.

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